Chapter 1
Economic and Social Context for Decent Work
Main Issues

• Economic growth has been good, so far. Even during the global financial crisis, Indonesia maintained sustainability of the growth. However, the growth is not enough to create employment.
• Poverty persists, but at declining rate
• Wage/earnings inequality wider.
• Increasing labor productivity but still low among Asean countries (Singapore, Malaysia, Thailand, and the Philippines).
• Education: NER and GER increase, but the 95% NER and GER targets not yet achieved.
• Health: HIV/AIDS prevalence exists.
Chapter 5
Combining Work, Family and Personal Life
• Indonesia has adopted legal provisions regarding leave and working time.
  – 40 working-hour per week
  – 12 working days of annual leave
  – 3 month paid maternal leave (for women workers)

• Jampersal Program with its Technical Guides to Child Births (*Petunjuk Teknis Jaminan Persalinan*) by the Ministry of Health Number 631 Year 2011
  – Objective: to provide wider access to pregnant women in terms of funding facilities and healthier delivery.
• Working is no longer a choice but is more a necessity both for the economic and self-actualization objectives. Fulfilling the families’ needs becomes joint responsibilities of both husbands and wives ➔ labour participation rate has increased over the last decade:
  – Male: stable around 85 (1996-2010)
  – Female: slightly increased from 52.3 to 53.7 (1996-2010)

• Other factors:
  – Commuting time, particularly in Jabodetabek areas: travel time from home to work > 60 mins.
  – Advancement and the development of ICTs improve work arrangement and workers no longer need to commute
Chapter 6
Work that should be abolished
Child labour

- The number labour decreases due to the increasing school enrolment
- But still a large number of children 5-17 years engaged in child labour and hazardous work
- Child labour is seen in agriculture, plantation, fisheries that are most hazardous work.
- Mostly unpaid family workers, and less as employee or self employed
- They work in the streets, traffic lights, market stalls which are exposed to exploitation, abuse, air pollution.
Forced Labour

- In 2003 Indonesia’s efforts to eliminate trafficking was awarded with TIER 2 by the US Dept of State’s Office to Monitor and Combat Trafficking in Persons which means that a minimum standard of efforts to eliminate trafficking has been achieved.

- However, trafficking is still prevalence although a Law on anti trafficking was launched in 2007.
Chapter 8
Equal Opportunity and Treatment in Employment
• Gender gap in education between men and women exists, particularly at lower and upper secondary level.
• Women unemployment with higher education is higher than that of men.
• Real wage gap between male and female exists but tends to decline.
• Women overrepresented in professionals (55.4%) and service, shop and market sales workers (51.1%), but underrepresented in legislators, senior officials and managers (21.2%). Women participation in politics and management increases.
• Other issues:
  – Ethnics → Law No. 40/2008 on Elimination of Racial and Ethnic Discrimination
  – Diffable → Law No. 4/1997 on Diffable
  – Migrant workers → Law No. 39/2004 on Placement and Protection on Indonesia Migrant Workers Abroad.
Chapter 10
Social Protection
Implementation

- Law NSSS no 40 of 2004 mandated universal coverage of social security, but has not been implemented
- Public expenditure and government spending increases but need to expand coverage
- Limited coverage by the existing carriers
- Informal workers remain being excluded → pilot program covers 500,000 participants but with mixed success
Social Insurance and Assistance

• The current system of SP is administered by four state-owned companies
  – PT Askes, health cover for government civil servants and the military
  – PT Taspen, pension for government civil servants
  – PT Jamsostek, health, old-age benefit, provident, occupational injury, mostly formal workers.
  – PT Asabri: pensions for the military

• Social assistance
  – Jamkesmas → health cover targeted for 74 millions
  – PKH – CCT → for the poorest