The Efforts For Preparing Indonesian Labor To face Asean Economic Community(AEC) in 2015

by Eko Wahjudi

Submission date: 24-Jan-2023 09:16AM (UTC+0700)
Submission ID: 1998149560
File name: article_of_proceeding_ISAA.pdf (8.5M)
Word count: 7658
Character count: 42716

Proceeding International Conference: Social Studies In The Era Of AFTA 2015. Pascasarjana Unesa 13-14 December 2014 ISSN: 2407-604X Halaman 84-98

THE EFFORTS FOR PREPARING INDONESIAN LABOR TO FACE ASEAN ECONOMIC COMMUNITY (AEC) IN 2015

Eko Wahjudi
Economic Faculty, Universitas State of Surabaya

Abstract

ASEAN member countries have agreed to increase the stages in economic integration, namely the realization of the ASEAN Economic Community (AEC) which will take effect in 2015. One of the implications of AEC 2015 is a liberalization of the labor market in ASEAN countries, especially for skilled workers (skilled labor). Many people were concerned that the AEC 2015 will be more adversely affected to Indonesian workers. It was associated with a variety of data which shows the low quality of Indonesian human resources relative to other ASEAN countries. There were some indications that can be noted, first, Indonesia's Human Development Index was the lowest compared to other ASEAN, such as Singapore, Brunei, Malaysia, Thailand and the Philippines. Second, Indonesia's labor force was still dominated by primary school graduates down (44.14%), while university graduates (S1 / S2 / S3) were only 8.85%. Third, Indonesia's balance of trade in services continuously in deficit recent years. Fourth, the general competitiveness of Indonesian human resources in some service sectors (such as engineers, architects, and doctors) were relatively low compared to other ASEAN countries, both in quantity and quality. Therefore, efforts to increase the competitiveness of Indonesian workers are absolutely necessary so that Indonesia can be a positive benefit from the liberalization of the labor market in ASEAN. One of the main pillars of human development was through education. Increased levels of formal education workforce will directly impact on improving the quality of labor. In addition. Indonesia has laid the basis for the development of human resources through standardization of competence, which was reinforced by the enactment of Law 13 of labor, was the basis for developing competency-based human resources through education and training, which was followed by Government Regulation 31 of 2006 on the National Vocational Training System. In this arranged on three pillars of human resource development, namely (1) the standard of competence, (2) competency-based training and (3) the certification of competence. Efforts to improve the quality of human resources intensively carried out, among others, through the application of competency standards, competency-based training and certification of competencies was expected to improve the competitiveness of Indonesian workers in the ASEAN countries, so that the positive benefits of the implementation of the AEC 2015 will be felt by the labor Indonesia.

Keywords: ASEAN Economic Community, labor, efforts to prepare

Introduction

The early stages of economic integration within the ASEAN countries started with the implementation of the ASEAN free trade area (AFTA) since 2002. The practice of the ASEAN free trade area was done by eliminating trade barriers in both tariff and non-tariff, so that the flow of goods and services freely across borders between member countries.

In the process, there has been a consensus among ASEAN member countries to improve the stages in economic integration, namely the realization of the ASEAN Economic

Community (AEC) which will be applied in 2015. The establishment of the ASEAN Economic Community (AEC) has several objectives, namely maintaining political stability and the ASEAN regional security, improve the overall competitiveness of the region on the world market, and promote economic growth, reduce poverty and improve the living standard of the ASEAN member countries.

AEC 2015 will make ASEAN into a single market and production-based single which occurs flow of goods, services, investment, capital and skilled labor freely among the ASEAN countries. One implication of AEC 2015 was a liberalization of the labor market in ASEAN countries, especially for skilled workers (skilled labor). Openness in the labor market on the one hand will provide opportunities, but on the other hand can also pose a threat to Indonesia. Opportunities are created through the elimination / reduction of barriers for Indonesian migrant workers (skilled labor) to be able to work in ASEAN countries other, so expect more and more workers who work in other ASEAN countries. This will improve the welfare of workers and also can reduce the level of unemployment in Indonesia. However, for ease of labor (skilled labor) from other ASEAN countries to be able to enter the labor market in Indonesia will also pose a threat associated with increasing competition in the labor market between the Indonesian labor and foreign labor. Indonesia's ability to take advantage of opportunities and avoid threats from the liberalization of the labor market was highly dependent on the quality of Indonesian human resources.

The main problem faced by Indonesia was the low quality of human resources relative to other ASEAN countries, as reflected in the Human Development Index (HDI). According to the UNDP report of 2013, Indonesia was ranked 121 in the Human Development Index, the HDI value of 0.629. Singapore has the highest HDI among ASEAN countries with 0.895 and ranked number 18. Brunei has HDI 0.855 and was ranked 30, Malaysia has HDI 0.769 with 64 rankings, Thailand and the Philippines each was ranked 103 and 114, with HDI 0.690 and 0.654. (UNDP, 2013).

Therefore, the challenges faced by Indonesia in the face of the AEC in 2015 was how the effort to prepare the Indonesian labor so competitive and can take advantage of the liberalization of the labor market in ASEAN countries. Competitive ability of Indonesian workers should be improved either formally or informally. Increasing the competitiveness of the labor force should be done by improving the quality of Indonesian migrant workers so as to fill the vacancy in both the domestic and intra-ASEAN countries, to prevent the flood of skilled labor from outside Indonesia, which entered into Indonesia.

The process of establishment of the ASEAN Economic Community (AEC)

ASEAN economic cooperation began with the ratification of the Bangkok Declaration 1967 which aims to accelerate economic growth, social progress and cultural development. In the dynamics of development, ASEAN economic cooperation aimed at the establishment the ASEAN Economic Community (ASEAN Economic Community) whose implementation runs faster relative to the cooperation in the political-security and socio-cultural.

Starting at the 2st ASEAN Summit dated December 15, 1997 in Kuala Lumpur, Malaysia, with the approval of the ASEAN Vision 2020, the ASEAN heads of state emphasized that ASEAN will: (1) creating the ASEAN economic region that was stable, prosperous and has high competitiveness which was marked with the flow of goods, services, and investment which more freely, flow capital which more freely, equitable economic velopment and reduce poverty and socio-economic disparities, (ii) accelerate the liberalization of trade in services, and (iii) increase the movement of professional and other services freely in the region. Furthermore, in the next couple of Summit (Summit 6th and

7th), the ASEAN leaders agreed on various measures which aim was to realize the vision. (Ministry of Trade, 2009)

After the economic crisis that hit the Southeast Asian region, the ASEAN heads of state at the 9th ASEAN Summit in Bali, Indonesia in 2003, agreed to establish the ASEAN Community (ASEAN Community) in the field of political security (ASEAN Political-Security Community), economy (ASEAN Economic Community), and socio-cultural (ASEAN Socio-culture Community) was known as the Bali Concord II. For the establishment of the ASEAN Economic Community (AEC) in 2015, ASEAN agreed the implementation was directed to the regional economic integration refers to the implementation of the ASEAN Economic Community (AEC) Blueprint.

AEC Blueprint as a guideline for ASEAN member countries in realizing the 2015 AEC. AEC Blueprint contains four main pillars, namely: (1) ASEAN as a single market and single production-based, supported by elements of the free flow of goods, services, investment, educated workforce and freer flow of capital, (2) ASEAN as a region with high economic competitiveness, with elements of competition rules, consumer protection, intellectual property rights, infrastructure development, taxation, and e-commerse, (3) ASEAN as a regional with elements of equitable economic development with development of small and medium enterprises, and the initiative for ASEAN integration for CMLV countries (Cambodia, Myanmar, Laos and Vietnam), and (4) ASEAN as a region fully integrated into the global economy with elements of a coherent approach in economic relations outside the region, and increase participation in global production networks. (Ministry of Trade, 2009)

Service Sector Liberalization in ASEAN

The 13st ASEAN Summit in November 2007 agreed on the adoption of the ASEAN Economic Community Blueprint (AEC Blueprint) as a document of a comprehensive plan to guide the realization of the ASEAN Security Community in 2015. The document states that ASEAN will not only be a single market (single market), but also a single production base which requires the flow of factors of production are free, including capital and skilled labor.

In an effort to support the liberalization of the services sector, particularly related to traffic or movement of skilled labor, ASEAN member countries signed the MRA (Mutual Recognition Agreement) on 19 November 2007. The MRA has become an absolute thing that was done to support the liberalization of the services sector was based on justice / fairness. In this regard, there are a number of the nature of the MRA. First, the country of destination or the recipient country recognizes the professional qualifications and training the charge obtained from the sending country or the country of origin of skilled labor. Secondly, the origin country was given the authority to certify the qualification and training by providing a diploma or certificate. Third, recognition was not automatic. There was a process for setting standards and other requirements applicable both in the recipient country or country of origin. In other words MRA does not directly provide the right to exercise a profession. Recognition does not guarantee that there will be a market access. This gives an indication of the problems at the regional level. However, MRA was an important first step to promote the movement of skilled labor. As far as can be observed, the achievements of ASEAN in terms of the MRA was good enough. At least this time has agreed 8 MRA and MRA Framework, namely (1) technical services: (2) architects; (3) maintenance services; (4) a medical practitioner; (5) dental practitioner / dentist; (6) accounting services; (7) surveying, and (8) tourism professionals. Schedule time deal for each sector as shown in Table 1.

Proceeding International Conference: Social Studies In The Era Of AFTA 2015. Pascasarjana Unesa 13-14 December 2014 ISSN: 2407-604X Halaman 84-98

Table 1
Agreements of Mutual Recognition Arrangement and Mutual Recognition Arrangement Framework

Number	Sector	Information	Agreed Time
1	Engineering services	MRA	December 2005
2	Nursing Services	MRA	December 2006
3	Architectural Services	MRA	November 2007
4	Surveying Qualifications	MRA Framework	November 2007
5	Medical practicioners	MRA	February 2009
6	Dental practicioners	MRA	February 2009
7	Accountancy Services	MRA Framework	February 2009
8	Tourism Professionals	MRA	January 2009

Source: Makmur Keliat, et al, 2013

In addition to the MRA as the main reference in ensuring the mobility of skilled labor, the ASEAN Framework Agreement on Trade in Services (Article 5 of the domestic regulations on qualifications and Article 6 of recognition on qualifications), and AEC Blueprint clearly regulate the freedom of mobility of skilled labor in ASEAN. However, Yue (2013) noted that there were several other factors that can affect the mobility of skilled labor flexibility, namely: 1) a large disparity between wages and employment; 2) the geographical proximity and socio-cultural environment and language; 3) education sector development disparities between countries in ASEAN and; 4) factors applicable policies in each member state.

Furthermore, as an effort to maximize the implementation of the liberalization of the services sector which has been agreed in the AEC, ASEAN move quickly with the approval of the ASEAN Agreement on the Movement of Natural Persons (MNP) which was signed in November 2012. This agreement guarantees the rights and additional rules that have been arranged in AFAS (ASEAN Framework Agreement on Trade in Services) about MNP and also facilitates MNP in the running of trade in services and investment. However, this agreement as well as provide protection to the integrity of the ASEAN member countries and the limits of the protection of domestic workers and workers may remain in the ASEAN member countries.

Another important thing to note was that the foreign policy, including the Indonesian agreement on agreements to liberalize the services sector, not only negotiation were at one level. The government not only negotiate with other ASEAN member countries, but also with his own people. In the study of international relations, Robert Putnam since long ago already warned that diplomacy was a "two-level game." There were interests in the country which should be consulted in the implementation of the liberalization of the services sector in Indonesia. (Makmur Keliat, et al, 2013)

Many people still doubt that the liberalization of the ASEAN services sector in line with the implementation of AEC 2015 will benefit Indonesia, especially the Indonesian workers. The service sector actors who were members of professional associations in general expressed their concern that the liberalization of the services sector would be materially and adversely affected actors in the domestic service sector.

This concern was not without reason. If we look at the balance of trade in services, Indonesia continues to experience large deficits. The import value of our services approximately twice that of our services exports, so that we achieve a deficit of more than 10 billion USD. This deficit occurs consistently through 2012, as seen from Table 2.

Table 2
Indonesian Balance of Trade in Services, 2008-2012 (in million USD)

Service Type	2008	2009	2010	2011	2012
A. Transportation Service	-11.094	-4.083	-6.007	-8.693	-8.679
B. Travel Services	1.823	282	563	1.742	1.553
C. Communication Services	320	578	579	644	374
D. Construction Services	-83	-213	-72	54	231
E. Insurance Services	-663	-1.298	1.131	-1.267	-1.072
F. Financial Services	-37	-227	-118	-174	-297
G. Computer and Information Services	-536	-516	-471	-508	-523
H. Royalties and License Benefits	-1.300	-1.492	-1.557	-1.709	-1.742
I. Other Business Services	-1.645	-2.998	-1.147	-704	-109
J. Personal, Cultural & Recreation Services	-49	-51	-29	-53	-71
K. . Government Services	264	277	65	37	5
Service Sector	**-12.998**	**-9.741**	**-9.324**	**-10.663**	**-10.331**

Source: Report of Bank Indonesia and the Ministry of Foreign Affairs, 2013

Pessimism on the implementation of the AEC in 2015, among others, due to the low quality of Indonesian human resources. Based on BPS data, the number of Indonesian labor force by February 2014 had reached 125.3 million or an increase of 1.7 million compared to February 2013. However, the labor force was still dominated by primary school graduates and below that reached 55.31 million or 44.14%; followed by junior high school graduates as much as 25.95 million or 20.71%; high school as much as 18.91 million or 15.09%; secondary vocational schools as much as 10.91 million or 8.71%; Diploma I / II / III as much as 3.13 million or 2.5% and university (S1/S2/S3) as much as 11.09 million or 8.85%. (Koran Sindo, May 6, 2014). The data provide a clear picture of the low quality of Indonesian labor associated with education level attained. This will give a bleak picture of the competitiveness of Indonesian workers in the face of the AEC in 2015.

Readiness of Indonesian human resources in Some Service Sectors

1. Indonesian engineer services

One indicator in determining the problems of engineers in Indonesia was the fulfillment of engineers in the country with see the growth of engineering graduates produced by Indonesia each year. Root of the problem was the technical education in Indonesia as a whole. In Singapore and Malaysia, universities that produce engineering graduates have largely ABET international standard, while in Indonesia, there was only one college that has obtained the certificate of the ABET accredited college namely Bandung Institute of Technology and it was only in the department of electrical engineering only, not to all areas in the ITB. This has been a big chore for engineering education providers in Indonesia as well as related educational ministries in the preparation of curriculum and competency standards of engineering education in universities in Indonesia.

In addition, the duration of the implementation of technical education in Indonesia, which was only four years also contributed to the low quality of graduates produced.

Overseas, the minimum duration of the engineering graduates program was a five-year. But it was trying to 'tricked' by making an additional one-year graduate program for undergraduate engineering profession so that the duration of the existing requirements in other countries were met, but the problem was that not all engineering degrees take these professional programs. This was the reason why the implementation of technical education in Indonesia was not as good as neighboring countries.

Meanwhile, if you talk about the quantity in terms of meeting the needs of engineers in the country, Indonesia was still a shortage of engineers. Data obtained from Indonesian Engineers Association (Persatuan Insinyur Indonesia/PII) mention that undergraduate engineering population in Indonesia compared to Malaysia adrift far enough. See Table 3.

Table 3
Number of engineering graduates 2008 in some countries

Country	number of engineering graduates	Number of Population (million)	number of engineering graduates per 1 million population
1. Brazil	593,000	194.2	3,053
2. China	7,657,000	1,336.3	5,730
3. India	4,010,000	1,186.2	3,380
4. Indonesia	603,000	225.7	2,671
5. Korea	1,225,000	48.4	25,309
6. Malaysia	90,000	27.0	3,333
7. Thailand	265,000	64.3	4,121
8. Vietnam	799,775	88.5	9,037

Source: Indonesian Engineers Association (Persatuan Insinyur Indonesia/PII), 2012

From the table it was clear that in terms of the ratio of the population in Indonesia engineers per 1 million populations in 2008 was still very small compared to Vietnam, Malaysia, or Thailand. According to the Chairman of PII, Bobby Umar, currently around 1.2 million Indonesian shortages of engineers. Ideally, Indonesia has 2 million engineers; while currently only meet 600-700ribu alone. This was caused partly because of the growth in Indonesian engineers per year was also not as high as countries like Malaysia, Thailand, and Vietnam.

In Indonesia, the annual increase in engineers per 1 million population was only about 164 alone, while in Malaysia per 1 million population could produce 367 undergraduate engineering. Thus meeting the needs of engineers in Indonesia quantity was very limited. If projected in coming years, the need for engineers in Indonesia will increase but compliance would likely decline. Indonesian Engineers Association was projecting that by 2030 if there was no change in education policy to encourage the growth of rapidly engineering degree, then annually Indonesia shortage of about 15,000 engineers and the shortfall will be filled by foreign workers.

The low growth per year engineering degree in Indonesia one of them due to lack of inputs that go. This could have been intentional because of limited resources engineering education teachers so that the arguments maintaining the quality of education, engineering students were also limited absorption, or indeed appeal engineering faculty at universities in Indonesia decreased. Declining appeal for admission to engineering faculty suspected to have

two reasons, first, the lack of challenge to innovate or technological development, and secondly, because there was no respect for the engineers to work in the fields of engineering, so many engineers who work outside the field that was involved in college. The data above was an analysis of the quantity on meeting the needs of engineers in Indonesia in the coming years.

When viewed in terms of quality, the limited number of teachers in colleges who completed doctoral level education to also be one of the problems. There were several reasons why number of S3 scholars in the field of engineering in Indonesia was not many; first, because of the lack of higher education that organizes a doctoral program; second, the high cost incurred for doctoral education; Third, the lack of facilities that exist in the country to hold the doctoral program. With the limited number of doctoral scholars were also indirectly impact on the lack of research and development conducted in Indonesia. With the lack of research and development, technology development also means less running and at least innovation, which adversely affects the patented technology. All this led to the low competitiveness of engineers in Indonesia compared with other countries in ASEAN.

Government's policy on the management of the engineering field also seems to be a problem in itself. For example, the government has issued Law No. 4 of 2009 on Mineral and Coal, where in the law requiring companies to mineral and coal to make the smelter in Indonesia by 2014. However, many companies were not doing that, as Freeport mine in Papua. More specifically, the government does not provide for public education in the area of mineral and coal companies and government policy mistake was to sell the minerals taken from Indonesian soil without being treated beforehand so obtained was simply the raw value without any added value. It was also a problem that spreads to other things. Due to the absence of government regulation to process the minerals or coal or mines in Indonesia, it was also limited employment opportunities for engineers. Finally, non-technical fields became an attraction for engineering degrees.

In the field of engineering sector infrastructure, the current condition was inadequate and as has been noted previously that one of the pull factor for the equivalent of high school graduates not to get into the school of engineering was the lack of facilities and infrastructure. In the Master Plan for the Acceleration of Indonesian Economic Growth (Master Plan Percepatan Pertumbuhan Ekonomi Indonesia/MP3EI), investment in infrastructure as a whole will be valued at 2,226 trillion from 2011 to 2025. The current infrastructure conditions in the field of engineering lacking especially in the field of research and development, also in technology mastered. The growing demands of technology upgrades in the possession of such technology to be utilized in the development of infrastructure.

2. Indonesian Architect Services

The architect was a person who designs building and provide implementation advice and simultaneously act as supervisor and executive of building. The essence of the architect was to design or redesign. Services of an architect or also called construction services contribute in the distribution of employment in services sector.

Referring to the Indonesian balance of trade in services in 2008-2012, construction contributed a sizeable surplus value was approximately US $ 231 million in 2012. The value of construction put services ranks third in contributing surplus after the travel services and communication services occupy positions 1 and 2 were respectively. Thus, this architecture services sector has economic and strategic value in the Indonesian economy.

Perpetrators of architectural services were incorporated in the Indonesian Architects Association of (Ikatan Arsitek Indonesia/IAI) which was established on 17th September 1959. IAI has a link with the same professional associations at the regional level, called the Architects Regional Council of Asia (ARCASIA) and ASEAN Association Planning and

Housing (APPH). While at the international level were called by the Union Internationale des Architectes (UIA). At the domestic level, IAI joined as a member of Construction Services Development Board (Lembaga Pengembangan Jasa Konstruksi/LPJK) and the Forum of the Association of Construction Services profession. IAI together with LPJK do Cerfication of competence and skill of the architect.

In terms of quality, Indonesian architecture service sector can be said to have a pretty good competitiveness. This was supported by the education system and a well-structured hierarchy which then clarify the classification and qualification of architecture. Based on the national classification, experts consisting of 40 sub-classifications including Architects. While the classification of skilled labor has diverse positions / jobs. The national qualifications, skilled personnel consisting of technicians / foremen / artisan. While the national qualification for experts divided into three main categories: expert, intermediate and young experts. The classification associated with ASEAN, divided into 2 categories, namely for the services of architects called ASEAN Architect (AA), whereas for engineers called ASEAN Chartered Professional Engineer (ACPE).

As related to the quantity of architect experts, can be said to be still inadequate. Referring to the number of members of the Indonesian Architects Association (IAI) was only 14 842 people. This amount includes the already full duty / dead / inactive. The IAI members were certified and can practice independently only 2965, which spread into various classifications. For main architect as many as 152, associate architect 1,503 and 1,310 young architects.

As for the level of ASEAN Architects (AA), there were only 45 people, while Singapore with a population that was less than Indonesia has 30 AA standard experts. Therefore, with a large population, need policies that encourage Indonesian AA continues to grow, especially with the free market in ASEAN.

The low number of Indonesian AA also influenced by the educational system that establishes four years as an undergraduate student study period, whereas in ASEAN architecture graduate at least 5 years. Therefore, it takes an additional 1 (one) year for the profession of education in accordance with the duration of the applicable at regional / international.

The number of engineering graduates per 1 million population in Indonesia lowest than any other country. Indonesia has only 2,671 engineering gradeates per 1 million population. Even Vietnam has more engineers was about 9.037 engineering gradeates. As for East Asia, Korea has a level number of engineering graduates were very adequate (25,309 engineering graduates). This course was supported by a strong government role in formulating the direction of development engineers in Korea.

Architectural services sector was one sector that has adequate policy tools than some other sectors such as nursing services. These include rules regarding the qualifications architecture was well defined. For example, as illustrated in the above classification and qualification has been made such that the level of education and the profession can be understood clearly.

Associated with the duration of the study period were not in accordance with the requirements at the international level, government regulation was needed to make adjustments, by seeking coordination between Ministry of Education and Indonesian Architects Association (IAI) as the institution responsible for the certification process. The low number of Indonesian AA related partly due to the difficulty of encouraging architects certified to be AA. It would be more effective if the certificate area / national can be equated with the AA. Within the scope of this proposal active role of the government was required to carry out lobbying and negotiations at the regional level.

To support the competitiveness of the professionals in the architecture service sector required main supporting infrastructure namely adequate educational facilities including the addition of architectural education institutions. In addition, it was also necessary to review the distribution of the existence of the educational institutions, so that all regions possess an equal opportunity to get the education services of an architect. Increasing the number of educational institutions will increase the number of bachelor's architects generated. However it was important to stay on the quality rather than the pursuit of the target quantity. Quality was the most important factor to be able to compete in the ASEAN and global markets.

3. Indonesian Medical Practitioner Services / Doctor

Medical practitioner services sector was one of the health services sector were also increasing trend needs. Noted, the need for doctors around the world were expected to continue to increase to 14 percent. In Indonesia. the number of requests of doctors from abroad were expected to continue to rise until 2160 specialists and 600 general practitioners in 2025.

Table 4
Demand Estimates of Foreign Indonesian Doctors

Number	Health Workers	2014	2019	2025
1	Specialist Doctors	1440	1800	2160
2	General Doctors	400	500	600
	Total	**1840**	**2300**	**2760**

Source: Makmur Keliat, et al, 2013

The data in table 4 indicates that the greater the level of needs and market opportunities that can be exploited with this trend in both ASEAN and global levels. In ASEAN, this effort was formalized through MRA physician services that have been signed in 2009. However, it was noted that a mixed response to this agreement. Positively groups for seeing that the free market provide a stimulus to improve competitiveness. While the group did not agree based on two reasons. First, there was a gap between the need and availability of doctors in Indonesia. Thus domestic needs should be a priority.

Table 5
Needs and Shortage Hospital Medical Staff in Government and Local Government 2010

Year	Specialist Doctors		General Doctors	
	Needs	Shortage	Needs	Shortage
2014	8,626	1,792	4,183	-
2019	18,109	10,561	7,299	3,639
2025	23,422	8,029	10,284	4,080

Source: Makmur Keliat, et al, 2013

Second, as the nursing services that were part of health services and medical practices/doctors need to be protected as a matter of state resistance. Thus, health services was not the business sector and should not be traded. Moreover, given the competence of Indonesian doctors who were not familiar with international certification, the liberalization of services that require competence and international qualifications will only complicate Indonesian doctors. The liberalization of health services, especially doctors, it was not an easy job. It was very possible implementation be delayed. Even now in the business of health and medical education curriculum equation was still in the exploratory stage. The physician practices across the ASEAN countries still tinged debate and have not found a consensus among ASEAN members themselves. Thus it took considerable time to prepare everything that can be maximized. In other regions such as Europe, it took 15 to 20 years to discuss the practice of foreign doctors.

Based on data from the Center for International Trade of Thailand (2012), the quality of Indonesian professional medical practitioners (doctors) was placed on medium quality and had to compete with the Philippines and Vietnam. The situation was exactly the situation faced by the nursing profession. In addition, the OECD report states that the ratio between the number of doctors and nurses in Indonesia was still far behind other countries. The ratio of physicians to population stands at 0.3 for every 1,000 residents. Far behind Singapore ratio (1.7), Malaysia (1.2), and the Philippines (1.1). The same report also presented by the Higher Education Research report on Image Availability and Needs Power Doctor where research data also show the ratio of specialist doctors in Indonesia was still low compared to other states of the ASEAN countries. Singapore and the Philippines have ratios above 100, while the other countries the range between 20 until 80. Indonesia has recorded the smallest ratio was 8.14.

Table 6
Ratio of Specialist Doctors in ASEAN countries

Number	Negara	Ratio of Specialist Doctors 100.000 Population
1	Singapore	180
2	Philippines	120
3	Brunei	> 80
4	Malaysia	> 60
5	Vietnam	> 40
6	Myanmar	> 20
7	Cambodia	> 20
8	Laos	20
9	Thailand	20
10	Indonesia	8,14

Source: Ministry of Foreign Affairs, 2013

Based on Indicators of Healthy Indonesia 2010, the ideal ratio was 40 physicians per 100,000 population. While the report notes that a general practitioner who was registered in the Indonesian Medical Council until 2010, as many as 73 585 doctors. This means that the availability of general practitioners in Indonesia just sufficient 77.43% of the total needs of physicians.

It was important to be observed that in contrast to general practitioners, the number of specialists who registered up to 2010 reached 19 333 doctors with a 8.14 ratio of specialists

per 100,000 population. This ratio has exceeded the target of an ideal ratio based indicators Healthy Indonesia 2010 of 6 specialists per 100,000 population. Although the ratio has exceeded the target, the report noted problems uneven distribution of physicians as the next challenge. Recorded Java, Bali, Sumatra and Sulawesi were distribution centers general practitioners and specialists. However specialized Java, although nominally number of general practitioners in the majority of Java and Bali, but when compared to the population, the number of doctors in Java was still lower compared to other regions. Likewise in terms of higher education, Java dominates the distribution of higher education for all levels. Even for specialist education level 1, almost 75% were located in Java. It was of course also have an impact on the distribution of students and graduates who have certainly concentrated in Java.

Meanwhile, for the physician competency standards, the Indonesian Medical Council (Konsil Kedokteran Indonesia/KKI) has published standards of competence of doctors and medical education standards. This was the basis and reference both in education and care of a doctor. In terms of governance / regulatory, Medical Education Act was designed in 2011. Implementation of the Medical Act requires coordination between the Ministry of Health, Ministry of Education, KKI and other medical professional organizations. This law was expected to be the solution of Indonesia to equate competence with other ASEAN countries.

In addition, within the framework of harmonization of the rules in the ASEAN, the government needs to pay attention and referring health law, law of medical practice and health personnel Act. Without referring Law interrelated, comprehensive rules in an effort to maximize the benefits of the ASEAN market will be difficult to achieve. But really, Indonesia has liberalized medical services sector was quite loose. In Thailand, the government requires foreign doctors to master the local language. While in Indonesia from the business side of health, foreign companies can own shares up to 70%, even allowed to set up a hospital with conditions while still providing 25% quota for underprivileged patients.

Supporting infrastructure services sector medical practitioners / doctors most important to note was that a good education facilities related to the availability of human resources to strengthen teaching in the field of health / medicine, as well as the availability of medical technology. For human resources in the field of education, educational facilities and human resources were still concentrated in Java.

As in the case of technology, medical education in Indonesia can be said to be lagging behind Malaysia, the Philippines and Singapore, where the government to pay greater attention to the mastery of medical technology. Associated with this technology will require no small cost, while the government allocated only 2.2% of total health expenditure, far behind compared to Malaysia, Thailand, Philippines and even Vietnam which puts 6.6%. In addition, the budget allocation requires transparent and efficient and effective allocation.

Consequently, Indonesia was still oriented in the procurement of medical technology imports both high-tech and standardized, so that nearly 90% of medical equipment that circulated in Indonesia still have to be imported from abroad. Even the carrying value of medical equipment market to reach 7 trillion. The lack of funding for technological mastery, indicating the lack of government attention to the control of the service sector and not the doctor considers this sector as a strategic sector and vital in the affairs of state resistance.

Proceeding International Conference: Social Studies In The Era Of AFTA 2015. Pascasarjana Unesa 13-14 December 2014 ISSN: 2407-604X Halaman 84-98

Table 7
Allocation of Health Care Financing In Some Countries

Indicator	Indonesia	Philippines	Thailand	Malaysia	Cambodia	Vietnam
Total health expenditure (THE) as % of GDP	2.2	3.3	3.5	4.3	6	6.6
General government expenditure on health as % of THE	50	40	64	45	26	32
Private expenditure on health as % of THE	50	60	36	55	74	68

Source: Ministry of Foreign Affairs, 2013

Conclution

Implementation of the ASEAN Economic Community (AEC) in 2015 and the liberalization of the services sector to be one important element in it was expected to drive the growth of the services sector and provide benefits to the Indonesian economy. However, many people doubt that the liberalization of the services sector in ASEAN line with AEC 2015 will benefit Indonesia, especially the Indonesian workers. The perpetrators of the services sector was generally considered that the liberalization of the services sector would be materially and adversely affected actors in the domestic service sector.

Concerns about the negative impact of the implementation of the AEC in 2015, among others associated with Indonesia's balance of trade in services continuously in deficit in recent years. Indonesian services import value around twice that of exports of services, resulting in a deficit of more than 10 billion USD. This deficit was consistent until 2012.

Services trade deficit due to the low quality of Indonesian human resources. The number of Indonesian labor force was still dominated by primary school graduates down the 55.31 million or 44.14%; followed by junior high school graduates as much as 25.95 million or 20.71%; high school as much as 18.91 million or 15.09%; secondary vocational schools as much as 10.91 million or 8.71%; Diploma I / II / III as much as 3.13 million or 2.5% and university (S1 / S2 / S3) as much as 11.09 million or 8.85%. The data provide a clear picture of the low quality of Indonesian labor associated with education level attained.

In addition, the general competitiveness of Indonesian human resources in some service sectors (such as engineers, architects, and doctors) were relatively low compared with other countries, both in quantity and quality. This condition was a bleak picture of the position of Indonesian labor competitiveness relative to other ASEAN countries and lead to pessimism in the face of the AEC in 2015.

Therefore, efforts to increase the competitiveness of Indonesian workers were absolutely necessary so that Indonesia can be a positive benefit from the liberalization of the labor market in ASEAN. One of the main pillars of human development was through education. Increased levels of formal education workforce will directly impact on improving

the quality of labor. Labor force was still dominated by primary school graduates down 44.14% which reached, in the coming period was expected to be shifted to secondary and upper education labor. Efforts to increase the level of formal education of Indonesian workers should continue to be made, although this will require considerable time.

In addition, Indonesia has laid the basis for the development of human resources through standardization of competence, which was reinforced by the enactment of Law 13 of labor was the basis for developing a competency-based human resources through education and training, which was followed by Government Regulation 31 of 2006 on the National Vocational Training System (Sistem Pelatihan Kerja Nasional/Sislatkernas). In sislatkernas arranged on three pillars of human resource development, namely (1) the standard of competence, (2) competency-based training and (3) the certification of competence.

Work competency standards was a breakdown of the knowledge, skills and attitudes of work that must be mastered by a person to be able to work effectively in the workplace according the requirements of the job. Inside Sislatkernas, there were three types standards of competence, namely the National Competence Indonesia (Standar Kompetensi Kerja Nasional Indonesia/SKKNI), Special Competence Standards and International Competency Standards. SKKNI prepared by a team consisting of representatives from professional associations, industry, experts from the world of education / training and the government formed by the technical institution builder, drafting SKKNI based on industry needs and real conditions.

SKKNI was the basis for the development of human resources, both in the supply of candidates for employment through education and training, and career development for work. SKKNI have equivalence and equality with competency standards that exist in other countries in order to be recognized by other countries. SKKNI development can be done by adopting international standards in order SKKNI competence can also be accepted and recognized by other countri

Human Resources Development pursued through three channels, namely education, training and career development in the workplace. In order to produce competent human resources, the education, especially professional education and training should be developed based on existing competency standards. Education and training process human resources becomes competent, where the cognitive, affective and psychomotor built and developed simultaneously. It was intended that the human resources master the aspects of knowledge, skills as well as appropriate to the work attitude competency standards that represent the needs of the industry or the job market. So the function of education and training institutions was to build human resource competencies appropriate existing competency standards (SKKNI, specific/international standards).

To support efforts to develop human resources, it is required competency certification. Under Government Regulation 23 of 2004, implementing competency certification is the National Board of Professional Certification (Badan Nasional Sertifikasi Profesi /BNSP). BNSP can give license to the Professional Certification Institute (Lembaga Sertifikasi Profesi/LSP). until recently the number of LSPs that have been licensed by 62 LSP including Banking LSP.

Competence certification for professional is the process of ensuring that a person has achieved competency based on existing standards of competence. The process can be done through the assessment process, one of them through a competency test, can also be assessed on evidence of achievement of competencies such as portfolios. Through this process, a person who was declared competent to be awarded in the form of Certificate of Competency. In developing the assessment should be based on existing standards of competence. Therefore, in developing a certification scheme, the LSP must involve professional

associations, training institutions and users so that the results were in accordance with existing standards of competence and according to the demands of the industry.

Efforts to improve the quality of human resources intensively, among others, through the application of competency standards, competency-based training and certification of competencies is expected to improve the competitiveness of Indonesian workers in the ASEAN countries, so that the positive benefits of the implementation of the AEC 2015 will be felt by the Indonesian labor.

REFERENCES

Achsani, Noer Azam, 2008, *Integrasi Ekonomi ASEAN-3: Antara Peluang dan Ancaman,* diunduh 16 Februari 2014, http://www.brighten.or.id.

Anonim, 2013, *"Bab III Peluang dan Tantangan Indonesia AEC 2015,* www.library.upnvj.ac.id, diakses tanggal 20 Maret 2013.

Badan Pengkajian dan Pengembangan Kebijakan, Kementerian Luar Negeri RI, 2008, *ASEAN Economic Community 2015: Tindaklanjut dan Kesiapan Indonesia Menuju Implementasi AEC 2015".*

Bank Indonesia (BI), 2009, *Outlook Ekonomi Indonesia 2008-2012. Integrasi Ekonomi ASEAN dan Prospek Perekonomian Nasional*, Jakarta

Bank Indonesia, 2008, *Outlook Ekonomi Indonesia 2008-2012, Integrasi Ekonomi ASEAN, dan Prospek Perekonomian Nasional,* Januari, Jakarta.

Bank Indonesia, 2011, *Statistik Investasi Indonesia,* Direktorat Perizinan dan Informasi Perbankan Bank Indonesia, Jakarta.

Budiono, 2013, "ASEAN Economic Community 2015 dan Manfaatnya Bagi Indonesia", *Buletin ISEI Surabaya,* Edisi Maret 2013, Surabaya.

Chia Siow Yue, 2013, 'Free Flow of Skilled Labor in the AEC', dalam Urata, S. dan M. Okabe (ed), *Toward a Competitive ASEAN Single Market: Sectoral Analysis*, (Jakarta: ERIA Research Project Report 2010-03), hal.221.

Dwisaputra, R., 2007, *Kerjasama Perdagangan Regional dalam Kerjasama Perdagangan Internasional : Peluang dan Tantangan Bagi Indonesia*, Bank Indonesia, Jakarta

Ibrahim, M.I. Permata, W.A. Wibowo, 2010, "Dampak Pelaksanaan ACFTA Terhadap Perdagangan Internasional Indonesia", *Buletin Ekonomi Moneter dan Perbankan*, Juli 2010 : 23-74.

ILO, 2007, *Labor and Social Trends in ASEAN 2007 : Integration, Challenges and Opportunities,* Geneva: International Labour Organization.

Kadin Indonesia, 2014, *Kesiapan Sektor Usaha Bidang Pertanian dalam Menghadapi AEC 2015,* Disampaikan pada PENAS Petani dan Nelayan XIV tanggal 10 Juni 2014 di Malang.

Kementerian Perdagangan RI, 2009, *Menuju ASEAN Economic Community 2015,* Jakarta.

Kementerian Perdagangan, 2010, *Perkembangan Masyarakat Ekonomi ASEAN.* Direktorat Jenderal Kerja Sama Perdagangan Internasional. www.asean.org/5187-10.pdf. Diunduh : 16 Juli 2012

Krugman, Paul R. and Maurice, Obstfeld, 2006, *International Economics: Theory and Policy*, Perason Addison-Wesley.

Makmur Keliat, Asra V., Shofwan A., dan Agus C.A., 2013, *Pemetaan Pekerja Terampil Indonesia dan Liberalisasi Jasa ASEAN*, Laporan Penelitian ASEAN Study Center UI Bekerjasama dengan Kementerian Luar Negeri RI, Jakarta

Mutakin F. dan A. R. Salam, 2009, "The Impact Of Asean-China Free Trade Agreement On Indonesian Trade", *Economic Review*, No. 218, December 2009.

Robert Putnam, 1988, "Diplomacy and Domestic Politics: The Logic of Two Level Games," *International Organization*, 42(3), 1988, hal. 427-460.

Salvatore, Dominick, 2008, *International Economics*, Prentice Hall, London.

Widyahartono, Bob, 2013, *Dari AFTA Menuju Komunitas Ekonomi ASEAN*, www.kompas.com, diakses 8 Maret 2013.

The Efforts For Preparing Indonesian Labor To face Asean Economic Community(AEC) in 2015

ORIGINALITY REPORT

18%	17%	2%	4%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	asc.fisipol.ugm.ac.id Internet Source	9%
2	dinamikahukum.fh.unsoed.ac.id Internet Source	2%
3	www.scirj.org Internet Source	1%
4	www.seaairweb.info Internet Source	1%
5	journal.perbanas.ac.id Internet Source	1%
6	Submitted to Universitas Bung Hatta Student Paper	1%
7	core.ac.uk Internet Source	1%
8	Submitted to RMIT University Student Paper	<1%
9	unstats.un.org Internet Source	<1%

10	ejournal.undip.ac.id Internet Source	<1 %
11	Submitted to Surabaya University Student Paper	<1 %
12	I Prabawati, Meirinawati, T AOktariyanda. "Competency-based training model for human resource management and development in public sector", Journal of Physics: Conference Series, 2018 Publication	<1 %
13	jurnal.abulyatama.ac.id Internet Source	<1 %
14	research.unived.ac.id Internet Source	<1 %
15	www.scribd.com Internet Source	<1 %
16	Submitted to Monash University Student Paper	<1 %
17	es.scribd.com Internet Source	<1 %
18	libertas.nusaputra.ac.id Internet Source	<1 %
19	www.igidr.ac.in Internet Source	<1 %
	fikom.mercubuana-yogya.ac.id	

20	Internet Source	<1%
21	anisahnisa15.blogspot.com Internet Source	<1%

Exclude quotes	On	Exclude matches	Off
Exclude bibliography	On		