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**Why do Indonesian Workers run away?
Policy Comparison between Jakarta and Taipei**

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WHY DO INDONESIAN WORKERS RUNAWAY? POLICY COMPARISON BETWEEN JAKARTA AND TAIPEI

ABSTRACT

As one of the most populous country in the world, Indonesia's predominance is sending its human resources overseas to work. Nevertheless, many Indonesian overseas workers encounter mistreatment during their work time which leads to several arising problems. On the other hand, Taiwan has become one of the preferred destination countries due to three reasons; higher salary, better living and working conditions, and low mistreatment cases compare to other destination countries. Nonetheless, foreign runaway worker is a major labor issue in Taiwan and Indonesian workers are accounted as the highest foreign runaway workers in Taiwan.

Previous researches have been conducted in analyzing the phenomenon of foreign runaway workers in Taiwan and most of them are addressing Taiwan's guest worker policy as the major reason. In addition, research on runaway Indonesian workers in particular is very limited as most of the existing researches focus on Filipinos workers.

Taking into account that foreign workers issue is a multi-faceted phenomenon which involves various actors, this paper acknowledges the roles and policies from both sending and destination states. Therefore this paper is aimed to deliver two arguments. First, Taiwan's guest worker policy has put excessive burden on Indonesian workers as Taiwan employs highly restrictive policy towards foreign workers. Second, Indonesia and Taiwan's ineffective cooperation is unable to address the existing runaway Indonesian workers issue as it emphasizes more on scratching the surface than dealing with the roots causes. These two variables have inadvertently contributed to the relatively high number of runaway Indonesian workers. In addition, this paper will also deliver a clear labor policy development in Indonesian and Taiwanese government to understand each institution's in-take related to labor issues. In order to provide comprehensive findings, this paper will conduct survey with the runaway Indonesian workers in Detention Center, interview with the experts dealing with such phenomenon, and analyze the current Indonesian and Taiwanese policies as well as cooperation in addressing particular issue.

Keywords: Foreign Workers, Runaway Indonesian Workers, Taiwan's Guest Worker Policy

The phenomenon of foreign workers stems as one of the consequences of international migration. As Stephen Castles argued that international migration is hardly a simple individual action¹, the phenomenon of foreign workers is indeed an inter-faceted phenomenon that involves various actors and aspects. From perspective of state, there are at least two states involve in managing particular phenomenon, namely sending and host states. Therefore in order to manage foreign workers issue, an effective cooperation between sending and host states is required.

Indonesia, as one of the most populous country, has its predominance by sending human resources overseas to work. This policy was initiated since the colonialism era but the Indonesian government started to manage professionally in 1970s. It was in accordance to the government's objective at that moment which was focusing on the economic development and the remittances sent by the Indonesian workers to their family abroad was perceived as an important contribution to Indonesia's foreign exchange. The destination countries choose by the Indonesian workers are quite varied but recently the East Asian countries receive more attention from the Indonesian government and workers due to geographically closer than Middle East and a more attractive offered salary.

According to the data from Taiwanese Council of Labor Affairs, there were 6,020 Indonesian workers in 1994 which sky-rocketed to 191,127 by the end of 2012. For this, Taiwan is the second destination for Indonesian workers by Indonesia's Ministry of Manpower by having 30,669 workers sent there in that year only. From the numbers, 84% were females who worked in

¹ Stephen Castles and Mark J. Miller, "Theories of Migration", in *Age of Migration: International Population Movements in the Modern World*, 4th ed, (New York: Palgrave Macmillan, 2009), p.20.

domestic sector as caregivers for elderly or children.² This affirms the fact that Indonesian workers have a good share labor market in Taiwan.

The number of Indonesian workers in Taiwan increases due to three reasons. First is among other destination countries, Taiwan offers the most attractive salary including for those who work in the domestic sector. For Asia-Pacific region only, the salary comparison is as follows:

Table 1. Salary Comparison of Indonesian Workers in Asia-Pacific in 2013

COUNTRY	CURRENCY	SALARY	EQUIVALENT
Singapore	Singapore Dollar	520	USD 416
Hong Kong	Hong Kong Dollar	4,010	USD 517
Taiwan	New Taiwan Dollar	19,047	USD 627

Source: BNP2TKI, "Penempatan dan Perlindungan Tenaga Kerja Indonesia Tahun 2013," 2013.

This number is even higher compared to wages offered in Malaysia and Saudi Arabia, which are 500 RM (US\$ 153) and 800 Riyal (US\$ 213) per month³ respectively.

Second the living situation in Taiwan is better than other destination countries as Taiwan's government protects the rights of workers and it is promulgated in Taiwan's Labor Act⁴. According to Chapter IV Article 30, the maximum working hour is eight hours a day or 84 hours every two weeks. The total number of overtime shall not exceed 46 hours per month as regulated on Article 32. Moreover, Article 36 stated that the worker shall have at least one regular off-day in every

² Bureau of Employment and Vocational Training, Council of Labor Affairs. Foreign Workers in Productive Industries and Social Welfare by Nationality. 2012.

³ Bank Indonesia, "Laporan Survei Nasional Pola Remitansi TKI," (Jakarta: Direktorat Statistik Ekonomi dan Moneter, 2009), p. v.

⁴ Ministry of Labor, Taiwan's Labor Standard Act 1984 as amended in 2013.

seven days. The suspension of leaves can only be occurred by the act of God, an accident or unexpected event requires continuances of work under the condition that the worker receives wages at double the regular rate as regulated on Article 40. Moreover, the employer also has to submit the report of leave suspension stating details and reasons of suspension within 24 hours to the local competent authorities. Therefore the working hours and off-day of Indonesian workers are guaranteed and protected by the Taiwan's government. In contrast, many Indonesian female workers in Saudi Arabia are not allowed to leave their employer's house due to the tradition and culture in Saudi Arabia where the women have to obey the order from men. Moreover according to Saudi Arabia Ministry of Labor, the domestic labor is obliged to respect the habits and traditions of the Saudi society, and not to engage in any activity that is damaging to the family⁵.

Lastly the mistreatment cases against Indonesian workers in Taiwan are lower compare to any other destination countries such as Saudi Arabia or Malaysia, particularly physical and sexual abused. Similarly, Ferry Yahya, Head of Indonesia Economic and Trade Office in 2010, acknowledged that there are some sexual and physical abuse cases against Indonesian workers in Taiwan but it is not the main issue⁶. Based on the data from National Agency for Placement and Protection of Indonesian Workers Overseas (BNP2TKI), there were 7.520 mistreatment cases faced by the Indonesian workers in Saudi Arabia during 2011 until 2013, 1.720 cases in Malaysia and 709 cases in Taiwan⁷. However the actual numbers of unreported cases are likely far higher.

⁵ "Domestic Labor Obligations", Ministry of Labor Kingdom of Saudi Arabia: 2014, accessed October 6, 2014 at 18.23, <http://www.musaned.gov.sa/en/DomesticWorkers/DomesticWorkerDuties>.

⁶ "*RI Workers in Taiwan Finds Solace on Aug 17*", Grraham Duncan: 2007, accessed December 19, 2013 at 16.31, <http://www.thejakartapost.com/news/2007/08/19/ri-workers-taiwan-find-solace-aug17.html>.

⁷ BNP2TKI, "Penempatan dan Perlindungan Tenaga Kerja Indonesia Tahun 2013," 2013, p. 49.

A higher salary, better living and working condition and low mistreatment cases in Taiwan are supposed to create a good working environment for the workers. Nevertheless Indonesian workers are accounted as the highest runaway foreign workers in Taiwan. According to National Immigration Agency, as per June 2014 there were 21,167 Indonesian workers were missing which made Indonesian workers as the highest runaway foreign workers in Taiwan. Table 2 below presents the total number of runaway foreign workers based on their nationalities according to Taiwan's authority.

Table 2. The Numbers of Runaway Foreign Workers in Taiwan Based on Nationality (2003-2013)

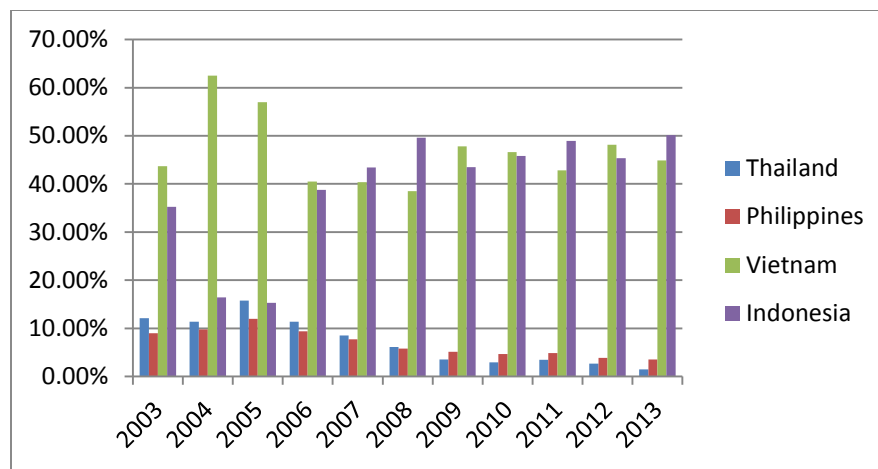
Year	Runaway Indonesian Workers	Runaway Filipinos Workers	Runaway Thais Workers	Runaway Vietnamese Workers
2003	3,411	873	1,171	4,233
2004	1,978	1,177	1,369	7,536
2005	1,973	1,543	2,040	7,363
2006	4,232	1,023	1,239	4,422
2007	4,870	867	959	4,529
2008	5,506	643	680	4,275
2009	4,672	552	381	5,138
2010	6,484	662	411	6,590
2011	7,984	790	561	6,985
2012	7,969	675	468	8,467
2013	9,759	685	289	8,738

Source: Taiwan's Ministry of Labor, "Runaway Status of Foreign Workers in Productive Industries and Social Welfare", 2014, data is compiled by the author.

Figure 1 below presents the comparison of number of runaway foreign workers based on nationality with the total of runaway foreign workers in Taiwan. Vietnamese and Indonesian workers are the top two countries that hold high numbers of runaway foreign workers in Taiwan. Vietnamese workers reached its peak in 2004 but slowly decreased and never exceeded 50% of total runaway foreign workers in Taiwan in the following years. Nevertheless, the trend of

Indonesian workers is the reversed of Vietnamese workers. In 2004, the number of runaway Indonesian workers was quite low but it kept increasing and reached its peak in 2013 which accounted for 50% of the total runaway foreign workers in Taiwan. When other foreign workers were able to diminish the number of runaway workers, Indonesian workers' number was skyrocketing.

Figure 1. Missing Foreign Workers in Taiwan Based on Nationality, 2003-2013



Source: Taiwan's Ministry of Labor, "Missing Status of Foreign Workers in Productive Industries and Social Welfare", 2014, data is compiled by the author.

Pursuant to the aforementioned, this article is aimed to answer: **“Why is the number of runaway Indonesian workers in Taiwan high despite the better working and living condition compare to any other destination countries?”**

Arising yet Underexplored Issue

Lan Pei-chia argues that Taiwan's government highly restrictive policy in managing foreign workers has put them in a marginal position. Currently, Taiwan's foreign workers' policy consists of three main mechanisms; (1) regulating the entry of migrant workers based on class basis-

differentiated system, (2) imposing health check, and (3) yielding the foreign workers under the employers' custody.⁸ First, the Taiwan's government differentiates the foreign workers into two types which are white collars or skilled and blue collars or unskilled. These classes affect the job category, duration of work, and procedure to hire foreign workers. The work permit application of white collars is approved on a case-by-case basis depending on the application's qualification and job category whereas for blue collars is regulated and adjusted by the Council of Labor Affairs (CLA) through a quota system based on the selected industries or occupations. Therefore blue collars are unable to extend their work permit freely. Since the blue collars are recruited on a contract basis, they are not eligible to apply permanent residence or citizenship. On the other hand, since the job application of white collars is not directly adjusted by the CLA, they are able to extend their work permit freely and apply for permanent residence after residing in Taiwan with legal jobs for a minimum of five consecutive years.⁹ In addition, blue collars in domestic sector can only work for one particular employer during their stay in Taiwan. Changing employer is possible but under tight regulations, i.e. the care recipient of a foreign worker dies or migrates to another country, if the workers are abused by the employer, or if the workers transferred illegally to different employer which is not included on the contract.

Second, the Taiwan's government imposes health check requirement which includes a chest X-ray, a blood test for syphilis, Type-B hepatitis surface-antigen test, a blood test for malaria, stool test for intestinal parasites, HIV-antibody test, urine test for amphetamines and morphine, and psychological evaluation.¹⁰ Nonetheless, white collars only have to undergo the health check when

⁸ Pei-Chia Lan, "Political and Social Geography of Marginal Insiders: Migrant Domestic Workers in Taiwan," *Asian and Pacific Migration Journal*, Vol. 12 (1-2), 2003, p. 104.

⁹ Ibid, Pei-Chia Lan, *op. cit.*, p. 106.

¹⁰ Tseng Yen-fen and Wang Hong-zen, "Governing Migrant Workers at a Distance: Managing the Temporary Status of Guestworkers in Taiwan", *International Migration*, Vol. 52 (4), 2011, p. 2.

they apply for a job whereas blue collars are required to undergo the health exam not only before entering Taiwan but regularly after their arrival.¹¹

Lastly, the Taiwanese employers have to pay a deposit for the hired foreign workers as an insurance bond and pay “employment security fee” monthly which put the foreign workers under the custody of their employers. For domestic foreign workers, most of their employment is conducted via Taiwanese agency therefore the placement fee is deducted from the foreign workers’ wages and is equivalent to five to fourteen months of workers’ wage. Moreover, since the Taiwanese agencies have significant role in Taiwan’s labor market, Taiwanese employers tend to follow their suggestion, including conducting surveillance on their employees regularly, e.g. holding their necessary documents such as passport or checking the worker’s activities during their off-day.

Despite highly restrictive policy regarding foreign workers, Taiwan’s government still experiences issue in managing foreign workers and runaway foreign workers is the most outstanding issue in Taiwan. As argued by Joseph S. Lee and Wang Su-wan , the number of runaway workers in Taiwan kept increasing every year and 70 percent of these cases could not be found by the police department.¹² Their status as illegal workers makes them even more vulnerable than they already are because they are not entitled any rights or protection. If the governments do not deal with the runaway foreign workers issue properly, it may lead to a more serious issue, namely human trafficking.

¹¹ Ibid, p. 10.

¹² Joseph S. Lee and Su-Wan Wang, “Recruiting and Managing Foreign Workers in Taiwan”, *Asian and Pacific Migration Journal*, Vol. 5 (2-3), 1996, p. 293-294.

Indeed many scholars have attempted to answer the enigma of runaway foreign workers in Taiwan. Joseph S. Lee argues that the limited two years contract and high referral fee are the main reasons for runaway foreign workers.¹³ The referral fee, which depends on the job and nationality of workers, is paid by the workers themselves and limited contract period makes it difficult for them to save certain amount of money before they return to their home country. As a matter of fact, economic reason is the major reason why foreign workers work in Taiwan. Therefore some foreign workers decide to run away when their contract comes close to expiry. Without paying the referral fee and receive higher wage in the illegal labor market provides better chance for the foreign workers to achieve their main objective. Furthermore, he argues that the saving accounts policy, which requires the employers to sign contract with their foreign workers for allowing the employers to deduct 30% of the workers' monthly salary for deposit and can only be withdrawn after the completion of contract, implemented by Taiwanese government in 1998 has been effective in reducing the number of runaway foreign workers.¹⁴

Another research specifically on Filipino runaway workers was conducted by Lan Pei-chia. She argues that the current guestworker policy has created a highly exploitative system of migrant labor management as the migrant workers lack of political and civil liberties.¹⁵ On the other hand, the Filipino runaway workers enjoy some '*free illegality*' in the underground economy such as arranging their work-schedule, choosing their own employers and negotiating on equal-footing position with the employers.¹⁶ In order to reduce the number of runaway workers, she suggests that

¹³ Joseph S. Lee, "The Role of Low-Skilled Foreign Workers in the Process of Taiwan's Economic Development", in *Migrant Workers in Pacific Asia*, ed. by Debrah A. Yaw, (London: Frank Cass Publishers, 2002), p. 57-59.

¹⁴ Ibid.

¹⁵ Pei-chia Lan, "Legal Servitude and Free Illegality: Migrant "Guest" Workers in Taiwan", in *Asian Diasporas: New Conceptions, New Frameworks*, ed. by Rhacel Parrenas and Lok Siu, (Stanford: Stanford University Press, 2007), p. 271-272.

¹⁶ Ibid, p. 265-269.

the government needs to establish alternative policy frameworks beyond the conventional arrangement, which tears down the dichotomy of citizens and aliens.¹⁷ As foreign workers contribute their labor and tax to the host country, they have to be able to enjoy substantial rights and welfares, including the rights to change jobs freely, extend residency, participate in civil politics, as well as have access to public education and social services.

In addition, recent research conducted by Indonesian Economic and Trade Office (IETO) in Taipei on Runaway Indonesian workers acknowledges the aforementioned variables as the extension reasons that cause foreign workers to run away. Nonetheless, they argue that those variables emerge due to incomprehensive information dissemination during the pre-placement phase.¹⁸ If the Indonesian workers are well-informed regarding their rights and obligations, job description, placement fees, as well as regulations on labor issue in Taiwan, particularly on the protection procedure, the number of Runaway Indonesian workers can be reduced. Further, the incomprehensive information dissemination has created false expectation among the Indonesian workers regarding their work environment. Therefore when the reality is not in accordance with their expectation, many Indonesian workers decide to run away from their employers.

Even though many scholars have attempted to conduct research to answer the enigma of foreign runaway workers, as one of the top two countries that has relatively high number of runaway workers in Taiwan, research on runaway Indonesian workers is still underexplored. Therefore this research is expected to complement previous studies in foreign runaway workers in Taiwan as well as being a leading frontier on runaway Indonesian workers issue particularly.

¹⁷ Ibid, p. 271-273.

¹⁸ Rangga Aditya and Anselma Faustina, "Fenomena "TKI Kaburan" di Taiwan: Sebuah Studi Eksplorasi", (Taipei: Indonesian Economic and Trade Office, 2014), p. 39-45.

Indonesian Workers: Heroes of Foreign Remittances

The history of Indonesian overseas workers could be traced back up to the era of colonialism. Both Dutch and British administration sent Indonesian workers to their colonial area in order to fulfill the labor shortage due to the abolishment of slavery in Africa.¹⁹ Nonetheless, the type of migration was forced migration as the Dutch decided the destination and job category for Indonesian workers. Moreover, there was no legal framework that guaranteed the rights and obligations of Indonesian workers. Therefore, they received similar treatment with slavery.

After Indonesia gained its independence, the newly government acknowledged the important role of Indonesian workers. Therefore they established the Ministry of Manpower in 1947.²⁰ However, the government's main objective was to conduct domestic development and enhance nationalism among Indonesian people after being colonialized for 3.5 centuries. Therefore there was no legal framework regulating or protecting Indonesian overseas workers. The role of the Ministry was emphasizing more on accommodating Indonesian workers in general as they were perceived as important actor in the movement of Indonesian people.

After the coup in 1967, the New Order regime under President Soeharto started to regulate Indonesian workers better. Their main objective was enhancing economic development and Indonesian workers were perceived as commodity to attract foreign investors due to the availability of cheap massive labors. On the other hand, the remittances sent by the Indonesian workers to their

¹⁹ BNP2TKI, "Sejarah Penempatan TKI Hingga BNP2TKI", <http://www.bnp2tki.go.id/frame/9003/Sejarah-Penempatan-TKI-Hingga-BNP2TKI>, accessed on July 10, 2015 at 14:11.

²⁰ BNP2TKI, op.cit.

family were considered as one of the major foreign exchanges for Indonesia's economy. They were even rewarded with the title as "heroes of foreign exchange" or "*pahlawan devisa*". Various laws and regulations were issued in order to facilitate the movement of Indonesian workers properly. Nonetheless, the New Order regime was more focusing on the placement instead of protection of Indonesian overseas workers. These policies were highly influenced with the dictatorship governing style of Presiden Soeharto.

When reformation occurred in 1998, the breakthrough on government's policies in several aspects emerged, including for Indonesian overseas workers. Starting by guaranteeing the liberal rights of Indonesian workers, i.e. to form or join labor union as well as express their opinion, the reformation administration continued to make progress on the protection of Indonesian overseas workers. In addition, many abusive cases that Indonesian overseas workers experienced have become the attention of Indonesian which escalated the demand of firm protection for Indonesian overseas workers. The first policy that the government released was providing insurance policy scheme for Indonesian overseas workers then continued releasing other protection policies, e.g. the establishment of institution and mechanism to anticipate the work discontinuance of migrant workers, along with the improvement in the placement of Indonesian overseas workers. The Law No. 39/2004 was issued and became the milestone in the policy of Indonesian overseas workers.

The progressive change in managing Indonesian overseas workers both in the placement and protection was also carried out in the after reformation era under Presiden Susilo Bambang Yudhoyono (SBY). He implemented the Law No. 39/2004 by issuing several regulations and decrees in order to complement the aforementioned law. The major breakthrough was the establishment of National Agency of Placement and Protection for the Indonesian Overseas Workers (*Badan Nasional Penempatan dan Perlindungan Tenaga Kerja Indonesia/TKI*) as the

executor of Ministry of Manpower and Transmigration's policies as well as to supervise the protection of Indonesian overseas workers. In addition of improving placement and protection mechanism, SBY's administration also attempted to improve the standard of Indonesian human resources by issuing several regulations focusing on the education and training for the Indonesian overseas worker candidates. Labor Attaché in Indonesia's embassies was established in order to strengthen the role of government in providing accessible protection for Indonesian overseas workers.

The above elaboration presents that the Indonesian government has attempted to improve their policies in regulating Indonesian overseas workers. Starting with no legal framework in managing Indonesian workers, the government then perceived Indonesian overseas workers as commodity only instead of human resources that needed protection. Nonetheless, after the reformation, the government has made progressive change in managing Indonesian overseas workers by emphasizing on the protection. Indonesian overseas workers are no longer perceived as commodity only but as human resources who have potential for Indonesia's economic development if they are maintained and protected properly. The main objective is to improve the skills and capability of Indonesian overseas workers as well as protect them. Table 2 below presents the progress of Indonesian government policies in labor issue.

Table 3. The Progress of Indonesian Government Labor Policy, 1947-2013

No.	Policy	Purpose	Classification
1.	Government Regulation No. 3/1947	Establishment of Ministry of Manpower with the main responsibility to manage labors related issues in Indonesia, particularly in domestic level.	General
2.	Government Regulation No. 4/1970	Establishment of Labor Movement between Regions (Angkatan Kerja Antar Daerah/AKAD) and Labor Movement	Placement (Indonesian overseas workers)

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		between Countries (Angkatan Kerja Antar Negeri/AKAN) program.	
3.	Government Regulation No. 5/1988	Regulated the overseas workers' placement specifically.	Placement (Indonesian overseas workers)
4.	Ministerial Decree No. 92/1998 (MOM)	The insurance scheme for the Indonesian overseas workers.	Protection (Indonesian overseas workers)
5.	Ministerial Decree No. 204/1999 (MOM)	Regulated the placement process of Indonesian overseas workers and replacing the Directorate of Indonesian Workers' Service Export with Directorate of Placement for Indonesian overseas workers.	Placement (Indonesian overseas workers)
6.	Presidential Decree No. 109/2001 and Ministerial Decree No.053/2001 (MOFA)	The establishment of Directorate of Protection for Indonesian (<i>Direktorat Perlindungan WNI</i>) and Indonesia's Legal Entities for Indonesian (<i>Badan Hukum Indonesia/BHI</i>) under Ministry of Foreign Affairs.	Protection (Indonesian overseas workers)
7.	Regulation of Ministry of Manpower No. 150/2000	Regulated the severance to anticipate the discontinuance work of migrant workers.	Protection (Indonesian overseas workers)
8.	Law No. 39/2004	The central national labor migration policy, particularly with the establishment of the Placement and Protection of Indonesian Overseas Workers	Placement and Protection (Indonesian overseas workers)
9.	Presidential Decree No. 81/2006	Establishment of National Agency of Placement and Protection for the Indonesian overseas workers (<i>Badan Nasional Penempatan dan Perlindungan Tenaga Kerja Indonesia/BNP2TKI</i>)	Placement and Protection (Indonesian overseas workers)
10.	Presidential Instruction No. 6/2006	Established the reform system on the placement and protection of Indonesian overseas workers.	Placement and Protection (Indonesian overseas workers)
11.	Ministerial Decree No. 18/2007	Emphasized the technical practice of placement and protection for Indonesian overseas workers.	Placement and Protection (Indonesian overseas workers)
12.	Ministry's Regulation No. PER 23/MEN/IX/2009	Emphasized education and training for Indonesian overseas workers in pre-placement.	Placement (Indonesian overseas workers)

13.	Ministerial Regulation No. 14/2010	The separation of responsibilities and duties between Ministry of Manpower and Transmigration and BNP2TKI.	Placement and protection (government's institution)
14.	Presidential Decree No. 64/2011	Regulated the medical and psychological check for the candidates of Indonesian migrant worker.	Placement (Indonesian overseas workers)
15.	Regulation No. 12/2011	Labor Attaché Overseas which places ministry staff in Indonesian embassies to assist Indonesian workers.	Protection (government's institution)
16.	Government Regulation No. 3/2013	Protection of Indonesian overseas workers which sets out a protection framework, clarifying the role of each government department prior to departure, during overseas placement, and upon return.	Protection (Indonesian overseas workers and government's institution)

Source: compiled by the author from various sources.

Foreign Workers in Taiwan: Desired Contract Workers, Rejected Permanent Settlement

Foreign workers have existed in Taiwan since early 1980s and most of them entered with tourist visa. No legal frameworks managed the foreign workers and their existence was barely recognized by the Taiwanese government. In addition, there was no policy regulating Taiwanese domestic workers due to the implementation of Martial Law.²¹ However, when the Martial Law was lifted in 1987 the Taiwanese government started to improve their labor policy both domestic and foreign labors.

Initially, the government was reluctant in legalizing the foreign workers in Taiwan. They feared that the existence of foreign workers would harm the homogeneity of Taiwanese society which was expressed by the then-president of Council of Labor Affairs (CLA), Chao Sho-Buo in

²¹ Jane Kaufman Winn, "There Are No Strikes in Taiwan: An Analysis of Labor Law in the Republic of China on Taiwan," *Maryland Journal of International Law*, Vol. 12 (1), 1987, p. 40.

his public speech.²² However, the local businessmen, especially in small-medium enterprises, urged the government to legalize foreign workers due to labor shortage as a consequence of improved education and work quality among Taiwanese people.²³ Many local people resent the dirty and dangerous work which foreign workers were willing to take.

The demand of foreign workers was escalating and made the government to officially legalize hiring foreign workers by issuing the Employment Service Act in May 1992. This policy was not only providing legal framework in hiring foreign workers but also protection framework for foreign workers against abusive employers. Nevertheless, the approval to import foreign workers, especially unskilled workers, was conducted gradually under tight control of CLA. The government emphasized the employment of foreign workers in construction sector for two reasons.²⁴ First is to support the construction under Six-Year National Development Plan, and second, the foreign workers were expected to return to their home country as soon as their work was completed. The Taiwanese government first approved the importation of foreign workers in six industries, particularly labor-intensive industry, i.e. textiles, basic metal industry, machinery and equipment, etc.

In addition to the gradually approval of importing foreign workers, the Taiwanese government also imposed high restrictions to employ foreign workers²⁵ as regulated on the Employment Service Act 1992. The job category for unskilled workers was based on the quota system adjusted by CLA, and the employers had to pay stabilization fee if they wished to hire

²² Ibid, Pei-Chia Lan, "Political and Social Geography of Marginal Insiders: Migrant Domestic Workers in Taiwan," op.cit., p. 103.

²³ Jonathan Moore, "Grist to the Mill: Taiwan Does Little to Stem Tide of Alien Workers", *Far Eastern Economic Review*, April 5, 1990, p.20.

²⁴ Dorothy S. Liu, "The 1992 Employment Service Act and The Influx of Foreign Workers in Taiwan", *Pacific Rim Law & Policy Journal*, Vol. 5 No. 3, 1996, p. 604-606.

²⁵ Ibid, p. 607-608.

foreign workers. The employers also had to advertise the job vacancy in local newspaper for three days before applying to hire foreign workers. The foreign workers were permitted to work for two years only and they were not allowed to get pregnant, married, apply for permanent residence, or bring their spouses or children during their work in Taiwan. These policies reflected that the foreign workers were perceived as temporary workers to overcome the issue of labor shortage.

Despite the high restrictive policy, still many foreign workers came to Taiwan and their role was increasing. They were not merely to fill the labor shortage but also to assist Taiwan's economic development. Their willingness to work with low wages and more flexibility, especially working overtime, has made the local businessmen favored foreign workers over local workers.²⁶ This condition fitted with the advanced industry which required cheap and massive labors. On the other hand, the local workers preferred to pursue higher education or better employment.

In order to adjust with the changing situation, the Taiwanese government revised some of their policies. The contract year of unskilled workers was extended to be three years and those who had good behavior were allowed to extend their work up to six years.²⁷ CLA also expanded the countries as the source of foreign workers. Nevertheless the quota system, stabilization fee and health check remained the same.

The above elaboration presents that Taiwanese government perceived foreign workers as commodity only who were meant to alleviate labor shortage. They desired the importation of foreign workers but rejected the idea of them as permanent settlement. Therefore they implement

²⁶ Joseph S. Lee, "The Role of Low-Skilled Foreign Workers in the Process of Taiwan's Economic Development", *op.cit.*, p. 43-50.

²⁷ Information Center for Labor Education (ICLE) for the East Asia Exchange Programme, *1997 Country Profile: Taiwan*, Hong Kong: Asia-Pacific Workers' Solidarity Links, September 1997, accessed from <http://home.pacific.net.hk/~amc/papers/AMY98TW.html> on March, 3rd, 2015 at 14:51. However, based on Employment Service Act 1992 as amended in 2013, the unskilled foreign workers are allowed to extend their contract up to 12 years.

restrictive policies since the beginning in order to prevent permanent settlement of foreign workers, particularly unskilled workers. Despite many improvements have been taken, the foreign workers are still perceived as alien. Table 3 below presents the progress of Taiwanese policy in admitting foreign workers legally.

Runaway Indonesian workers: Survey Result

In order to understand the issue of runaway workers comprehensively, the perspective of Runaway Indonesian workers has to be taken into account. The surveys were conducted to 91 respondents in Nantou Detention Center, Hsinchu Detention Center and Yilan Detention Center where the Runaway Indonesian workers are accommodated after they are captured or surrendered to the local authorities.

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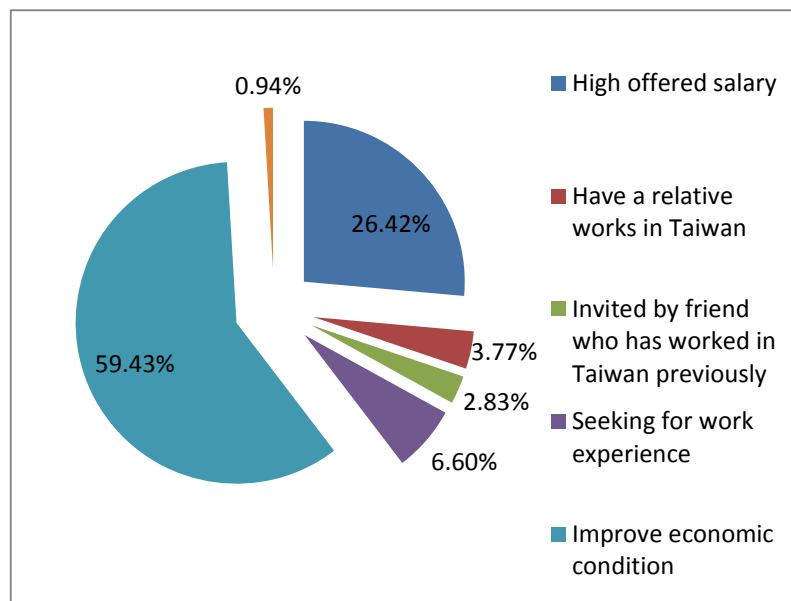
Table 4. The Progress of Foreign Workers Admission in Taiwan's Labor Market

No.	Effective Date	Major Policies	Requirements	Max. Quota (persons)
1.	12 Oct 1991	First Round (6 industries): construction; textiles; basic metal industries; fabricated metal; machinery & equipment; electrical & electronic machinery & repairing		15,000
2.	8 May 1992	Employment Service Act	(1) Identify legal foreign workers: household maids; government major construction projects; crewmen; mental institutes; nurses; high linkage industries or important export industrie; (2) Stay period: up to 2 years; (3) Employers pay stabilization fee	
3.	17 Aug 1992	Household Maids	(1) Unit: family; (2) Advertise on local newspaper for three days; (3) Have trained license; (4) Both spouses work and children under 12 years old or living with parents, elderly person, relatives (70 years +)	8,000
4.	20 Aug 1992	Guardian	Public or private mental institution	No limitation
		Crewman	(1) Ships of more than 20 tons; (2) Foreign crewmen's share less than 1/3 of regular workforce; (3) Advertise in local newspaper for three days	No limitation
5.	26 Sep 1992	Second Round (68 industries): important export industries, high linkage industries, 3D industries	(1) Size of establishment at least 10 employees; (2) The general share of foreign workers to be 30% of total employees; (3) With request foreign workers file at industry association; (4) Foreign workers not allowed to engage in administration or management; (5) Advertise in local newspaper for three days	32,000
6.	12 Jan 1993	Third round (73 industries): shipment, chemical products, umbrella industry, food processing industry, chemicals	(1) Those who imposed more than 50 foreign workers in the first round are not allowed to reapply for the second round (2) Firms with high layoff are not allowed to reapply	9,000
7.	23 May 1993	Fourth round (6 industries): chinaware, etc.	Without any quota on the number if foreign workers	No limitation
8.	17 Aug 1993	Fifth round (73 industries): new plants or extended equipment firms	(1) New plants: 30% of the workforce; (2) Government major construction projects	No limitation
10.	14 Sep 1993	Sixth round: export processing zones, science-based industrial park, and 38 industries		1. 5,000 2. 10,000
11.	8 Oct 1994	Major investment-manufacturing, school, institution, and major investment-construction	(1) Major investment refers to investment more than NT\$ 200,000,000; (2) Investment more than NT\$ 150,000,000	No limitation
12.	1 May 1995	7 Industries		4,825

Source: Monthly Labor Statistics, January 1999 Council of Labor Affairs as cited on Joseph S. Lee (The Role of Low-Skilled Foreign Workers in the Process of Taiwan's Economic Development)

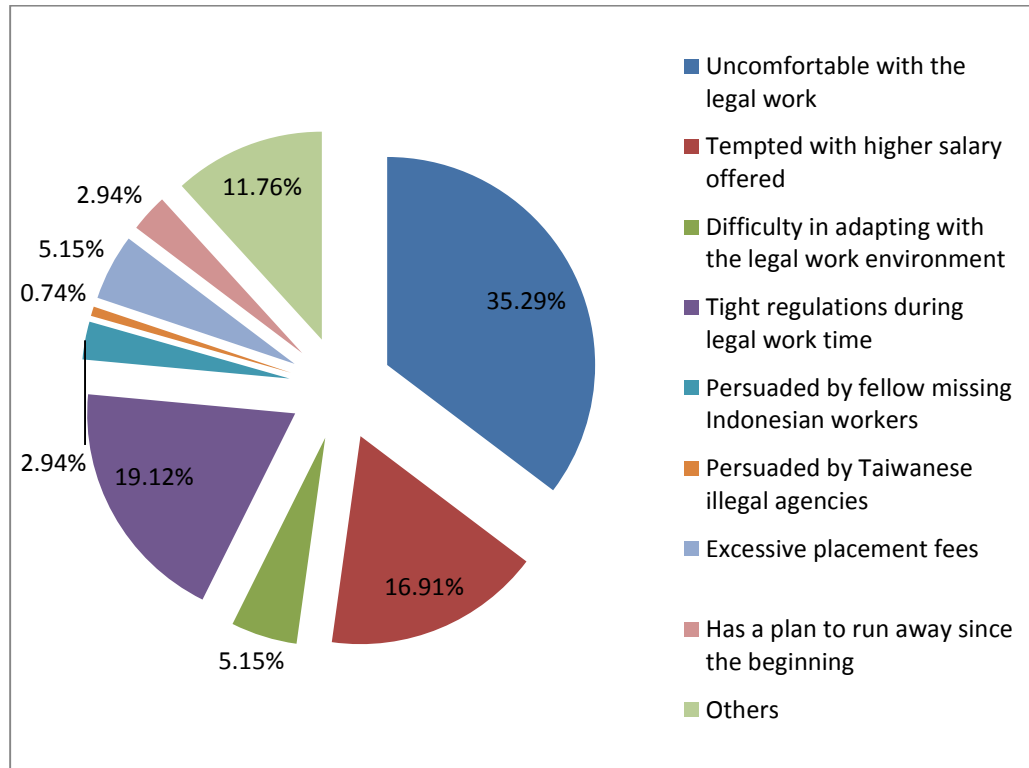
From 91 respondents, 52.75% had Junior high school degree and 61.54% of them worked legally as caretaker for elderly or severely ill person. Most of them worked legally for a year in Taiwan before deciding to run away from their employers, which accounted for 61.54%. Their main reason to work in Taiwan was to improve the economic condition of their family back home as presented on Figure 2.

Figure 2. Proportion of Runaway Indonesian workers' Reasons to Work in Taiwan



When the respondents were asked their main reason to run away from their employer, 35.29% of respondents answered feel uncomfortable with the legal work, 19.12% were due to tight regulations during their legal work time and 16.91% were tempted with higher salary offer. Only 5.15% of respondents decided to run away due to excessive placement fee as presented on Figure 6 below.

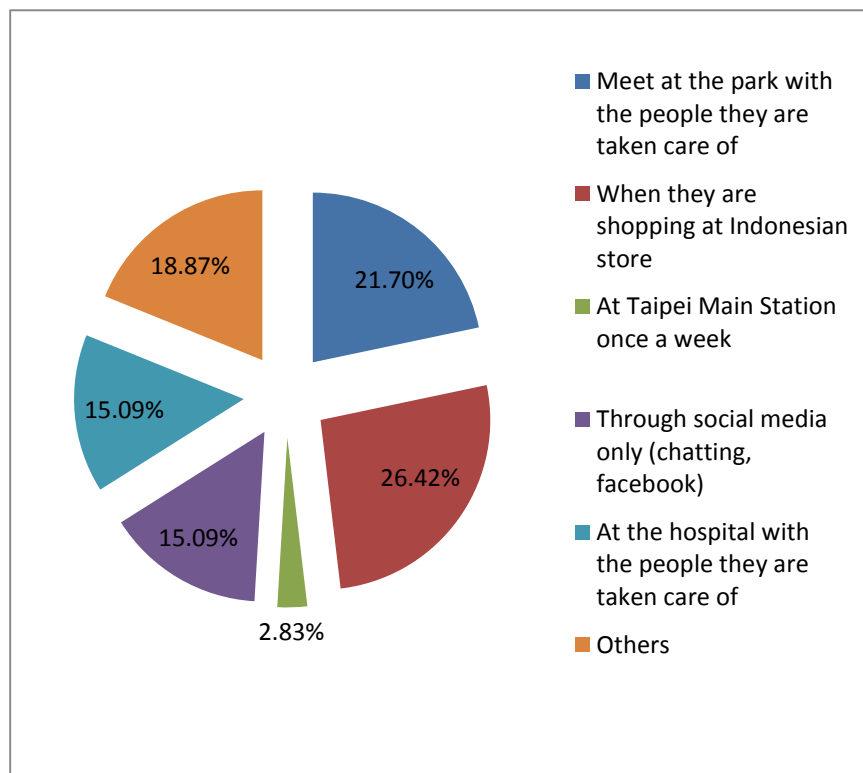
Figure 3. Proportion of Indonesian Workers' Reasons to Run Away from Their Legal Employers



More detailed questions then elaborated into five main categories, which are (1) type of work, (2) holiday / recess time, (3) salary, (4) placement fee, and (5) information dissemination. In terms of type of works, 46.15% of respondents felt that their type of legal work was not in accordance with the job contract and 50.55% of respondents felt that the job amount of their legal work was exceeding the agreed jobs in the job contract. Moreover, 49.45% of respondents felt that their legal job exceeded their capability which in turn made them unhappy with their work condition. To conclude, most of respondents were unsatisfied with their legal job as it was not in accordance with the job contract and exceeded their capability.

Meanwhile, 56.04% of respondents never enjoyed a off-day during their legal work time. Only 34.07% of them had sufficient recess time which accounted for 6 to 8 hours per day. In terms of communication, 36.26% of them were allowed to have communication with fellow Indonesian workers. The communication occurred in between of their work time, either when they were shopping at Indonesian store (26.42%), going to the park with the care recipient (21.70%) or at the hospital (15.09%). Only 2.83% of respondents had the chance to meet with fellow Indonesian workers once a week at Taipei Main Station. Figure 3 below presents the means of communication that Indonesian workers had during their legal work time.

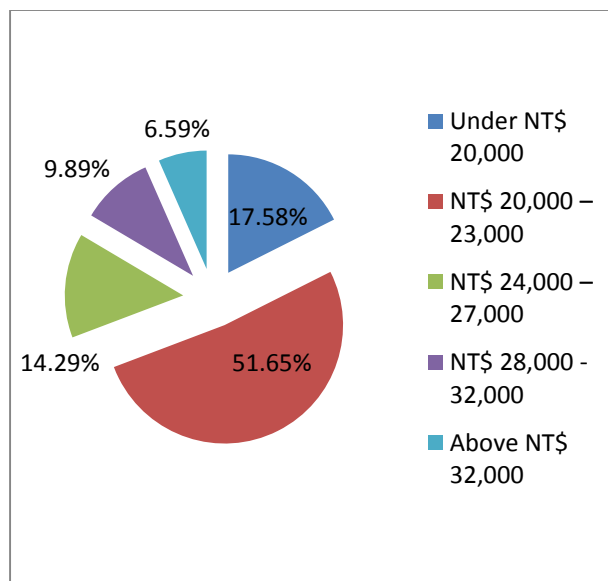
Figure 4. The Means of Communication among Indonesian Workers during Their Legal Work Time



It could be inferred that most of the interactions among Indonesian workers occurred during their work time. As they were lack of off-day, they also experienced lack of interaction and communication with other Indonesian workers. Along with exceeding job, this led them to feel frustrated with their legal work. The survey result also presents that 78.02% of respondents felt under-pressured during their legal work time and only 21.98% of them felt otherwise.

On the other hand, 51.65% of respondents felt that their salary during legal work time did not meet their expectation. As comparison, the average salary that runaway Indonesian workers received was between NT\$ 20,000 to NT\$ 23,000 which was approximately NT\$ 5,000 more than their legal work salary. Even though some of them might pay placement fee for using the service of illegal agencies to obtain a job, still the aforementioned amount was the net take-home pay for Runaway Indonesian workers. Figure 4 below presents the amount of take-home pay that Runaway Indonesian workers obtain in illegal labor market.

Figure 5. Proportion of Runaway Indonesian workers' Salary in Illegal Labor Market



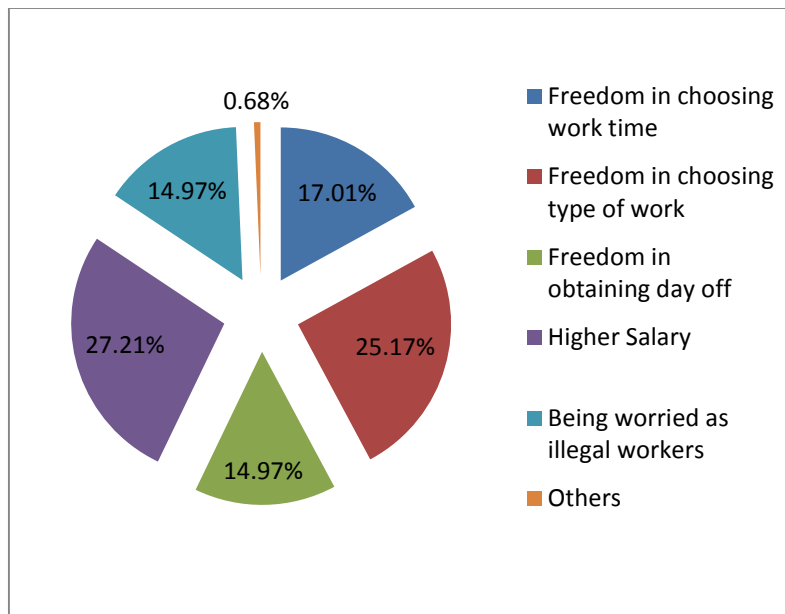
Taking into account relatively high difference salary that Indonesian workers receive from the legal and illegal labor market, along with the limited time contract and feeling unsatisfied as their legal salary did not meet their expectation trigger the Indonesian workers to run away and work illegally in Taiwan.

Based on the survey result, the Indonesian workers did not feel the placement fee was too excessive for them. 68.13% of respondents stated that their take-home pay was already in accordance with the informed salary before their departure, including the necessary salary cut. In addition, 49.45% of respondents were willing to pay the placement fee to their illegal agencies approximately NT\$ 3,000 per month.

Regarding the information dissemination, 65.93% of respondents acknowledged that their Indonesian agencies had informed labor related matters in Taiwan to them. Further, 58.24% of respondents also received similar information from their Taiwanese agencies. Nonetheless, 50.55% of respondents felt that their Taiwanese agencies did not care with their legal work condition in Taiwan.

As runaway workers, the respondents acknowledged that they experienced differences in illegal labor market; 27.21% of respondents emphasized the higher salary, 25.17% were more inclined to the freedom in choosing job, 17.01% enjoyed more flexibility in arranging their work schedule and 14.97% enjoyed more flexibility in deciding their off-day. Meanwhile only 14.97% of respondents felt worried with their status as illegal workers as presented on Figure 5 below.

Figure 6. The Differences as Runaway Workers in Taiwanese Illegal Labor Market



The network in illegal labor market was also well-maintained as most of runaway Indonesian workers could find job easily; 57% of respondents found the job through fellow runaway Indonesian workers, 30% of them through illegal Taiwanese agencies and 13% of them found it by themselves. Moreover 93.40% of respondents were in Detention Center because they were caught by the police and only 6.6% turned themselves in. These findings affirm the previous research conducted by Lan Pei-chia that runaway foreign workers, including Indonesian, enjoy flexibility and are satisfied in the illegal labor market.

Runaway Indonesian workers: Focus Group Discussion

In order to affirm the survey result, focus group discussion was conducted with the Taiwanese and Indonesian representatives²⁸. The Taiwanese representatives were Bureau of Labor Affairs officer and National Immigration Agency's officer, whereas the Indonesian representatives were Joint Task Force of Indonesian Overseas Workers (*Satuan Tugas Tenaga Kerja Indonesia/Satgas TKI*)²⁹ and Indonesian Economic and Trade Office in Taipei (IETO) staff.

Concerning the type of work, both representatives agreed that the required load of job was one of the reason why they decided to run away from their legal employer. For instance, even though the job's title on the job contract was caretaker, the main duties did not merely take care the elderly or severely ill people but also included household chores, i.e. cleaning house, cooking, and doing laundry. Mismatched job also contributed as the reason for the Indonesian workers to run away. In some cases, the Indonesian workers were hired as caretakers or housemaid but in reality they worked in plantation or small local business. This caused the Indonesian workers to feel unsatisfied with their legal work condition as the reality was different with their expectation.

Many Indonesian workers also did not enjoy off-day because of two reasons. First is because their employers did not allow them to have off-day because they had to be stand by 24/7 for the care recipients. In some cases, the Indonesian caretakers even shared the same room with their care recipient which made them unable to have sufficient recess time. Second, due to excessive placement fees many Indonesian workers chose not to have holiday during their first

²⁸ The focus group discussions are conducted separately. The focus group discussion with Indonesian representatives was conducted in Daan area in Indonesian, while FGD with Taiwanese representatives was conducted in Neihu area in English.

²⁹ Satgas TKI is established based on IETO's Chief Decree No. 07/KDEI/SK/IV/2014. According to that decree, Satgas TKI has the responsibility to (1) provide counseling to Indonesian workers, (2) receive the Indonesian workers complaint, (3) follow up Indonesian workers' complaint or problem, (4) gather and cultivate data, as well as monitor settlement of cases, (5) provide reports.

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year contract in order to gain more salary. This finding affirms the previous research that the placement fee imposed by the Taiwanese government has put excessive burden to the Indonesian workers which lead them to work in Taiwan under the condition of high debt.

In terms of salary, the Indonesian workers who worked in formal sector, e.g. factory, construction or nursing home, enjoyed the minimum amount salary NT\$ 19,273 per month. However, those who worked in domestic sector, e.g. caretakers and housemaids, did not enjoy the minimum amount salary as they were not protected under Taiwan's Labor Standard Act 1984 as amended in 2013. Therefore their salary was based on the negotiation between the employers and employees. Considering that the role of brokers is highly substantial in distributing Indonesian workers in Taiwanese labor market, the Indonesian workers have limited window of opportunities to negotiate their salary directly with the employers. In the end, their salary is determined by the existed custom in the Taiwanese labor market. One of the IETO staff affirmed that the salary of Indonesian caretakers and housemaids has never been increased since 1997 with the total amount of NT\$ 15,840 per month.

As previously mentioned, the placement fee had put excessive burden to Indonesian workers as it was borne to the Indonesian workers only. Currently, the Indonesian workers have to pay the service fee for Indonesian agencies which equals one month of their salary, bank's interest and administration fee which are deducted from their salary for the first nine months, as well as agency fee NT\$ 60,000 for three years. The agency fee is deducted from the Indonesian workers salary monthly as well which accounted for NT\$ 1,800 per month for the first year, NT\$ 1,700 per month for the second year and NT\$ 1,500 per month for the third year. BLA officer and IETO staff agreed that this made Indonesian workers in highly-debt condition and the various

deductions made them felt they did not receive much take-home pay particularly during their first year, hence being unsatisfied with their salary.

On the contrary, the focus group discussion presented that information dissemination played major role as one of the reasons Indonesian workers run away. Both PPTKIS and Taiwanese agencies might inform the related labor matters to the Indonesian workers but that did not guarantee the Indonesian workers do understand such matter. According to Satgas TKI, in practice PPTKIS merely provided the information without any Q&A session. Therefore Indonesian workers did not fully understand of their work condition or labor regulations in Taiwan, including the punishment for running away from their legal employers.

Based on the survey and focus group discussion, two reasons can be concluded. Mismatched and overload type of work and limited holiday / recess time creates **uncomfortable work environment** for the Indonesian workers which makes them feel under tight control and surveillance. Meanwhile, low wages and excessive placement fee have distributed to the **low take-home pay** for the Indonesian workers, which is the minor reason of runaway Indonesian workers. Relatively low salary in the legal labor market as well as the intensive salary cuts during the first year add to the frustration of Indonesian workers in the legal labor market, along with the uncomfortable work environment.

Incompatible Policy and Ineffective Cooperation between Jakarta and Taipei

The recruitment, placement and training of Indonesian overseas workers are regulated on Ministry of Manpower Ministerial Regulation No. 22/2014. Based on this regulation, the Indonesian workers have to be informed about the working and living conditions in the destination country as early as the recruitment process. According to Chapter 2 Article 11 of Ministerial

Regulation No. 22/2014, the recruitment of candidates Indonesian overseas workers is preceded by providing information of at least (1) type of work, (2) location and work environment, (3) procedures of protection and possible risks, (4) the requirements of hiring the candidates, (5) working conditions including wages, working time, recess time/holiday, over time, guarantee protection, obtained facilities, (6) applicable regulations and laws, socio cultural, as well as situation and condition in the host country, (7) placement fees imposed to the candidates, and (8) the rights and obligations of candidates. The importance of providing complete information is reiterated on Chapter 4 Article 36 where the candidates have to attend final briefing held by Indonesian agency before departure. The information delivered in the final briefing includes laws and regulations in the host country, content of the employment agreement and dispute settlement mechanism. These regulations present that Indonesian workers are supposed to be informed and aware of their working and living conditions in the host country.

Meanwhile the content of employment agreement is also regulated on Chapter 3 Article 27. Based on that article, the employment agreement at least includes the working time, wages and mechanism to pay the salary, the right to have one off-day in one week, recess time and leave entitlements, accommodation facility, communication access to the workers' family in Indonesia, as well as the dispute settlement mechanism. The candidates have to sign their employment agreement in front of provincial or nearest district officer (Article 28) so that it could be supervised directly by the local authorities. They are also allowed to keep a copy of their employment agreement (Article 29). These regulations present that the employment agreement must be transparent and accessible, especially to the Indonesian workers themselves.

Taiwanese government, as previously elaborated, impose highly restrictive policies towards foreign workers as promulgated in the Employment Service Act 1992 as amended in 2013.

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This includes the class differentiation of white collars and blue collars (Article 46), health examination and quota system (Article 48), as well as fixed term contract of three years and can be extended up to twelve years only (Article 52). According to Article 59, transfer employer or job for blue collars is allowed under the following circumstances only; (1) the care recipient deceased or emigrated, (2) the vessel they work on has been seized, sunk, or under repair which leads to the discontinuation of the work, (3) the employers suspend the business or fail to the wage of the workers, and (4) other circumstance not attributable by the foreign workers. This reflects that Indonesian workers are employed under fixed term contract and bound to that particular employment agreement with limited possibility to change job or employer. Moreover, any alteration related to Indonesian workers is subject to the approval of Central Competent Authority. This has created a highly restrictive condition for the Indonesian workers to change employers or jobs, should their legal job is not in accordance with the contract or their capability. On the other hand, runaway Indonesian workers have the freedom to negotiate their jobs and working conditions directly with their employers, including working hours, type of jobs and off-days. Therefore being runaway workers is more appealing to the Indonesian workers.

This restricted condition also applies to the Taiwanese agencies and employers who would like to hire foreign workers. To hire unskilled foreign workers, Taiwanese employers have to announce the vacancy publicly and notify the labor union to prioritize domestic recruitment because the employment of unskilled foreign workers is allowed under the circumstance that domestic recruitment cannot acquire sufficient number of employers as promulgated on Article 47. They must also submit all the relevant documents in hiring foreign workers and it is subject to review and approval by Central Competent Authority (Article 48). In addition, the employers have to pay Employment Security fees to the Central Competent Authority to substitute for the

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promotion of local employment purposes, as well as processing the employment and administration of foreign workers as regulated on Article 55. These restrictions are imposed in accordance with the purpose of this act which is allowing foreign workers to work legally in Taiwan without jeopardizing the opportunity in employment, economic development or social stability of local workers, as stated on Article 42.

Meanwhile, the Taiwanese employers do not have to undergo the bureaucratic procedures if they hire the runaway Indonesian workers. They could obtain information of runaway Indonesian workers from fellow Taiwanese employers who have previously hired a runaway Indonesian worker or through illegal Taiwanese agencies. They may have to pay fee to the illegal Taiwanese agencies but the procedure is less complicated than hiring legal Indonesian workers. Therefore Taiwanese employers are more desired hiring runaway workers.

Taiwan does have labor law which guarantees the basic rights and obligations of workers and stipulated on Taiwan's Labor Standard Act 1984 as amended in 2013. This act covers minimum salary, working hours, overtime, and recess time / holiday for workers. Nevertheless, domestic workers are excluded from this act. Concerning that most of Indonesian workers are working as caretakers and housemaid, they become more vulnerable than other legal foreign workers due to the absence of legal basis for their protection. Currently, the rights and obligations of Indonesian caretakers are based on the job contract only.

The above elaboration presents that the policies between Indonesia and Taiwan are essentially incompatible due to difference purposes of each policy. Indonesian policies emphasize on the development and protection of Indonesian overseas workers, whereas Taiwanese policies emphasize the protection of its citizen. In doing so, Taiwanese government allows foreign workers to work legally in their jurisdiction as long as it is not jeopardizing the interests of Taiwanese

people. Therefore Taiwanese government imposes highly restrictive policies towards foreign workers since the beginning. However, Indonesian workers still have to oblige with the existing regulations in Taiwan. This makes Taiwanese regulations and policies are substantial in guaranteeing the rights of Indonesian workers. When Taiwanese government is unable to protect the rights of Indonesian workers, Indonesian government has to step up in protecting the Indonesian workers through other mechanism. Cooperation between Indonesia and Taiwan on this particular issue has to be established in order to fulfill the aforementioned aim.

The scheme of cooperation between Indonesia and Taiwan on labor issues existed through Joint Working Group since 2011. It is based on the Memorandum of Understanding (MoU) between the Indonesian Economic and Trade Office to Taipei and the Taipei Economic and Trade Office in Indonesia on the Recruitment, Placement and Protection of Indonesian Overseas Workers in order to further develop relations for mutual benefit.³⁰

The first Joint Working Group in 2011 discusses several issues related to runaway Indonesian workers. First is the placement fee where Taiwan calls for the reduction of bank's interest and administration fee as well as Indonesian PPTKIS service fee cannot exceed one month salary of Indonesian workers. Indonesia agrees with this term and Taiwan would assist in lobbying the bank regarding those matters. Meanwhile Indonesia calls for sharing cost of placement fee between Indonesian workers and Taiwanese employers but Taiwan would only agree to revisit the rationality of placement fee and consider the scheme of sharing cost. In terms of protection, Indonesia and Taiwan agree to establish monitoring mechanism to follow up Indonesian workers'

³⁰ Memorandum of Understanding Between The Indonesian Economic and Trade Office to Taipei and The Taipei Economic and Trade Office in Indonesia on The Recruitment, Placement and Protection of Indonesian Overseas Workers, Article 2, Taipei. April 29th, 2011.

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complaints. Both parties also agree to monitor Taiwanese agencies and Indonesian agencies more firmly as well as impose higher sanction for those who hire or distribute runaway Indonesian workers. Further Taiwan calls for the extension of direct hiring system to formal sectors in order to reduce the role of agencies in distributing Indonesian workers. Responding to this, Indonesia agrees to evaluate the direct hiring system.

The second JWG in 2012 raises the issue of transfer employer in Taiwan's labor market. Responding to this, Taiwan agrees to re-evaluate its regulations regarding transfer employer or job and ease the procedures. The issue of salary increment is raised as well but both parties do not reach consent on this matter and decide to leave the amount of salary to the market based on the negotiation between employers and workers.

In the third JWG in 2013, Indonesia raises the issue of working hours and insufficient recess time for Indonesian caretakers as most Indonesian caretakers work as live in workers who need to be on call 24/7. Therefore Indonesia calls Taiwan to socialize to all the Taiwanese employers to provide sufficient recess time of 8 hours for Indonesian caretakers. In addition, Indonesia also proposes the additional quota for Taiwanese employers so they are able to hire two caretakers at the same time. Responding to that, Taiwan agrees to evaluate the additional quota system with Ministry of Health and Welfare. The third JWG also concludes the standardization of employment agreement by including six job sectors which are caretakers, babysitters, fishermen, factory workers, constructions workers and nursing home workers.

Taiwan reiterates the importance of direct entry's extension to the formal sector in the fourth JWG in 2014 as well as proposes to impose sanction for runaway Indonesian workers as implemented by Vietnamese government to runaway Vietnamese workers. On the other hand, Indonesia reiterates the importance of allowing Indonesian workers to have off-day once a week

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and sharing cost of placement fee. Indonesia also raises the salary increment issue but no consent is reached on this particular issue between both parties.

Even though the cooperation exists, it is considered ineffective as no concrete result in improving the welfare of Indonesian workers as well as responding to runaway Indonesian workers issue are agreed yet. For instance, even though the reduction of bank's interests and administration fee of placement fee has been agreed since the first JWG 2011, in reality the Indonesian workers still feel that the deduction of placement fee on their salary is still excessive. This has caused them to receive relatively low take-home pay which plays as minor reason of Runaway Indonesian workers. No consent is reached in respond to the sharing cost of placement fee and easing the procedure to transfer employers or jobs. Instead, Taiwan proposes the promotion and extension of direct hiring system since the first JWG 2011.

There is still no legal framework agreed or established in addressing Indonesian workers' type of work and off-day, even though Indonesia has raised these issues. More importantly, when Indonesia proposes salary increment for Indonesian caretakers, no consent is reached on this issue. In addressing runaway Indonesian workers issue, both Taiwan and Indonesia only agree to impose higher sanctions for Taiwanese agencies, employers and Indonesian workers. This strategy is merely scratching the surface instead of coping with the root causes of runaway Indonesian workers.

To reduce the number of runaway Indonesian workers, both Indonesia and Taiwan have to establish legal framework to guarantee the rights and welfare of Indonesian workers. Establishing the content standardization of job contract including the working hours, sufficient recess time, off-day, annual leave, specific type of work and minimum wage, is one among many options. In addition, re-evaluation of Taiwan's guest worker policy needs to be conducted as it puts Indonesian

workers under tight control and regulation. A reduction or new scheme of placement fee has to be carried out so the Indonesian workers do not bear the costs alone. The procedures to hire foreign workers and transfer employer or job need to be eased as well so that Taiwanese employers and agencies do not feel that they have to undergo such complicated procedures. Along with that, the extension of direct hiring system can be carried out in order to reduce the role of brokers in Taiwan's labor market. These enable Indonesian workers to have more options to work legally as well as chance to negotiate on equal-footing basis with their employers.

Conclusion

This paper is aimed to seek the roots reasons of runaway Indonesian workers as well as analyze the current policies and cooperation between Indonesia and Taiwan in dealing with the aforementioned roots reasons. From the analysis, two conclusions can be drawn. First, Taiwan's guest worker policy has put excessive burden for Indonesian workers. Second, the ineffective cooperation between Indonesia and Taiwan has failed to overcome these roots reasons. These two have contributed inadvertently to the relatively high number of runaway Indonesian workers in Taiwan.

Findings from the analysis recommend Taiwan to re-evaluate its guest worker policy by providing more flexibility to the Indonesian workers. A new placement fee mechanism has to be carried out as well so that the Indonesian workers do not bear all the excessive costs alone which in turn leave them with limited choice and receive relatively low take-home pay. In addition, Indonesia and Taiwan cooperation needs to address the roots causes and reach consent on those particular issues. Once agreement is reached, both entities have to extend the agreed matters to

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legal binding frameworks within their jurisdiction to ensure that Indonesian workers' rights and welfare are well protected.

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