



International
Labour
Organization

The ILO in Indonesia



Key Facts and Figures

Population (2014): 252.71 million

GDP per capita (2014): US\$ 3,531.45

Labour force (2014): 121.87 million

- 75.83 million male
- 46.05 million female

Labour participation rate (2014): 66.6%

- 83.05% male
- 50.22% female

Employment to population ratio (2014): 62.6%

- 78.2% male
- 47% female

Unemployment rate (2014): 5.9%

- 5.7% male
- 6.2% female

Following major economic and political upheavals triggered by the Asian financial crisis in 1998, Indonesia undertook a series of reforms aimed at creating a more democratic regime and an economic recovery that gradually returned its economy to growth.

In spite of the slow growth of the global economy in 2014, the Indonesian economy grew at a rate of 5.2 per cent. This growth has been accompanied by solid gains in the labour market, with evidence of employment expanding and conditions of work improving.

Ratified Conventions

Indonesia has ratified 18 ILO Conventions, including all eight Fundamental Conventions:

- C.29 - Forced Labour Convention, 1930
- C.87 - Freedom of Association and Protection of the Right to Organise Convention, 1948
- C.98 - Right to Organise and Collective Bargaining Convention, 1949
- C.100 - Equal Remuneration Convention, 1951
- C.105 - Abolition of Forced Labour Convention, 1957
- C.111 - Discrimination (Employment and Occupation) Convention, 1958
- C.138 - Minimum Age Convention, 1973
- C.182 - Worst Forms of Child Labour Convention, 1999



Unemployment has been trending downwards in recent years, and was estimated at 5.9 per cent in August 2014. This indicates that the target of reducing unemployment to between 5 and 6 per cent, as set out in the medium term development plan for 2010-2014, has been met.

Poverty has been steadily decreasing in Indonesia, largely due to the expansion of government programmes that have targeted poor people, as well as gains in wages for unskilled and low-skilled labourers, and reductions in the volatility of food prices.

Indonesia is also shifting away from an economy dominated by the agricultural sector towards an economy with a greater share of activities within the industrial and services sectors in urban areas. Productivity in the manufacturing sector was more than double the productivity of the economy overall.

There are significant differences in the employment-to-population ratio of men and women, as well as between the 15-to-24 and the 25 and over age groups. The labour force participation rate of women is also extremely low, with many women reporting they are fully engaged with housekeeping responsibilities.

Youth unemployment remains a longstanding concern in Indonesia. Unemployment of youth (15-24 years) is high, particularly for those with secondary education. Youth account for more than 50 per cent of the unemployed and most unemployed youth have never worked.

Source: ILO KILM

The ILO - Who We Are

The International Labour Organization (ILO) is the UN specialized agency dealing with work and workplace issues, and related rights and standards. Its overarching goal is to achieve decent work for all so everyone benefits from working conditions that offer freedom, equity, security and human dignity. In working towards this goal the ILO has four principal strategic objectives:

- To promote and realize standards, and fundamental principles and rights at work.
- To create greater opportunities for women and men to secure decent employment.
- To enhance the coverage and effectiveness of social protection for all.
- To strengthen the relationship between workers, employers and governments, and encourage social dialogue.

Founded in 1919, the ILO is the only surviving major creation of the Treaty of Versailles, which established the League of Nations. It became the first specialized agency of the United Nations in 1946.

The ILO in Indonesia

Indonesia and the ILO have collaborated very closely since the country became a member in 1950. The ILO Country Office for Indonesia is responsible for the ILO's programmes and activities in Indonesia and Timor-Leste.

The ILO in Indonesia works to promote decent work for all. Indonesia has had two Decent Work Country Programmes (DWCPs). The major accomplishments of the 2006-10 DWCP include:

- Support for the recovery of Aceh and Nias regions following tsunami and earthquakes, including building emergency employment centres, organizing vocational, business and entrepreneurship training, rehabilitating infrastructure, and capacity building for the social partners.
- The enactment of the 2004 Decree of the Minister of Manpower No. 68 on HIV and AIDS Prevention and Control in the Workplace.
- The adoption of the National Action Plan for Indonesia to address youth unemployment and to promote job opportunities for young people.
- Support for labour law reform, including new laws on trade unions, manpower matters and labour disputes settlement.
- The adoption of the Guidelines on the Conduct of Police in Handling Law and Order in Industrial Disputes.
- The promotion of the rights of migrant workers; promotion of the ratification of the UN Convention on the "Protection of the Rights of All Migrant Workers and Members of Their Families".
- The adoption of the Guidelines on the Protection of Child Domestic Workers, support for the elimination of the worst forms of child labour, and child labour time-bound programmes.



Based on the achievements of the first DWCP the second (covering 2012-15) has three priorities:

- Creating employment for inclusive and sustainable growth.
- Forging sound industrial relations in the context of effective employment governance.
- Promoting social protection for all.

Current areas of work

- Improving job creation and the employability of young people by supporting vocational and entrepreneurship training and working with social partners to mainstream youth employment in policy design.
- Promoting social dialogue between the tripartite partners to address labour issues and socio-economic concerns.
- Supporting labour administration programmes by facilitating labour inspections, including better implementation of occupational safety and health (OSH) at the workplace.
- Developing and applying preventative safety measures against HIV/AIDS in the workplace.
- Supporting the formulation of policies for social security reform and restructuring, and conducting a feasibility study on extending social security to the informal economy.
- Promoting sustainable development, especially in rural areas, through technological innovation, strategic investment and the creation of environmentally-friendly enterprises and quality jobs.
- Supporting the development of legal and policy frameworks to protect migrant workers against trafficking, discrimination and exploitation, and contributing to the eradication of forced labour; supporting ASEAN cooperation on labour migration.
- Supporting policy and roadmap formulation and knowledge-sharing related to child labour; supporting social partners to mainstream the elimination of child labour in education programmes.
- Facilitating social partners to develop policy advocacy and programmes to promote substantive equality for women and people with disabilities.

Social partners

The Ministry of Manpower and Transmigration is the government agency responsible for labour affairs. There are four major union confederations in Indonesia: the Confederation of Indonesian Prosperity Trade Union (KSBSI), the Confederation of All Indonesia Trade Unions (KSPSI), the Confederation of All Indonesia Trade Unions (KSPSI) and the Confederation of Indonesian Trade Union Congress (KSPI). The Indonesian Employers' Association (Apindo) is the only officially recognized employers' organization in the country.

The International Labour Organization

The International Labour Organization (ILO) is the UN agency for the world of work. It was founded in 1919 as part of the Treaty of Versailles that ended World War I, to reflect the principle that universal and lasting peace can only be achieved if it is built on social justice. The ILO is the only 'tripartite' United Nations agency that brings together representatives of governments, employers and workers to shape policies and programmes for social justice and decent working and living conditions for all women and men. For this it was awarded the Nobel Peace Prize in 1969. The ILO is also responsible for drawing up and overseeing international labour standards (Conventions and Recommendations). This unique arrangement gives the organization an edge in incorporating 'real world' knowledge about employment and work into its activities.

DECENT WORK

A better world starts here.

ILO Country Office for Indonesia

Menara Thamrin, 22nd Floor

Jalan MH Thamrin Kav. 3

Jakarta 10250, Indonesia

Tel.: +62 21 391 3112, Fax.: +62 21 310 0766

Email: JAKARTA@ilo.org

www.ilo.org/jakarta



[iloasiapacific](https://www.linkedin.com/company/iloasiapacific)



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