DIPLOMATIC INITIATIVES ON EMPLOYMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE REPUBLIC OF INDONESIA

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ABSTRACT

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The study dealt with the diplomatic initiatives on employment between the government of the Republic of the Philippines and the Republic of Indonesia. Specifically the study aimed to: (1) determine the diplomatic initiatives between the government of the Republic of the Philippines and the Republic of Indonesia; (2) compare the resemblances and dissimilarities between the government of the Republic of the Philippines and the Republic of Indonesia in terms of employment rate, wage rate, and migration rate; (3) determine the implication of the diplomatic initiatives on employment between the two governments to the Philippine economy and ASEAN integration.

The study was conducted in the government agencies such as Department of Foreign Affairs, Bureau of Immigration, Department of Labor and Employment, and Philippine Overseas Employment Association from November 2015 to January 2016. The study used secondary data and it was analyzed by comparing the material on diplomatic initiatives on employment between the government of the Republic of the Philippines and the Republic of Indonesia.

Upon conducting this study, it was discovered that there were three agreements between the Philippines and Indonesia such as: Memorandum of Understanding between the Department of Labor and Employment of the Republic of the Philippines and the

Department of Manpower and Transmigration of the Republic of Indonesia concerning Migrant Workers, ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers, and 2012 ASEAN Agreement on the Movement of Natural Persons. The employment rate of the Philippines is rather low compared to the employment rate of Indonesia. The year 2011 had the highest employment rate of the Philippines which is 64.6 percent and the lowest employment rate was in 2013 (63.9 percent), while Indonesia had a higher employment rate in 2013 (69.21 percent) and lowest employment rate recorded was in 2010 (67.72 percent). When it comes to the monthly wage rate, the Philippines has higher daily wage rates for low skilled workers compared to Indonesia. The highest wage rate of the Philippines was in 2014 which was \$9.24 while Indonesia's highest wage rate (\$ 8.38) was also in 2014. There are more Filipinos working in Indonesia than Indonesians working in the Philippines. The highest number of Filipinos working in Indonesia was in 2013 with 5,489 while the lowest was in 2010 with 4,084 workers. The year 2010 also marks the lowest number of Indonesians working in the Philippines which is 33 and by 2014, the number rose to 207 which is really low compared to the lowest number of Filipino workers in Indonesia.

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