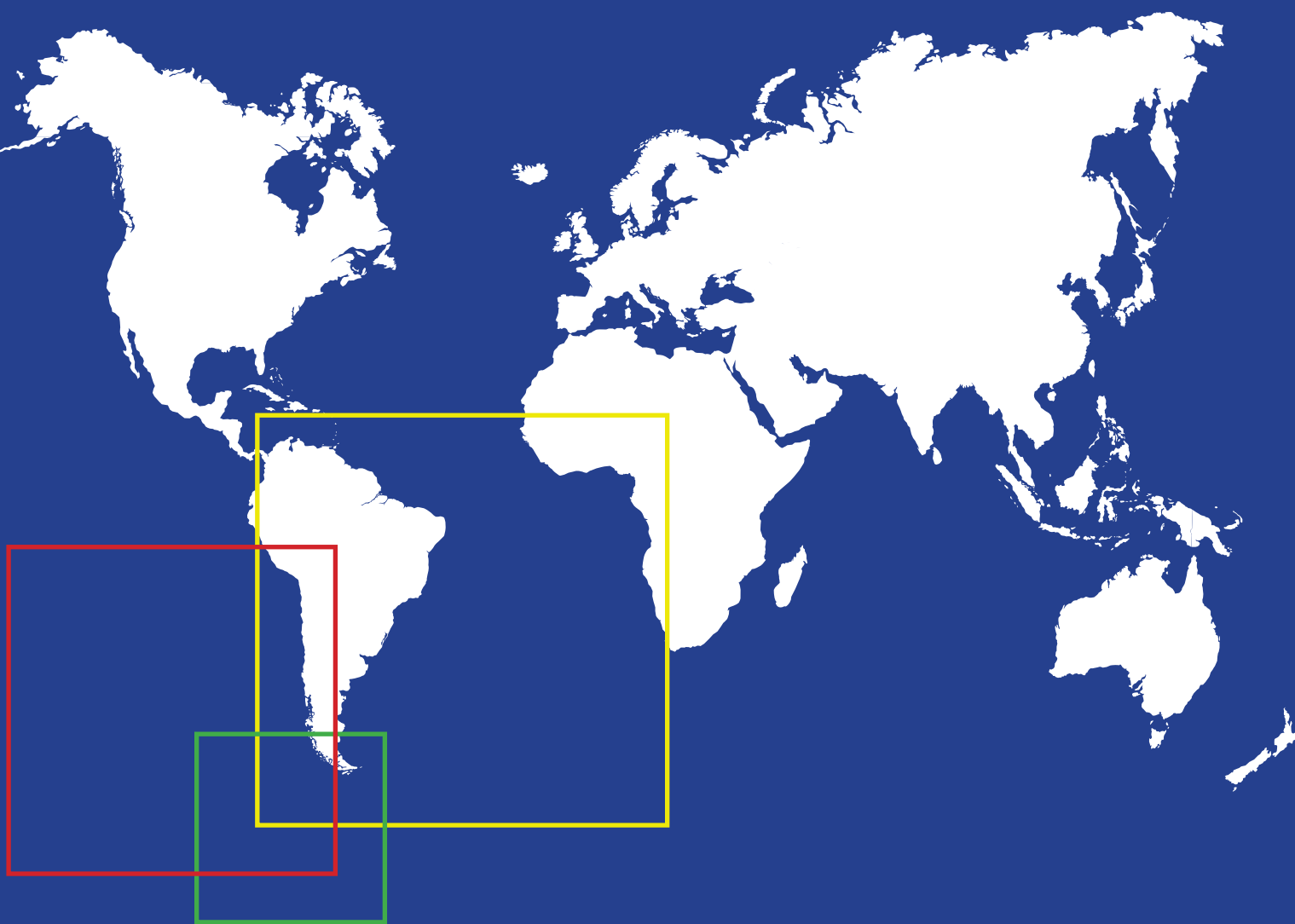




International
Labour
Office

Decent Work Profile MALUKU Indonesia



**Decent Work Profile
MALUKU
Indonesia**

Copyright © International Labour Organization 2013

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to the Publications Bureau (Rights and Permissions), International Labour Office, CH-1211 Geneva 22, Switzerland. The International Labour Office welcomes such applications.

Libraries, institutions and other users registered in the United Kingdom with the Copyright Licensing Agency, 90 Tottenham Court Road, London W1T 4LP [Fax: (+44) (0)20 7631 5500; email: cla@cla.co.uk], in the United States with the Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923 [Fax: (+1) (978) 750 4470; email: info@copyright.com] or in other countries with associated Reproduction Rights Organizations, may make photocopies in accordance with the licences issued to them for this purpose.

ILO Cataloguing in Publication Data

Decent work profile: Maluki, Indonesia / International Labour Office. – Geneva: ILO, 2013

ISBN: 978-92-2-127535-0 (print)

ISBN: 978-92-2-127536-7 (web pdf)

International Labour Office

decent work / employment opportunity / equal pay / hours of work / employment security / social security / social dialogue / regional level / Indonesia

13.01.1

General editing and revision of the document: CO Jakarta, RO Bangkok, MAP/INTEGRATION ILO Geneva.

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

ILO publications can be obtained through major booksellers or ILO local offices in many countries, or direct from ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. Catalogues or lists of new publications are available free of charge from the above address, or by email: pubvente@ilo.org

Visit our website: www.ilo.org/publns

Preface

Decent work is central to efforts to reduce poverty and as a means of achieving equitable, inclusive and sustainable development. It involves opportunities for work that is productive and delivers a fair income, provides security in the workplace and social protection for workers and their families, and gives people the freedom to express their concerns, to organize and to participate in decisions that affect their lives.

In this regard, monitoring and assessing progress towards decent work at the country-level is a long-standing concern for the ILO and its constituents. The 2008 Declaration on Social Justice for a Fair Globalization provides that member States may consider “the establishment of appropriate indicators or statistics, if necessary with the assistance of the ILO, to monitor and evaluate the progress made” (Paragraph II.B.ii).

In September 2008 the ILO convened an international Tripartite Meeting of Experts on the Measurement of Decent Work; it subsequently adopted a framework of Decent Work Indicators that was presented to the 18th International Conference of Labour Statisticians in December 2008.

The project on Monitoring and Assessing Progress on Decent Work (MAP) (2009–13), with funding from the European Union, works with government agencies, employers’ and workers’ organizations and research institutions to strengthen the capacity to self-monitor and self-assess progress towards decent work. The MAP project covers nine countries globally, including Indonesia, and facilitates the identification of decent work indicators that are relevant at the national level, supports data collection and uses the collected data for an integrated policy analysis of decent work (Profiles) that can inform national policymaking and decent work programmes at both the national and provincial levels.

The Profiles both at national and provincial levels cover ten substantive components corresponding to the four strategic pillars of the Decent Work Agenda: full and productive employment, rights at work, social protection and the promotion of social dialogue. The ten components are: employment opportunities; adequate earnings and productive work; decent hours; combining work, family and personal life; work that should be abolished; stability and security of work; equal opportunity and treatment in employment; safe work environment; social security; and social dialogue and employers’ and workers’ representation.

The Profiles compile in one document all available data and analyze observed gaps and trends of statistical and legal indicators on decent work. They facilitate the evaluation of progress towards decent work over a recent timeframe and inform national and provincial planning and policy-making.

The Profiles provide key information for designing and monitoring programmes on decent work and are an advocacy tool for mainstreaming decent work in national and provincial development policies. The decent work indicators they contain can serve as a reliable baseline when defining decent work targets and as a powerful instrument for monitoring and evaluating programmes focused on decent work.

The Decent Work Profile for Maluku serves as an important baseline assessment of progress towards the achievement of decent work in the province, which it is hoped will inform processes of social dialogue and the identification of region-specific policies and plans to accelerate the progress of decent work and wider socio-economic development in the province.



Drs. H. A. Muhaimin Iskandar, M.Si
Minister
Ministry of Manpower and Transmigration



Peter van Rooij
Director
ILO Country Office for Indonesia

Acknowledgements

The Decent Work Profile for Maluku has been prepared by national consultants in collaboration with the Ministry of Manpower and Transmigration (Depnakertrans), the Central Bureau of Statistics (Badan Pusat Statistics), and the University of Jakarta, with technical assistance of the ILO.

National partners identified a list of decent work indicators relevant for Indonesia during a 2010 consultation workshop in Jakarta. From this, a national Decent Work Country Profile was developed comprising both statistical data and legal and policy information in an integrated assessment of recent progress toward decent work. The Profile was prepared by academics from the University of Jakarta, with the cooperation and involvement of trade unions and employer's representatives, the Ministry of Manpower and Transmigration, Ministry of Finance, BAPPENAS, and BPS, and its content was reviewed through an extensive consultation process before being launched in May 2012. During the post-launch discussions, constituents expressed a desire to develop a number of provincial profiles to capture divergent decent work trends at the subnational level. The Decent Work Profile for Maluku is one of three pilot provincial profiles developed in Indonesia to date.

The International Labour Organization would like to thank provincial and national representatives of the country's employers' organisations (APINDO and ABADI) and trade unions (KSBSI, KSPI, and KSPSI), as well as the Ministry of Labour and Transmigration and BPS for their cooperation and support in the development of this document. In addition, the ILO is grateful to the European Union for its technical and financial support to the ILO/EC Project *Monitoring and Assessing Progress on Decent Work* (MAP), which led the development of this Profile. Finally, thanks are due also to ILO staff in Bangkok, Jakarta, and Geneva, who provided technical support and constructive comments throughout the development of this document.

It must be noted that some statements made in the Decent Work Profile for Maluku may not reflect the positions of the above named institutions and individuals. Any errors or omissions remain the sole responsibility of the International Labour Office.

Executive summary

Since the late 1990s, Maluku has undergone tremendous economic, social and political changes that have shaped the **socio-economic context for decent work** (Chapter 1). The conflict in the province that lasted from 1999 to 2002 wrought devastation on its economy and severely disrupted its labour market. Workers withdrew in large numbers from comparably high-productivity sectors like industry and services and moved into lower-productivity, lower-wage agricultural jobs – a trend that only started to reverse once peace had returned. Labour productivity rose as a result of declining shares of working age people actually in work, but has declined since and remains low (and growing more slowly) compared with national standards.

Despite a recent decline, agriculture remains the single biggest employer in the province, accounting for almost half of all employment in 2011. Industry, though growing in terms of its share of employment, still has significant unmet potential for expansion, upgrading and diversification, as it is still dominated by small-scale home and traditional craft industries. Efforts to encourage the further growth of industry and manufacturing, as well as agricultural processing industries may be the key to the expansion of productive employment in the formal economy in the coming years.

Exacerbated by the conflict, indicators of consumption inequality also worsened during parts of the last decade – a trend indicative of widening disparities in terms of living standards. Although there has been some economic recovery since 2002, the lack of growth in productive employment – particularly in industry and services- is likely to have contributed to this situation. In other areas, the province has fared better, particularly in education. Sustained high literacy rates and a declining share of children out of school are all positive signs for the development of the province's human capital base, and hence for its wider development prospects.

Over the last eight years selected indicators of **employment opportunities** in Maluku have improved, although a number of challenges remain (Chapter 2). During and immediately after the conflict, the share of the working age population that was employed fell sharply, while the proportion of young people not in employment and not in education or training (NEET) more than tripled. As peace returned and governance improved in the mid-2000s, both indicators improved, which together with declining unemployment, improved the overall context for decent work. Between 1998 and 2005 vulnerable employment – that is, the share of own account workers and contributing family workers in the total employed- rose moderately before falling again, while growth in services (and parallel declines in agricultural employment) in particular helped reduce informal employment by 10 percentage points in the decade to 2011. Nonetheless, both vulnerable and informal employment remain high and continue to obstruct progress toward decent work for large swathes of Maluku's workforce.

Both during the conflict and for some time after, women saw both a greater decline in their employment share (as measured by their employment-to-population ratio, EPR) and a sharper rise in unemployment than their male counterparts. The growth of the service sector has since helped drive a rebalancing of women's employment, as evident in the near-doubling of the female EPR between 2005 and 2011.

Despite recent declines in working poverty, wider recent progress toward **adequate earnings and productive work** in Maluku has been mixed (Chapter 3). The share of the employed persons in regular work earning less than two-thirds of the median – an indicator of relative earnings in the economy – has risen in the post-conflict period, with men found in consistently higher shares than women (23.4 per cent for women and 30.2 per cent for men in 2011). This differs from the national picture, where almost a third

of women and less than a quarter of men were in “low pay” in 2010. When “all employees” are considered, however, low pay rates tend to be higher among women than men (which is also true at the national level) – a trend which may reflect widespread prevalence of low pay in female non-regular employment (including casual work). On the policy side, the provincial government continues to face difficulties in enforcing an effective minimum wage system, with the current wage set at a level below that recommended by the province’s index of living costs (the KHL).

Despite not ratifying key ILO Conventions aimed at ensuring **decent working time** (Chapter 4), it remains a heavily regulated sphere in Indonesia. However, in Maluku, recent years have been marked by rising shares in both “excessive hours” (i.e. in excess of 48 hours per week, across all jobs) and “time-related underemployment” (i.e. those working fewer than 35 hours per week, and wanting more hours of work). While men are more commonly found in excessive hours, the opposite is true for time-related underemployment, for which women made up the largest share in recent years.

Growth in excessive hours can be partially attributed to workers taking on multiple jobs to make up for low earnings and a low minimum wage. However, the growth in underemployment is difficult to interpret. Underemployment is often commonplace in areas where low productivity agriculture dominates (since demand for labour is often seasonal, with considerable “slack” periods), but in Maluku the data provides only tentative evidence of such. Together, the prevalence of excessive hours and underemployment suggest that Maluku’s economic recovery has been weak from the standpoint of employment quality, even despite the post-war growth of non-agricultural employment.

Regarding **work that should be abolished** (Chapter 5), child labour in Maluku is less prevalent than at the national level, and has fallen in recent years. In 2011, under 3 per cent of children aged 10 to 17 were in child labour, compared with 4.3 per cent in 2010 at the national level. A major factor in this success has been the improving coverage of edu-

cation since the late 1990s – in particular, rising net enrolment rates and falling shares of children out of school. Unfortunately, and reflecting data deficits at the national level, information on the current state of “hazardous” child labour or forced labour in the province is unavailable.

The extent to which workers enjoy **stability and security of work** (Chapter 6) is measured in part by indicators of precarious employment, that is, jobs that are by contractual status casual, with no expectation of continued long term employment. Despite the predominance of informal employment in Maluku (which often captures work of an unstable and insecure nature), just 3 per cent of employed workers in the province were officially in “precarious employment” in 2011. This is significantly lower than the most recent figure for Indonesia as a whole (10.1 per cent, in 2010). Moreover, although still widespread, informal employment is declining, driven in part by the structural transition from agriculture into services, and this has at least the potential to expand the availability of more stable and secure employment in Maluku in the coming years.

Owing to a variety of factors, like traditional views of gender roles in society, women in Maluku continue to face barriers to **equal opportunity and treatment in employment** (Chapter 7). However, trends in occupational segregation by gender differ considerably from the national picture, with women in Maluku found in comparatively higher shares in the most “prestigious” jobs such as legislators, senior officials and managers. Encouragingly, women are also making gains in other occupations, particularly in knowledge-based and skills-intensive occupations. With regard to wages, women in Maluku fare better than women in Indonesia more generally: at 6 per cent in 2011, the gender pay gap is small compared with the national average of 22 per cent in 2010.

Under decentralisation, responsibility to enforce occupational safety regulations falls to local governments. However, in Maluku, gaps in provincial level administrative data make it impossible to assess progress vis-à-vis the goal of a **safe work environment** for all (Chapter 8). While time series data on occupational injuries is absent in the prov-

ince, labour inspection data from 2007 to 2009 shows that important progress has been made in expanding the number of inspectors charged with monitoring workplaces for safety and health provisions (from 13 to 48). However, as a ratio per 10,000 registered workers, however, these numbers remained low at just 0.5 in 2011.

In terms of **social security** (Chapter 9), the *Jamsostek* scheme provides limited social security for employed persons nationwide, notably in the form of health and pension benefits, and this applies to Maluku too. However, shortfalls remain, and recent data suggest that since 2008, coverage as a share of Maluku's employed population has actually declined. Moreover, the security situation has also impacted health provisions: conflicts in the years 1999 to 2002 led to the destruction of hospitals and other facilities, and the curtailment of often vital medical services. However, since then the provincial government has restored the health infrastructure, and the numbers of hospitals and public health centres has increased. Although data exists on the share of households receiving free (subsidised) government healthcare, little insight can be derived from

this without further information on the share of "poor" households in the province, as determined by the criteria for receiving these subsidies. Data on pension coverage is limited to a single year, 2003, but shows comparably low coverage rate of 15 per cent in Maluku, compared with 23 per cent at the national level.

Finally, with respect to **social dialogue and employers' and workers' representation** (Chapter 10), it is difficult to determine the true extent to which progress due to poor administrative data at the provincial level. The low union density rate, at just 0.7 per cent in 2010, shows that union membership among the working population is miniscule, and even lower than the national figure of 3.3 per cent. The extent to which this situation, together with the status of employer representation, is improving will remain unknown without future research and improvements to administrative data collection.

Analysis with respect to combining work, family and personal life is currently not possible, since data in this regard is only collected at the national level (see Annex).

Abbreviations

APINDO	<i>Asosiasi Pengusaha Indonesia</i> – Employers’ Association of Indonesia
ASABRI	<i>Asuransi untuk ABRI</i> – Insurance for the military
ASKESDA	<i>Asuransi Kesehatan Daerah</i> – Health insurance provided by local government
BPJS	<i>Badan Penyelenggara Jaminan Sosial</i> – Administering body responsible for implementing social insurance
BPS	<i>Badan Pusat Statistics</i> – Central Bureau of Statistics
CEACR	Committee of Experts on the Application of Conventions and Recommendations
DISNAKERTRANS	<i>Dinas Tenaga Kerja dan Transmigrasi</i> – Local government manpower and transmigration agency (province and regency)
EPR	Employment-to-population ratio
GDP	Gross domestic product
ILO	International Labour Organization
IMF	International Monetary Fund
IRDSA	Industrial Relations Disputes Settlements Act No. 2 of 2004
ISCO	International Standard Classification of Occupations
JABODETABEK	Abbreviation for Jakarta, Bogor, Depok, Tangerang and Bekasi.
JAMKESDA	<i>Jaminan Kesehatan Daerah</i> – Social health insurance provided by local government
JAMSOSTEK	<i>Jaminan Sosial Tenaga Kerja</i> – Social insurance for workers
KHL	<i>Kebutuhan Hidup Layak</i> – reasonable cost-of-living index
MAP	ILO/EC Project “Monitoring and Assessing Progress on Decent Work”
MA	Manpower Act No. 13 of 2003
MoMT	Ministry of Manpower and Transmigration
MoSA	Ministry of Social Affairs
NEET	People not in employment and not in education or training
NOSHC	National Occupational Safety and Health Council
IDR	Indonesian Rupiah (IDR 10,000 = approx. USD 1)
SAKERNAS	National labour force survey
SUSENAS	National social and economic survey
TASPEN	<i>Tabungan Pensiun</i> – Pension funds
TU	Trade Unions Act No. 21 of 2000
WHO	World Health Organization
UNAIDS	Joint United Nations Programme on HIV and AIDS

Contents

Preface	iii
Acknowledgement	v
Executive summary	vii
Abbreviations	xi
List of tables with statistical Decent Work Indicators	xiv
List of Legal Framework Indicators	xv
1. Economic and social context for decent work	1
2. Employment opportunities	7
3. Adequate earnings and productive work	11
4. Decent working time	15
5. Work that should be abolished	19
6. Stability and security of work	23
7. Equal opportunity and treatment in employment	27
8. Safe work environment	31
9. Social security	35
10. Social dialogue, workers' and employers' representation	41
Annex	46
Table 1. Adequate earnings and productive work by regions	46
Table 2. Decent hours by region	48
Table 3. Commuting time in Jabodetabek and all metropolitan areas in Indonesia	49
Box 1. Maternity Leave	49
Box 2. Parental Leave	50
Table 4. Provincial KHL rates (cost of living indicator), 2005-2013	51

List of tables with statistical Decent Work Indicators

Table 1.	Economic and social context for decent work	4
Table 2.	Employment opportunities	8
Table 3.	Adequate earnings and productive work	14
Table 4.	Decent hours	17
Table 5.	Work that should be abolished	20
Table 6.	Stability and security of work	25
Table 7.	Equal opportunity and treatment in employment	30
Table 8.	Safe work environment	32
Table 9.	Social security	38
Table 10.	Social dialogue, workers' and employers' representation	43
Figures		
Figure 1.	Net enrollment rates, Maluku and Indonesia, 2003-11	3
Figure 2.	Minimum wage in 2012 (IDR), all provinces	13
Figure 3.	Figure 3. Ratio of minimum wage to cost-of-living index (KHL) in 2012, selected provinces	13
Figure 4.	Low-pay rate for regular employees by gender, Maluku and Indonesia, 1996-11	13

List of Legal Framework Indicators

Legal framework indicator 1.	Government commitment to full employment	9
Legal framework indicator 2.	Unemployment insurance	9
Legal framework indicator 3.	Statutory minimum wage	12
Legal framework indicator 4.	Maximum hours of work	16
Legal framework indicator 5.	Paid annual leave	17
Legal framework indicator 6.	Child Labour	20
Legal framework indicator 7.	Forced labour	21
Legal framework indicator 8.	Termination of employment	24
Legal framework indicator 9.	Equal opportunity and treatment	28
Legal framework indicator 10.	Equal remuneration of men and women for work of equal value	29
Legal framework indicator 11.	Employment injury benefits	32
Legal framework indicator 12.	Labour inspection (Occupational safety and health)	33
Legal framework indicator 13.	Pension	36
Legal framework indicator 14.	Incapacity to work due to sickness/sick leave	36
Legal framework indicator 15.	Incapacity to work due to invalidity	37
Legal framework indicator 16.	Freedom of association and the right to organize	42
Legal framework indicator 17.	Collective bargaining	43
Legal framework indicator 18.	Tripartite Consultation	44
Legal framework indicator 19.	Labour Administration	44

1 Economic and social context for decent work

During the last fifteen years Maluku has undergone tremendous economic, social and political change, both from national (i.e. country-wide) and more localised forces. At the national level, the 1997-98 financial crisis and the subsequent transition to a new democratic system (known as the *Reformasi* era) was coupled with a new and ambitious programme of decentralization, to both the provincial and the district government level. Significantly for the provinces and other local (i.e. sub-provincial) administrations, this also meant the introduction of directly elected governors, mayors and regents (*bupati*), elected by local constituents in a given area. Since its introduction, this system has been credited with having engendered a greater sense of democracy and self-determination in Indonesian politics at the sub-national level, with many also praising the enhanced level of civic participation in regional development and related decision-making.

Political decentralization was also accompanied by the redistribution of administrative power to the local level, a process that began in 1999 with the enactment of two new laws: (i) the local government law (*UU Pemerintah Daerah*) and (ii) the central-local budget sharing law (*UU Perimbangan Keuangan Pusat dan Daerah*). Under these laws, the authority to direct local social and economic policy shifted from central to local governments across the country.

Decentralisation has had a major impact on government and wider civic efforts to promote decent work across Indonesia. Since 1998 the responsibility for employment creation, minimum wage setting and enforcement, promoting safer workplaces, developing social safety nets, and implementing labour laws has increasingly been assumed by local government units, and the suc-

cess of decent work policies and programmes has therefore depended very much on local governments' capacity to implement them. Perhaps more so than before, significant disparities now exist in decent work contexts between provinces and between provinces and the national level.

Unlike many other provinces that underwent a relatively smooth political transition in the *Reformasi* era, Maluku experienced several years of a destructive conflict that had an adverse effect on its development and decent work prospects. The difficulties began with the separation of Maluku province in 1999 into North Maluku and the current Maluku (the southern archipelago). This heralded the onset of a large scale ethno-political-religious conflict that lasted for four years, ending in February 2002 with the signing of the Malino II peace accord.

Maluku today is a small archipelago located to the south of the Molucca Islands. It has 559 islands and covers an area of 581,376 km², only 10 per cent of which is land. There are nine major islands, the most densely populated being Seram and Ambon, the capital city. The land area is divided into 11 regencies. According to the 2010 census Maluku had 1.5 million inhabitants, 0.6 per cent of the total national population. The province's population growth rate, which was around 2.8 per cent per annum between 2000 and 2010, is modest and dominated by returning residents displaced by the earlier conflict.¹

The conflict and its aftermath have given rise to a number of anomalies in Maluku's macro-economy and labour market. Between 2002 and 2005, for example, the province experienced high labour

¹ See Ronnas and Schamchiyeva (2011).

productivity growth, which was attributed in large part to the declining employment-to-population ratio (EPR) rather than to post-conflict economic recovery (see Chapter 2). As the EPR started to rise once more between 2006 and 2010, labour productivity declined – a trend that suggests economic and labour market recovery did not occur simultaneously.

The conflict also had a severe impact on the province's employment structure, destabilizing the industrial and services sectors and causing the displacement and return to agriculture of a large number of workers. With the resumption of peace, workers started to leave agriculture again in favour of higher-productivity (and often higher-paid) jobs in the industrial and services sectors. Between 2002 and 2011 agriculture's share of employment fell by 17 percentage points to 49 per cent, while employment in industry and in services rose from 8 to 12 per cent and 25 to 39 per cent respectively. These trends follow the national trend of declining employment shares in agriculture during this period.²

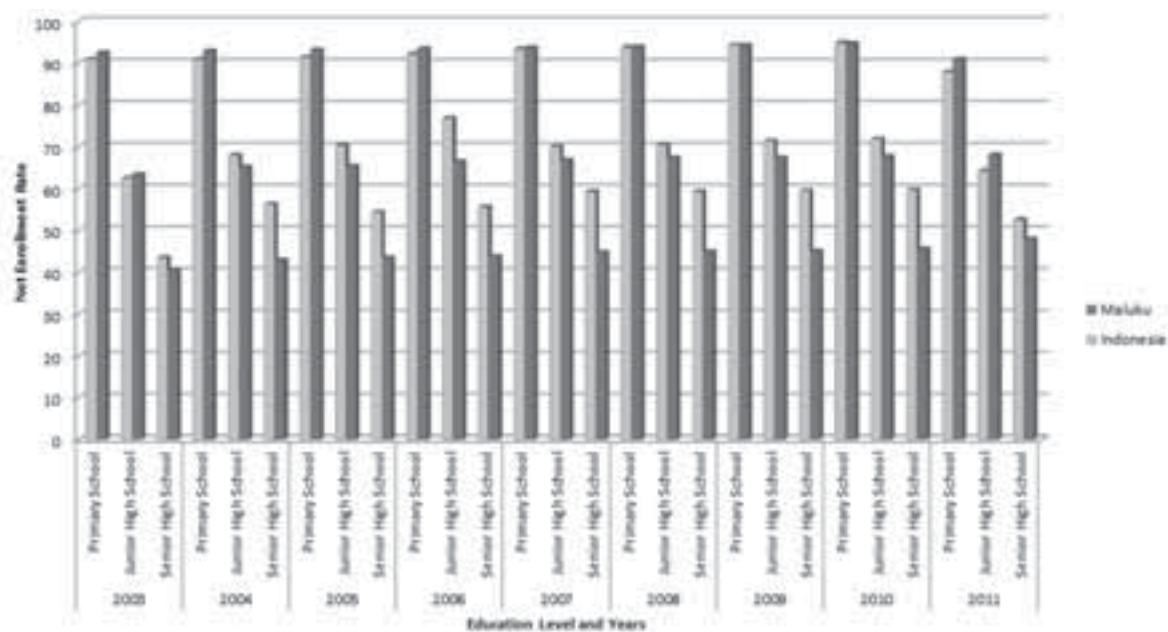
Inequality, as measured by consumption expenditure, has been worsening in Maluku, having deteriorated both during the conflict and again more recently following economic recovery and the subsequent expansion of employment opportunities. In the absence of national or provincial income inequality measures, expenditure inequality offers some indication of disparities in the

actual standard of living in Maluku (as opposed to actual economic power), by examining the ratio of average consumption among the top percentile of the population to that of the bottom percentile (i.e. P90/P10) in the consumption expenditure distribution. Between 1999 and 2001, this ratio rose from 4.81 to 10, and notwithstanding considerable fluctuations in between, remained at approximately 10 in 2010. In short, this indicates that the richest 10 per cent of the population in Maluku now spend ten times as much on average as the poorest 10 per cent. While the causes of this may be attributed to multiple factors beyond the scope of this report, the apparent shortfall in productive employment, together with declining employment quality as indicated further in Chapter 3, are likely to have contributed to it.

Despite four years of civil strife, Maluku has seen encouraging progress in educational standards, as indicated by available statistical data. The share of school-aged children not in school, for example, fell significantly from 23.7 per cent in 2001 to 11.5 per cent in 2010, in part due to rising net enrolment rates, particularly at the high school level, between 2003 and 2010 (see Figure 1). Similarly, the adult literacy rate has remained high at around 97 per cent since 2001. In terms of educational attainments, Maluku's government has also achieved notable success in maintaining a high – and until 2010, rising – net enrolment rate for primary and secondary education (see Chapter 5).

² Although agriculture accounts for a smaller share of total employment nationally than does Maluku (38.3 per cent in 2010 compared with 49.5 per cent in 2011 in Maluku), the extent of the recent decline has been greater in Maluku than in the country as a whole.

Figure 1. Net enrolment rate, Maluku and Indonesia, 2003-11*



* From 2007 onwards the net enrolment rate includes non-formal education. In comparing the education indicators in 2010 and 2011 allowance must be made for (i) differences in calculation methodology, and (ii) the fact that data collection in 2010 was once a year instead of quarterly. Source: BPS statistics.

Table 1. Economic and social context for decent work

Decent work indicator	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Children not in school, ages 5-17, %¹	23.19	23.03	24.61	22.29	...	23.7	...	19.74	17.22	16.39	14.48	13.8	13.19	13.6	11.54	...
Male	22.97	22	24.15	23.17	...	26.54	...	20.85	17.45	16.57	15.09	13.91	12.44	14.59	...	...
Female	23.44	24.1	25.13	21.32	...	20.32	...	18.47	16.96	16.19	13.85	13.69	14.01	12.53	...	...
Estimated % of working-age population who are HIV positive²	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Male	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Female	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour productivity³																
GDP per person employed	...	...	...	...	...	6,136	6,398	6,740	6,950	7,966	7,611	7,486	7,581	7,419	7,249	...
Growth rate, %	...	...	...	...	...	...	4.27	5.36	3.11	14.62	-4.46	-1.63	1.26	-1.18	-3.23	...
Expenditure-based inequality (percentile ratio P90/P10)⁴	4.08	4.64	4.28	4.81	...	10.4	8.67	8.73	6.5	5	7.39	8.55	10.3	9.97	8.92	10.19
Male	4.13	4.82	4.17	4.61	...	5.8	7.78	9.2	6.25	5.17	6.4	7.52	10.33	8.23	9	9.17
Female	6.6	6.01	7.22	5.41	...	21.7	8.86	7.81	6.9	7.86	10.97	9.35	11.43	12.65	12.5	13.63
Inflation rate, %⁵	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Employment by branch of economic activity, %⁶																
Agriculture	59	54.2	66.3	62.1	...	66.9	66.3	61.7	61.7	61	59.5	60.3	58.9	56.3	51.4	49.5
Industry	9.3	8.9	7.3	8.5	...	2.8	8.2	8.6	9.5	6.9	8.1	8.5	9.6	11.7	9	11.9
Services	31.7	36.9	26.3	29.3	...	30.4	25.5	29.8	28.8	32.1	32.4	31.2	31.5	32	39.6	38.7
Adult literacy rate⁷	...	...	...	...	...	96.96	...	97.04	97.78	96.16	96.5	96.85	97.31	97.42	97.46	...
Male	...	...	...	...	...	96.94	...	97.96	98.66	97.17	97.14	97.78	98.37	98.26	98.11	...
Female	...	...	...	...	...	96.97	...	96.13	96.94	95.17	95.88	95.94	96.28	96.63	96.83	...
Labour share (% of GDP)⁸	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

¹ Represents the percentage of children ages 5-17 not attending school.

² Represents the estimated number of people living with HIV (ages 15+) as a percentage share of total working-age population (ages 15+).

³ Labour productivity defined as GDP per person employed in thousands of Indonesian rupiah (constant 2000 prices).

⁴ Represents the percentile ratio of the 90th percentile to those at the 10th percentile of the consumption expenditure distribution.

⁵ Based on 2009 harmonized prices from the survey of 46 cities; frequency of source data is monthly and base year is 2007.

⁶ Agriculture includes: agriculture, forestry, hunting and fishery. Industry includes: (a) mining and quarrying; (b) manufacturing industry; (c) electricity, gas and water; and (d) construction. Services include: (a) wholesale trade, retail trade, restaurants and hotels; (b) transportation, storage and communications; (c) financing, insurance, real estate and business services; and (d) community, social and personal services.

⁷ Includes adults aged 15+.

⁸ Represents total wage share of total GDP.

Sources:

¹ BPS: *Susenas*.

² UNAIDS and WHO estimates of number of people living with HIV. Total working-age population: BPS: *Sakernas*.

³ For GDP, IMF: *World economic outlook database* (Oct. 2010); for employment, BPS: *Sakernas*.

⁴ BPS: *Susenas*.

⁵ IMF: *World Economic Outlook Database* (Oct. 2010).

⁶ BPS: *Sakernas*.

⁷ BPS: *Susenas*.

⁸ BPS: Input-output economic tables.

Relevant legislation

- Manpower Act No. 13 of 2003 (MA)
- Trade Unions Act No. 21 of 2000 (TU)
- Industrial Relations Disputes Settlements Act No. 2 of 2004 (IRDSA)
- Employees' Social Security Act No. 3 of 1992.

Reform. Labour law reform started in 1998. The first labour law passed was the Trade Unions Act No. 21 of 2000.

Scope of the law. *Manpower Act:* A worker/labourer is defined as any person who works and receives wages or other forms of remuneration. An employer is an individual, businessman, legal entity or other agency that employs manpower by paying wages or compensation in some other forms. An entrepreneur is defined as an individual, partnership or legal entity that operates a self-owned enterprise or a non-self-owned enterprise or representatives in Indonesia of enterprises domiciled outside the national territory. The *TU Act* has the same definition of worker and employer. Civil servants are covered by specific legislation.

Note. The employment relationship is defined as a relationship between an entrepreneur and a worker based on a work agreement that specifies work requirements, rights and obligations on both sides (MA, Articles 1 and 50). Part-time work is also covered under the Manpower Act.

Only “entrepreneurs” are obliged to comply with regulations pertaining to work agreements, minimum wages, overtime, hours, rest and vacation, etc. (MA, Arts. 77-79 and 90). Employers (or “work-givers”) are only obliged to provide basic protection that includes protection for their employees’ welfare, safety and mental and physical health (MA, Art 35). Individuals employing domestic workers are considered work-givers.

Work contracts under the MA.

Unlimited terms work agreement: May be done in writing or orally (MA, Article 51(1)). Maximum probation: 3 months (MA, Article 60).

Fixed-term work agreements: Have to be in writing, in the Indonesian language; are otherwise regarded as work for an unspecified period of time (MA, Article 57). Cannot be made for work that is permanent by nature, but only for work which is to be finished within a specified period of time, which is temporary by nature, whose completion is estimated to take less than three years, which is seasonal, which is related to a new product or new activity still at the experimental stage). A fixed-term contract may be made for no more than two years and can only be extended once for a maximum of one year (MA, Article 59(4)). No probation period is possible (MA, Article 58(1)). Employers must notify workers of their intention to extend a fixed-term agreement more than seven days before its expiration. A fixed-term work agreement may be renewed only after 30 days have elapsed since the end of the agreement; a renewal may only be made once for no more than two years. A work agreement which violates these provisions is deemed to be an unlimited term work agreement (MA, Article 59).

Outsourcing: An enterprise may turn over part of its work to another enterprise, under certain conditions (Article 65); if these conditions are not met, the enterprise that contracts out the work to the contractor is held legally responsible as the employer. Workers must enjoy the same protection and working conditions provided at the enterprise that commissions the contract.

Summary assessment

In the early 2000s, Maluku faced security challenges that undermined both socio-economic development and prospects for decent work. The ethno-political conflict, which lasted from 1999 to 2002, led to economic contraction, the destruction of physical, economic and social infrastructure, and large disruptions to the labour market. Workers withdrew in large numbers from high-productivity sectors such as industry

and services and moved into lower-productivity, lower-wage agricultural jobs – a trend that only started to reverse once peace had been restored. Labour productivity rose as a result of declining shares of working age people actually in work, but has declined since and remains low (and growing more slowly) by national standards. Expenditure-based inequality, meanwhile, has risen, meaning the richest ten per cent of society in the province is now consuming more than ten times that of the poorest ten per cent. Without

sustained economic growth, diversification of the industrial base (i.e. away from low productivity agricultural activities), and further efforts to stimulate formal employment growth, inequality, together with low productivity, are likely to remain persistent features of the labour market in Maluku.

Despite a recent decline, agriculture remains the single biggest employer, accounting for almost half of all employment in the province in 2011.

Industry, although growing in terms of its employment share, remains predominantly small scale and cottage-based, thus presenting much potential for future expansion and diversification. Other indicators, however, have fared better in recent years, with rising educational standards a particular case in point. Sustained high literacy rates and a declining share of children out of school are all positive signs for the development of the province's human capital base, and hence for its wider economic prospects.

References

BPS-Statistics Maluku. 2011. *Maluku in figures 2011*.

Ronnas, Per, and Shamchiyeva, Leyla. 2011. *Employment diagnostic analysis: Maluku, Indonesia*. ILO Employment Working Paper No. 98 (Geneva).

ILO. 2011. *Decent Work Country Profile – Indonesia* (Geneva).

2 Employment opportunities

Since the concept of decent work implies the existence of employment opportunities for anyone who is eligible and seeking work, an important component is how extensively a country's population is employed. Employment opportunities can be measured as employment and labour force activity relative to the population, or in terms of unemployment and underemployment. The ILO's Employment Policy Convention, 1964 (No. 122) stipulates that a national employment policy should be based on analytical studies of the present and future size and distribution of the labour force, employment, unemployment and underemployment (see Anker et al, 2002).

As already noted, the conflict in Maluku had dire consequences for the local economy and labour market. The suppression of economic activity during the fighting severely curtailed employment creation both during the conflict and for some time after. Between 1998 and 2005 (three years after the signing of the Malino II peace accord), the employment-to-population ratio (EPR)¹ fell from 61 per cent to 51 per cent, while official unemployment rose sharply from 3.7 per cent to 15 per cent. As is often the case in a crisis, young people were particularly hard hit. The proportion of youth not in education and not in employment (NEET), for example, rose from 6 per cent in 1998 to 18.5 per cent in 2005. High NEET rates among young people reflect a significant waste of human potential, and many workers in this situation risk long-term discouragement and detachment from the labour market.

It is difficult to assess the effect of the Maluku conflict and its economic fallout on informal

employment because the official definition of such was only introduced in 2001, two years after the start of the conflict. Nevertheless, some indication can be derived from the changes that occurred in employment by status, particularly in the "vulnerable employment" category of "own-account workers" and "unpaid family workers", which accounted for two-thirds of total informal employment in 2011.² Between 1998 and 2005 vulnerable employment rose by just over 4 percentage points to 55.74 per cent, a noticeable but relatively moderate adjustment that since 2006 has declined again. Meanwhile, informal employment has fallen more than 10 percentage points since 2001, to 68.3 per cent in 2011 – a trend that reflects the post-conflict growth of formal employment in the industrial and services sectors, as highlighted in Chapter 1 (see Table 1). Over the last five years agricultural employment, much of which is informal, has been declining rapidly.

The post-2005 period was marked by substantial growth in employment opportunities. Between 2005 and 2011 the EPR rose by 14 percentage points to 65 per cent, while unemployment more than halved to 7 per cent. The youth NEET rate also fell sharply, from 18.5 to 8.25 per cent over the same period. The decline in the NEET rate derived probably from a combination of employment growth in services (Ronnas and Scham-

¹ This describes the share of the working age population that is employed.

² There may be an overlap between the definition of informal employment and of vulnerable employment as both use the same employment status categories of "own-account worker" and "unpaid worker". Nevertheless, the informal employment definition includes occupational classification (ISCO) in selecting types of employment that can be categorized as informal. For example, an own-account-worker who works as a computer programmer is considered a formal worker, so it is feasible to consider a vulnerable worker as holding a formal job. On the other hand, vulnerable employment does not make any distinction regarding the vulnerability of different occupations from the standpoint of an employee; all "own-account workers" are considered to be more vulnerable than "employees", regardless of their specific occupation.

Table 2. Employment opportunities

Decent work indicator	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Employment-to-population ratio, ages 15-64, %	63.66	61.27	63.7	65.54	...	59.53	61.63	58.28	56.87	50.93	53.53	56.05	57.31	59.82	78.51	65.42
Male	77.31	76.86	80.41	78.93	...	76.96	79.08	74.23	76.42	73.26	72.56	72.61	73.42	73.3	75.38	78.74
Female	50.2	46.13	47.17	52.48	...	41.94	43.93	42.13	37.41	26.61	34.41	39.19	40.8	46.02	47.11	52.06
Unemployment rate, ages 15+, %	5.55	5.61	3.7	4.7	...	11.28	8.08	12.63	11.67	15.01	13.72	12.2	10.67	10.57	9.97	7.38
Male	4.96	4.33	3.2	3.41	...	8.71	5.59	8.77	7.9	10.18	9.22	9.76	8.65	8.62	6.7	5.41
Female	6.45	7.62	4.55	6.55	...	15.67	12.34	18.97	18.55	26.7	21.99	16.44	14.21	13.63	14.74	10.25
Share of youth not in education and not in employment, ages 15-24, %	...	7.42	6.11	5.32	...	16.42	10.62	15.3	15.54	18.5	15.7	10.99	10.72	8.81	9.33	8.25
Male	...	6.98	6.5	4.07	...	15.95	9.3	12.6	13.9	17.46	15.47	10.61	10.95	9.24	8.7	9.18
Female	...	7.83	5.73	6.47	...	16.94	11.97	18.15	17.34	19.81	15.95	11.39	10.46	8.36	9.97	7.3
Informal employment, ages 15+, %¹	...	...	...	...	...	79.6	78.1	74.7	75.4	76.3	75	73.6	71.9	72.6	66.3	68.3
Male	...	...	...	...	...	76.9	75.2	72.5	74.3	78.2	75.2	72.4	70.3	69.7	65.2	66.2
Female	...	...	...	...	...	84.6	83.4	78.8	77.7	70.8	74.5	75.8	74.8	77.4	68	71.6
Proportion of own-account and contributing family workers in total employment, ages 15+, %	49.2	48.8	51.67	58.33	...	56.94	55.88	53.07	56.41	55.74	54.09	49.07	50.99	53.09	47.54	49.45
Male	37.99	39.58	42.72	50.11	...	46.6	51.37	43.07	50.12	54.39	49.49	40.75	44.19	42.03	38.68	39.53
Female	66.47	63.68	66.81	70.59	...	76.06	64.22	71.52	69.35	59.76	63.96	64.66	63.64	71.42	61.72	64.69

¹ Informal employment estimates based on cross-tabulation of employment status and occupation, as defined in the *Sakernas* reports.

Source: BPS: *Sakernas*.

chiyeva, 2011) and the increasing proportion of young people continuing their education, thanks to the local government's success in facilitating access to education and boosting the net enrolment rate (see Chapter 1 and 5).

When disaggregated by gender, the employment indicators point to a somewhat disproportionate effect of the conflict on women's labour market opportunities. Between 1999 and 2002 the female EPR fell by 8 per cent while the corresponding rate for men remained at 79 per cent. There is a corresponding pattern in women's unemployment, which rose by 6 percentage points as opposed to 2 percentage points for men. A number of factors could explain this, and some research suggests that women gave up employment during the conflict in particularly large numbers amid the esca-

lating violence, which included sexual violence directed at them.³

Data also suggest that far from improving in the immediate years after the return of peace, the situation of women in employment actually deteriorated in some cases. The EPR, for example, fell from 44 per cent in 2002 to 27 per cent in 2005, while unemployment more than doubled to 27 per cent. The deterioration of conditions of employment was one of the many challenges that Maluku faced in reviving its economy, and especially in dealing with the wave of returnees (Ronnas and Schamchiyeva, 2011). Although a similar pattern of a declining EPR and rising

³ See Women Research Institute at <http://wri.or.id/en/capacity%20building%20workshop/Maluku>

Legal framework indicator 1. Government commitment to full employment

Law, policy or institutions. The Manpower Act states that the Government needs to develop a manpower policy and planning (MA, Article 7). Indonesia has adopted a strategic plan for 2010-14 with the aim of increasing employment opportunities (Regulation PER No. 03/MEN/I/2010 concerning the Strategic Plan 2010-14). The priorities for the next five years are welfare, strengthening democracy and the enforcement of justice.

Other laws and policies include Decree No. 4/U/SKB/2000 on cooperatives and entrepreneurship, which provides for the organization of vocational training for cooperatives (and their members), the National Education System Law No. 20 (2003), which sets out the modalities of decentralization of the education and training system to local authorities, and the ILO-backed Indonesia Youth Employment Action Plan, which outlines policy recommendations and programmes to prepare youth for work, create jobs, foster entrepreneurship and promote equal opportunities.

Evidence of implementation effectiveness. No information has been made available to the ILO's supervisory bodies.

Ratification of ILO Conventions. Indonesia has not ratified the Employment Policy Convention, 1964 (No. 122).

Sources. ILO: *General Survey 2010*, International Labour Conference, 99th Session, 2010; MoMT website at <http://www.nakertrans.go.id/>.

Legal framework indicator 2. Unemployment insurance

Law, policy or institutions. Indonesia has no unemployment benefit system.

Benefits (level and duration). N/A

Coverage of workers in law. N/A

Coverage of workers in practice. N/A

Ratification of ILO Conventions. Indonesia has not ratified the Social Security (Minimum Standards) Convention, 1952 (No. 102), or the Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168).

Sources. ILO: NATLEX database; ISSA database.

unemployment was also observed among men during this time, the extent of this trend was far greater among women.

A turning point for women's employment appears to have been 2005, after which the female EPR started to rise and unemployment to decline. By 2011 more than half the women of working age in Maluku were employed, up from 27 per cent in 2005. Unemployment, meanwhile, fell to its lowest rate of the 2000s, though it was still higher rate than before the conflict and almost double that of men – a reflection of the disadvantage that women face in a community so strongly influenced by “gender roles” (Ronnas and Schamchiyeva, 2011). Increasing employment opportunities in industry and services are at least partly responsible for

the more recent improvement in key employment indicators for women.

Summary assessment

The conflict in Maluku had dire consequences for the local economy and labour market, curtailing economic activity and stifling employment creation. During and immediately after the conflict, the share of the working-age population in employment fell sharply, while the proportion of young people both out of work and not in education more than tripled. As peace returned and governance became more efficient in the mid-2000s, both indicators improved, along with the unemployment rate, thus strengthening the overall context and prospects for decent work in Maluku.

Between 1998 and 2005 vulnerable employment rose moderately before falling again. The growth of formal informal employment fell by 10 percentage points in the decade to 2011, mostly due to the expansion of the service sector and the consequent increase in “formal” jobs. Nonetheless, both vulnerable and informal employment remain high and represent serious barriers to decent work in the province. Over the last five years agricultural employment – much of which is informal – has been declining rapidly.

During the conflict women in Maluku saw a greater decline in their employment shares (as a percentage of working age women) and a more rapid increase in unemployment than their male counterparts, and this trend continued well into the post-conflict recovery period. Improvements after 2005, however, saw the share of working-age women in employment almost double, due in large part to expanding employment opportunities in the service sector.

References

- Anker, Richard, et.al. 2002. *Measuring decent work with statistical indicators*. ILO Employment Working Paper No. 2 (Geneva).
- BPS-Statistics Maluku. 2011a. *Maluku Provincial Statistics 2011*.
- BPS-Statistics Maluku. 2011b. *Labour force situation in Maluku August 2011*.
- ILO. 2011a. *Decent Work Country Profile – Indonesia* (Geneva).
- ILO. 2011b. *Employment diagnostic analysis in Maluku: Report on the Workshop* (Geneva).
- Ronnas, Per, and Shamchiyeva, Leyla. 2011. *Employment diagnostic analysis: Maluku, Indonesia*. ILO Employment Working Paper No. 98 (Geneva).

3 Adequate earnings and productive work

An important characteristic of decent work is pay, and the principle of an adequate living wage is mentioned in the preamble of the ILO Constitution. A key factor influencing the achievement of decent work is thus whether workers are able to earn an adequate income and improve their future earnings through training and other forms of skill improvement.

Since the enactment of new minimum wage regulations (Decision of the President No. 107 of 2004), provincial governors now have the authority to set the provincial minimum wage, based on recommendations from the local wage council (see Legal framework indicator 3). Governors set minimum wages in part according to the province's cost-of-living index (*Kebutuhan Hidup Layak*, or KHL), which considers 46 components of living costs, including food, clothing, education and health.

Because of the absence of available data, the implementation of the minimum wage policy in Maluku can be assessed only for the post-2006 period. Between 2006 and 2011 the provincial government raised the minimum wage in several rounds, from IDR 575,000 (approximately US\$60) to IDR 900,000 (approximately US\$94) per month.¹ In 2012 it was raised to IDR 975,000 – still among the lowest in the country and around IDR 112,000 lower than the national average (Figure 2).

More important, however, is the relationship between the wage rate and the reference rate determined by the “reasonable living cost index”, the KHL. In Maluku as in much of Indonesia, the minimum wage remained significantly lower than the KHL throughout the reference period. In 2006 the minimum wage stood at 53.4 per cent of the

KHL and in 2012, this ratio was only slightly better at 56 per cent (see Figure 3). This suggests that in terms of living standards, the minimum wage in Maluku has remained insufficient to provide a basic standard of living for its lowest-paid workers.² This situation is likely not helped by the unusually high cost of living in the province: In 2012, the KHL indicator for Maluku was among the highest in Indonesia (IDR 1,739,000 per month, compared with IDR 1,497,838 in Jakarta) (see Table 4 in Annex for provincial KHL levels).³

Longstanding disparities between the minimum wage and the KHL may also help to explain the prevalence and recent growth in the share of “low paid” workers (as a percentage of total employees). In 2011, just over one in five employees (21 per cent) in the province were earning less than two-thirds of the median wage – a figure that was up 11 percentage points since 2006. Among regular (formal) employees alone, this figure was even higher: 26 per cent in 2011, up from 20 per cent in 2006. Furthermore, while general declines in the low pay rate – for both “all workers” and “regular workers” alone – were observed during the post-conflict period, these rates have until now failed to return to their pre-conflict levels of around 13 to 15 per cent.⁴

Disaggregating the data by gender, it is clear that, although low-pay rates in regular employment are prevalent among both men and women, the proportion of men has tended to be the higher of the two

¹ Based on the November 2012 exchange rate.

² The minimum wage applies to all those employed in enterprises.

³ High living costs may be related to geographical remoteness and the related costs of importing essential commodities, even from other parts of Indonesia. However, further research into this phenomenon is beyond the scope of this document.

⁴ The calculation of the low-pay rate for 1999 to 2005 is likely to have faced data collection problems as a consequence of the conflict in Maluku and one should therefore be cautious when interpreting “trends” from this series. Such problems are perhaps reflected in the year-on-year volatility of data during the conflict years.

Legal framework indicator 3. Statutory minimum wage

Law, policy or institutions. Relevant legislation includes the MA, the Decision of the President No. 107 of 2004 concerning the Wage Council, Regulation No. Per-01/MEN/99 as amended by Decree No. Kep. 226/Men/2000; provincial regulations; and collective agreements. The right to decent earnings and a decent living is specified in Article 88(1) of the MA. The Government must establish a wage policy (MA, Article 88(2)). In general, all workers in an employment relationship with an entrepreneur are covered by minimum wage regulations, including workers on probation and daily workers if working for a month or more. Minimum wage rates are valid only in the first year of workers' employment, after which a review of wage rates must be conducted between the workers or workers' associations and the company (Regulation No. Per-01/MEN/99); the new wage rate cannot be lower than the statutory minimum wage (MA, Article 91). Entrepreneurs who cannot afford to pay the minimum wage may be allowed to postpone doing so in accordance with Ministerial Decision (MA, Article 90). *[For scope of legislation, see Chapter 1].*

Employees are entitled to an annual allowance that is normally equal to one month's salary on the occasion of Eid al-Fitr (breaking the fast) for Islamic workers, Christmas for Catholics and Protestants, Caka Newy (day of quiet) for Hindus and Waisak Day (Buddha's anniversary) for Buddhists. Maternity leave must be granted for three months at full salary. It is common practice to provide other allowances or benefits, such as meal allowances and transportation allowances, welfare facilities, family planning services, day care centres, places of worship, sport facilities, health facilities, recreational facilities, housing and transportation. All allowances are deemed to be part of the salary for tax purposes and to form part of the basic wage for calculating termination payments.

Minimum wage levels. According to central government regulation, minimum wages are by each governor at the provincial or district/city level (Article 89) through the National Wage Council, Provincial Wage Councils and District/City Wage Councils (Article 98); there may be large variations in minimum wages owing to different needs in terms of decent living (KHL) in each province. (In 2012 the minimum wage ranged from IDR 675,000 per month in East Java to IDR 1,529,150 per month in West Papua, owing to their different needs in terms of decent living (KHL).

Evidence of implementation effectiveness. No information has been made available to the ILO's supervisory bodies.

Coverage of workers in law. N/A.

Coverage of workers in practice. N/A.

Ratification of ILO Conventions. Indonesia has not ratified the Minimum Wage Fixing Convention, 1970 (No. 131).

Sources. ILO: NATLEX database; TRAVAIL legal databases.

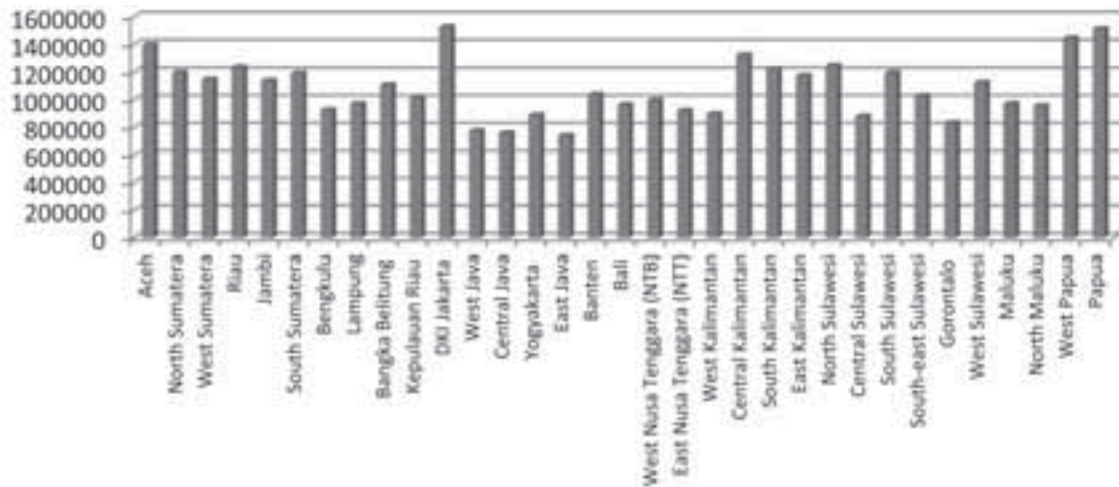
since the early 2000s. The gap between the rates also appears to be rising: while the share of regular male and female workers in low pay remained within a few percentage points of one-another from 2006 onwards, the gap widened sharply in 2011 to almost 7 percentage points (30.2 per cent for men and 23.4 per cent for women). Contrary to the national picture, in which women are consistently more likely than men to be found in low paying jobs, the opposite is largely true in Maluku (see Figure 4).

When "all workers" are considered, however, low pay rates are actually higher among women than men, as is true at the national level too. This may reflect widespread prevalence of low pay in female non-regular employment (including casual work), although this cannot be confirmed without further research and analysis.

Consequently, it can be noted that a conclusion on the comparative prevalence of low pay among women vis-à-vis men depends heavily on the scope of the indicator used (i.e. whether it covers regular employees alone or all employees). In either case, what remains clear is that low pay is symptomatic of deficits in decent work, since it tells us that growing shares are falling behind the rest of the working population in terms of earnings. Although Maluku fares well by national standards both when low pay rates include regular and all employees, the fact that these shares are now above twenty per cent and generally rising should be a concern among policymakers.

Despite the increasing proportion of workers in low pay relative to the median wage, the working poverty rate in Maluku (an absolute measure of economic wellbeing) has actually shown signs of

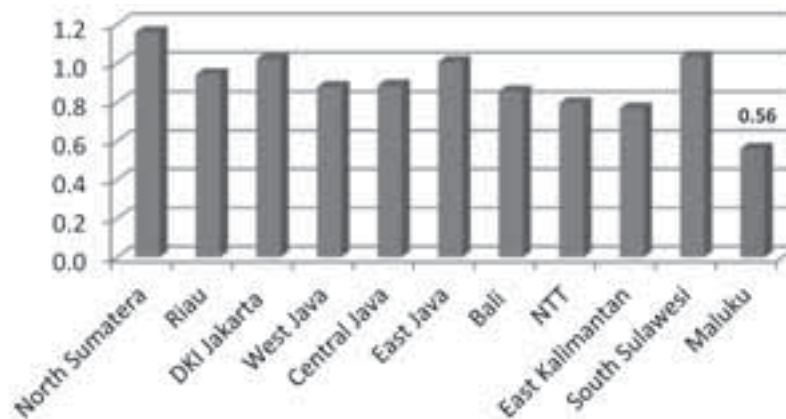
Figure 2. Minimum wage in 2012 (IDR), all provinces



Source: Direktorat Jendral Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja; <http://www.wageindicator.org/main/minimum-wages/indonesia>.

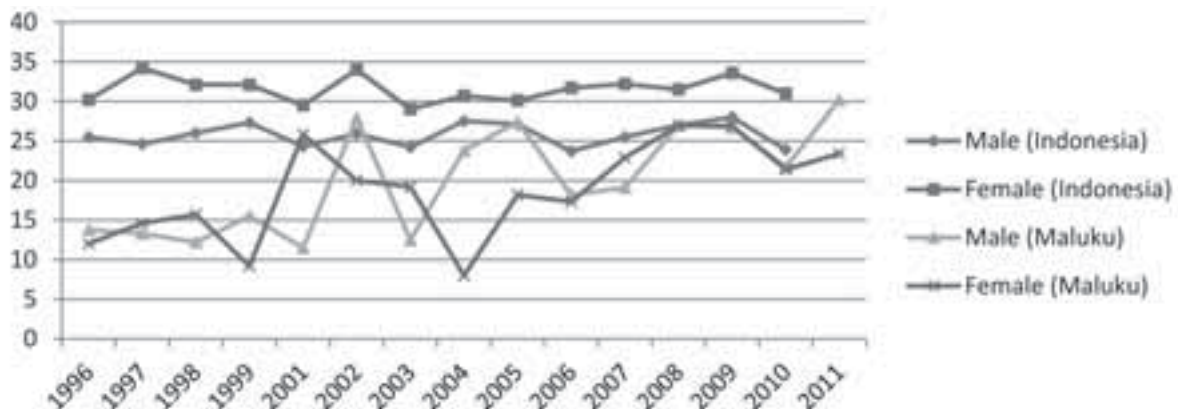
Figure 3. Ratio of minimum wage to cost-of-living index (KHL) in 2012, selected provinces⁵

(where 1.0 = the minimum wage and KHL are equal; values below 1.0 = the minimum wage is lower than the KHL; values above 1.0 = the minimum wage is above the KHL)



Source: Author's calculations, based on Provincial Minimum Wage data, available at: <http://www.wageindicator.org/main/minimum-wages/indonesia>.

Figure 4. Low-pay rate for regular employees by gender, Maluku and Indonesia, %, 1996-2011



Source: BPS: *Sakernas*. Low-pay rate Data for Maluku in 2000 is unavailable so is omitted from the comparative series.

⁵ Figures for Central, East, and West Java were absent for 2012, and are calculated here from the mean of 2011 and 2013 figures.

Table 3. Adequate earnings and productive work

Decent work indicator	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Working poverty rate, %¹	47.19	...	...	48.41	...	39.21	37.84	37.6	36.38	36.81	39.21	36.37	33.34	31.5	30.53	24.92
Male	46.89	...	...	47.77	...	38.11	36.84	36.01	34.89	35.47	36.84	34.63	31.47	30.83	30.02	24.42
Female	47.64	...	...	49.37	...	41.25	39.68	40.54	39.45	40.07	44.8	39.72	37.12	32.65	31.34	25.68
Low pay rate, %²																
Regular employees	13	14.5	15.7	14.4	...	16.7	23.6	15.7	9.8	19.5	20.3	20.9	24.3	25	21.5	25.7
Male	13.8	13.3	12.2	15.5	...	11.5	27.9	12.5	23.8	27.4	18.2	19.1	27	26.7	21.7	30.2
Female	12	14.6	15.7	9.2	...	25.8	20	19.2	8	18.2	17.3	22.9	26.9	26.9	21.4	23.4
All employees	13	14.5	15.7	14.4	...	12.1	14.6	9.2	7.3	13.8	11.7	12.8	18.4	16.1	22.7	20.9
Male	13.8	13.3	12.2	15.5	...	10.9	13.2	10.5	6.7	10.8	11.2	13	17.6	16.2	27.8	22.9
Female	12	14.6	15.7	9.2	...	23.4	18.2	17.4	8.7	20	16.6	21.4	25.9	25.9	30.5	20.1

¹ Based on the national poverty line. The number of working poor is estimated as the national poverty rate multiplied by the total labour force. Poverty rate based on *Susen*; reference period is February for all years except 1998 (December) and 2006-10 (March). Labour force and employment based on *Sakernas*; reference period is August (1996-2004) and February (2005-10).

² Employees with monthly earnings of less than two-thirds of the median.

Source: BPS: *Susen*; BPS: *Sakernas*.

recent improvement. The share of working poor in the province fell sharply, from 47 per cent in 1996 to 25 per cent 2011, although this remained high compared with the 14.4 per cent observed at the national level in 2010. With the exception of the immediate post-conflict years 2002-06, when working poverty rates were between 3 and 8 percentage points higher for women than men, recent years have seen very little difference between the sexes in terms of this indicator.

Summary assessment

Maluku has made important gains in reducing the share of the working poor, from 48 per cent in 1999 (at the onset of the conflict) to under 25 per cent in 2011. However, this remains significantly higher than the national figure (14.4 per cent in 2010), and moreover, on examination of the overall distribution of earnings, a large share of workers are likely to still be earning incomes that place them close to the poverty line. The low

pay rate, which captures workers earning less than two-thirds of the median pay/earnings, has almost doubled for regular workers since 1996, and in 2011 stood at over a 25 per cent – a deterioration even despite the onset of peace in the province. In 2011, males were more likely to fall into this category than women, although this indicator has fluctuated widely over the previous decade, and when “all employees” are considered, rates are generally higher among women.

As with elsewhere in the country, Maluku has a statutory minimum wage, which is theoretically set according to a “decent living” index (called the *KHL*) based on a basket of regularly purchased goods. However, aside from being among the lowest in the country, the rate itself still lags behind the indicative level suggested by the decent living index. Hence, in terms of relative living standards, the minimum wage in Maluku remains below the level deemed necessary in that province to provide at least a basic standard of living.

References

BPS-Statistics Maluku. 2011. *Labour force situation in Maluku August 2011*.

ILO. 2011. *Decent Work Country Profile – Indonesia* (Geneva).

Ronnas, Per, and Shamchiyeva, Leyla. 2011. *Employment diagnostic analysis: Maluku, Indonesia*. ILO Employment Working Paper No. 98 (Geneva).

4 Decent working time

Hours of work are an aspect of decent work that is addressed in the preamble to the ILO Constitution and in the Hours of Work (Industry) Convention, 1919 (No. 1). Excessive and atypical hours can be detrimental to workers' physical and mental health and may also impact on work and family life. Excessive hours are frequently associated with inadequate hourly pay, while shorter than optimal hours can reflect time related underemployment – a form of labour underutilisation that runs counter to the goals of full and productive employment and decent work.

Although Indonesia has not ratified key ILO Conventions on working time, it remains one of the most regulated areas in the country's labour policy (see Legal framework indicator 4). Unlike the minimum wage policy, which is decentralized to local governments, policies, legislation and laws on working time remain the jurisdiction of the central government (though local governments are still responsible for enforcing them). Acceptable working hours are set nationally and vary by sector, but the maximum legal limit embodied in the Manpower Act is 54 hours per week (including overtime).¹ This differs from the accepted international norm, as stated in ILO Conventions No.1 and No.30 which limit working time to 48 hours per week (including overtime). This difference must be taken into consideration to avoid confusion as to the performance of local governments in Indonesia in enforcing its working time regulations.

A key indicator of decent hours is that of “excessive hours”, defined as the share of employed

workers working in excess of 48 hours a week (irrespective of variations within the county in the legally accepted working time). According official data, the proportion of workers engaged in excessive hours in Maluku has increased alongside the province's post-conflict recovery. With the exception of 2001 (which may be an anomaly attributable to the disruption of data collection during the conflict), the 1996 to 2005 period saw typically less than one employed worker in five working excessive hours; yet since 2006 figures of around 25 per cent (albeit with some variation) have been more common. This suggests some divergence from “decent working time” in recent years, with the prevalence of excessive hours usually correlated with insufficient earnings and high rates of poverty.

The indicator of excessive hours included in this Profile captures employed persons working more than 48 hours in *all jobs*, and hence it may also capture those who take on supplementary jobs to make up for low earnings in their main employment. In addition, inadequate earnings and excessive hours may be linked to the current minimum wage, which as noted in Chapter 3 is lagging behind the KHL indicator of basic living costs.

As a measure of labour underutilization, time-related underemployment is a key indicator of “decent work” that provides insights into quality of employment in the labour market. The indicator is defined as the share of employed workers working less than a certain threshold of hours (35 hours per week) and who would like to work *more hours* if available. Data on time-related underemployment in Maluku show considerable year-to-year fluctuation, particularly during and immediately after the conflict. Generally speaking, however, it has been rising, from 12.2 per cent in 1996 to

¹ According to the Manpower Act, the legal limit for maximum working hours comprises the normal 40 hours per week and 14 additional hours overtime. However, there is an exemption for some business sectors, such as the utilities and mining sectors.

Legal framework indicator 4. Maximum hours of work

Law, policy or institutions. Relevant legislation includes the MA; Ministry of Manpower and Transmigration Decree No. 102/MEN/IV/2004 concerning overtime work hours and overtime pay; Decree No. 233/MEN/2003 of the Minister of Manpower and Transportation concerning the type and characteristics of work done continuously; Decree No. 234/MEN/2003 concerning working hours and rest hours and the energy and mining resources business sectors in specific areas. Hours of work in certain business sectors or certain types of work may be regulated by ministerial decision (MA, Article 77(3) and (4)).

Number of hours allowed. MA, Article 77(2): 40 hours a week (7 hours a day for 6 days a week, or 8 hours a day for 5 days a week). An entrepreneur who requires a worker to work longer hours needs the approval of the worker; the maximum overtime work is 3 hours in a day and 14 hours in a week (MA, Article 78), provided that it is paid and that rest, food and drink are provided (Article 7, Decree No. 102/MEN/VI/2004). Working hours and overtime for “certain business sectors or certain types of work” may be regulated by ministerial decision. Certain workers in jobs with high-level responsibilities (involving planning responsibilities, for example) are not entitled to overtime pay, provided they receive higher wages (Article 4, Decree No. 102/MEN/VI/2004). Mining, quarrying and the electricity, water and gas sectors in offshore and isolated regions are excluded from the application of standard working hours, but overtime rates still apply to periods of work that are longer than the standard working hours (Article 2, Decree No. 234/MEN/2003)). No contracting out of these provisions is possible.

Evidence of implementation effectiveness. No information has been made available to the ILO’s supervisory bodies.

Coverage of workers in law. N/A.

Coverage of workers in practice. N/A.

Ratification of ILO Conventions. Indonesia has not ratified the Hours of Work (Industry) Convention, 1919 (No. 1), or the Hours of Work (Commerce and Offices) Convention, 1930 (No. 30).

Source. ILO: NATLEX database; TRAVAIL legal databases; *General Survey*, International Labour Conference, 93rd Session 2005.

17.2 per cent in 2011, following the same general pattern as at the national level (where it rose from 12.2 per cent in 1996 to 14.1 per cent in 2010). In both cases, the trend points to a marked deterioration in the quality and adequacy of employment available in the labour market, in terms of the optimum hours people would like to work.

In many countries time-related underemployment is most frequently encountered in the agricultural sector, where labour underutilization is high and labour productivity low compared to other sectors. However, while certain spikes in time-related underemployment are observed at the same time as increases in agricultural employment in Maluku during and immediately after the conflict (measured by its share of total employment), the questionable reliability of the data for this period make it unwise to draw any further conclusions as to the nature of this relationship.

Notwithstanding the volatility of the 2001 to 2004 period, recent years have shown consist-

ently higher rates of time-related underemployment among women than men. In 2011, almost one in five employed women in the province were working fewer than 35 hours per week while being available and looking for more hours – up from 12 per cent in 2005. The percentage among men was 15.4 per cent in 2011, up from 13.7 per cent in 2005. This suggests that in terms of working time women in Maluku face a major barrier in their access to full and productive employment.

Analysing excessive hours and underemployment data simultaneously offers an interesting perspective on recent labour market developments and provides indications of the pattern and quality of the post-conflict economic recovery in Maluku. Increasing underemployment and the growing prevalence of excessive hours during this period suggest that from the standpoint of employment quality the province’s recovery has been weak. Despite a notable shift in employment from agriculture to services, this transformation has

Table 4. Decent working time

Decent work indicator	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Excessive hours (more than 48 hours per week), %¹	15.4	15.5	15.6	18.7	...	27	11.9	18.9	20.4	16.3	23.8	24.5	21.6	24.	26.3	23.7
Male	21.2	19.9	22.2	24.2	...	29.4	16.2	25.3	26.3	15.7	28.6	29	25.2	29.2	31.9	29.8
Female	6.5	8.4	4.5	10.4	...	22.5	4.1	7.1	8.3	18.1	13.6	16.1	14.7	15.8	17.3	14.4
Time-related underemployment rate, %²	12.2	10.3	10.6	13.7	...	17	11.4	17.4	5.3	13.3	12.8	15.3	17.8	15.7	15.4	17.2
Male	11.6	10.2	9.1	12.1	...	13.4	11.7	14.4	4	13.7	10.3	13.2	16.1	13.5	13.8	15.4
Female	13	10.4	13.1	16	...	23.5	10.7	22.9	7.9	12	17.9	19.3	21.1	19.4	18.1	19.8

¹ Employed persons working more than 48 hours per week in all jobs as a percentage share of total employed persons.

² Employed persons working less than 35 hours per week who are looking for a job or are available for more work as a percentage share of total employed persons.

Source: BPS: *Sakernas*.

Legal framework indicator 5. Paid annual leave

Law, policy or institutions. MA; Decision of the Minister of Manpower and Transmigration No. 51/MEN/IV/2004 concerning Long Periods of Rest in Certain Enterprises.

Qualifying conditions. 12 month of continuous service.

Levels of leave. MA, Article 79: 12 workdays. After six years of continuous work, a worker is entitled to a long period of rest to be taken in the seventh and eighth year of work (1 month for each year); the worker is not entitled to the annual period of rest during those two years. This provision is applicable every six years of work. Workers of certain enterprises only are entitled to long period of rest (to be determined by Ministerial Decision).

Evidence of implementation effectiveness. No information has been made available to the ILO's supervisory bodies.

Coverage of workers in law. N/A.

Coverage of workers in practice. N/A.

Ratification of ILO Conventions. Indonesia has not ratified the Holidays with Pay Convention, 1936 (No. 52), the Holidays with Pay (Agriculture) Convention, 1952 (No. 101), or the Holidays with Pay Convention (Revised), 1970 (No. 132).

Source. ILO: NATLEX database; TRAVAIL legal databases.

not come with concomitant gains in productive employment.²

In the absence of (sufficient growth in) formal non-agricultural employment (particularly industry), workers generally have few alternatives but to work in low-productivity service jobs, often in the informal sector and often with the need to

work excessive hours to earn an adequate income (see Chapter 3). Given the cyclical nature of the agricultural sector, underemployment is commonplace, as is clearly observed during Maluku's post-conflict recovery period.

Summary assessment

Despite not ratifying key ILO Conventions aimed at ensuring **decent working time** (Chapter 4), it remains one of the most regulated areas in Indo-

² Ronnas and Shamchiyeva (2011) argue that lack of productive employment opportunities also hampered Maluku economic growth during the post-conflict era.

nesian labour policy. However, in Maluku, recent years have been marked by rising shares in both “excessive hours” (i.e. in excess of 48 hours per week, across all jobs) and “time-related underemployment” (i.e. fewer than 35 hours per week). While men are more commonly found in excessive hours, the opposite is true for time-related underemployment, for which women made up the largest share in recent years.

Growth in excessive hours can be partially attributed to workers taking on supplementary (i.e. multiple) jobs to make up for low earnings and

a low minimum wage. However, the growth in underemployment is difficult to interpret. While underemployment is often commonplace in areas where low productivity agriculture dominates (since demand for labour is often seasonal, with considerable “slack” periods), in Maluku the data provides only tentative evidence of such. Together, though, the prevalence of excessive hours and time-related underemployment suggest that economic recovery in the province has been weak from the standpoint of employment quality, even despite the post-conflict growth of non-agricultural employment.

References

BPS-Statistics Maluku. 2011. *Maluku in figures 2011*.

Ronnas, Per, and Shamchiyeva, Leyla. 2011. *Employment diagnostic analysis: Maluku, Indonesia*. ILO Employment Working Paper No. 98 (Geneva).

ILO. 2011. *Decent Work Country Profile – Indonesia* (Geneva).

5 Work that should be abolished

Various international guidelines provide the basis for defining work that should be abolished. These include forced labour and child labour, as stipulated in the Forced Labour Convention, 1930 (No. 29), the Abolition of Forced Labour Convention, 1957 (No. 105), the Minimum Age Convention, 1973 (No. 138) and the Worst Forms of Child Labour Convention, 1999 (No. 182) – all of which Indonesia has ratified. In addition, the 1998 ILO Declaration on Fundamental Principles and Rights at Work endorses national and global efforts to abolish forced labour and the worst forms of child labour, especially that involving hazardous work.

After ratifying the Worst Forms of Child Labour Convention (No. 105) in 1999, the Indonesian Government introduced a number of legislative measures at the national level aimed at eliminating child labour, human trafficking and related practices (see Legal framework indicator 6 and 7). Education policy is an area that has been identified as a key conduit through that goal can be met, for example through the Government's new 12-year compulsory education policy. If implemented effectively, this policy should notably reduce the proportion of child labourers aged 15 to 17, the largest age cohort of working children (BPS and ILO, 2009).¹ In addition, under a National Plan of Action launched in 2007, the Government set a national target for the elimination of the worst forms of child labour by 2016.

The relatively high education standards in Maluku have likely had a positive impact on the province's drive to eliminate child labour. Despite widespread damage to school infrastructure as a result of the conflict and a shortage of qualified teach-

ers, Maluku has managed to sustain net enrolment rates that are among the highest in the country (Ronnas and Schamchiyeva, 2011).² Reinforcing this are the data presented in Chapter 1 showing the recent decline in the proportion of children aged 5 to 17 who are not in school, from 13 per cent in 1996 to 11.5 per cent in 2010.

With proportionally more children staying in school, there is a greater chance that children in the province will remain out of child labour, too. Although the data on the extent of child labour across all ages and categories of work³ are not comprehensive, they do show that between 1996 and 2011 the proportion of 10 to 17-year-olds engaged in child labour fell from 4.1 per cent to 2.9 per cent, with consistently lower rates for girls than boys. In this regard Maluku has clearly outperformed Indonesia as a whole, even though rates at the national level fell too (from 7.1 per cent in 1996 to 4.3 per cent in 2010).⁴

Data on the pre- and post-conflict periods taken separately show that child labour was generally more prevalent before than after the conflict. A doubling of child labour is shown to have occurred between 2006 and 2007 (from 2.23 per cent to 5.55 per cent) but, given that the rate returns to the familiar lower trajectory thereafter, this may be attributed more to data inaccuracies than to any real change in the child labour situation in the province.

¹ In this age group, those children engaged in "hazardous work" and in the "worst forms of child labour" are considered to be in activities that should be abolished.

² 98.3 per cent for elementary school children aged 7 to 12, 92.9 per cent for middle school children aged 13 to 15 and 72.4 per cent for high school children aged 16 to 18 (see Figure 1).

³ As at the national level data are currently unavailable on (a) child labour among 5 to 17-year-olds (time series data is available only for children aged 10 to 17), and (b) hazardous child labour (children working in excess of 40 hours per week).

⁴ Although the national definition of child labour extends to children below 10 years of age, the labour force survey (*Sakernas*) covers only those between 10 and 17 years.

Legal framework indicator 6. Child Labour

Law, policy or institutions. Applicable laws and regulations include: MA; Ministerial Decree No. 115/MEN/VII/2004 on protection of children performing work for developing talents and interests; Ministerial Decree No. 235/MEN/2003 on jobs that jeopardize the health, safety and morals of children; and Presidential Decree No. 59 of 2002 on the worst forms of child labour. An Anti-Trafficking Act was adopted in 2007 (No 21). Several action plans have been introduced by Presidential Decrees: National Plan of Action of 2002 to Combat the Worst Forms of Child Labour (three-phase programme over 20 years), National Plan of Action to Combat the Commercial Sexual Exploitation of Children, National Plan of Action to Combat Trafficking of Women and Children. The right to education is embodied in the Constitution of 1945. *General age for admission to employment:* 15 years old (Article 3 Ministerial Decree No. 235/MEN/2003). MA, Article 68: prohibition for entrepreneurs to employ children. Children under 15 may engage in activities developing talents and interests (Article 5 of Ministerial Decree No. 235/MEN/2003); the ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has requested that the Government define the minimum age for such activities. *Admission to hazardous work:* general prohibition (MA, Article 74). Presidential Decree No. 59 of 2002 lists 13 worst forms of child labour. The Government has made a strong commitment to eliminate the worst forms of child labour by 2016. The Government has an obligation to make efforts to overcome problems concerning children who work outside an employment relationship (MA, Article 75). *Exception for light work:* MA, Article 69: permitted for children aged 13 to 15 with, inter alia, written permission from parents/guardians; not more than three hours a day; no disruption of schooling; conducted during the day; wages in accordance with the law; does not stunt or disrupt the child's physical mental or social development). If the child works for a family business, some provisions do not apply (maximum hours of work, wages).

Evidence of implementation effectiveness. In a 2008 observation the CEACR noted that, according to the technical proposal for the second phase of the National Plan of Action of 2002, law enforcement against traffickers increased in 2006, with arrests up from the previous year by 29 per cent, prosecutions up by 87 per cent and convictions up by 112 per cent. The CEACR noted the Government's information that 123 trafficking cases were filed in 2007 involving 71 children, of which 49 are before the courts, 70 are under investigation and three are under observation. The Government also indicates that it is taking measures to enhance the capacities of the police, immigration officers and labour inspectors. In this regard, it has conducted training on human trafficking for 38 police officers and 20 immigration officers; on preventing human trafficking for 19 police officers and five immigration officers; on investigating human trafficking for 25 police officers; and on border crimes for public prosecutors, judges and the police.

Ratification of ILO Conventions. Indonesia ratified the Minimum Age Convention, 1973 (No. 138), on 7 June 1999 and the Worst Forms of Child Labour Convention, 1999 (No. 182), on 28 March 2000.

Sources. ILO: NATLEX database; CEACR 2008 comments on the application of Convention No. 138; Human Rights Council: *National report submitted in accordance with Paragraph 15(1) of the Annex to Human Rights Council Resolution 5/1: Indonesia*. 11 March 2008, UN Doc. A/HRC/WG.6/1/IDN/1.

Table 5. Work that should be abolished

Decent work indicator	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Child labour, %¹	4.1	3.64	5.53	7.5	...	0.77	1.7	2.28	1.92	1.26	2.23	5.55	2.45	3.3	2.61	2.91
Male	4.46	4.5	8.21	8.24	...	1.02	2.72	4.02	2.81	2.01	3.23	6.64	3.34	4.04	3.28	4.56
Female	3.7	2.7	2.85	6.79	...	0.49	0.41	0.39	0.76	0.31	1.12	4.29	1.5	2.49	1.87	1.2

¹ Child labour, as adapted from the resolution of the 18th International Conference of Labour Statisticians, defined as: (1) all working children aged 5-12, regardless of working hours; (2) working children aged 13-14, who worked more than 15 hours per week; and (3) working children aged 15-17, who worked more than 40 hours per week. For comparability across all years, includes only children aged 10-17.

Source: BPS: *Sakernas*; BPS and ILO: *Working Children in Indonesia 2009* (Jakarta, February 2010).

Legal framework indicator 7. Forced labour

Law, policy or institution. MA; Law No. 21 of 2007 on the elimination of human trafficking; Law No. 39 of 2004 on the placement and protection of Indonesian workers abroad. All provide for sanctions. Decree No. 10 of July 2007 of the Chief of the Indonesian National Police, issued under Law No. 21 of 2007 and Regulation No. 9 of 2008 made thereunder relate to the establishment of “special service rooms” in local police stations in every province and city to protect victims of trafficking and to examine witnesses in trafficking investigations; a multi-stakeholder initiative aims at disseminating information to and sensitizing prosecutors regarding Law No. 21 of 2007.

Several action programmes have been introduced by Presidential Decrees: National Plan of Action of 2002 to Combat the Worst Forms of Child Labour (three-phase programme over 20 years); National Plan of Action of 2002 to Combat the Commercial Sexual Exploitation of Children; National Plan of Action of 2002 to Combat Trafficking of Women and Children. Indonesia has also ratified the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime in September 2009.

The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has noted that Law No. 39 of 2004 contains vague provisions and numerous shortcomings and that, despite measures adopted by the Government, many Indonesian workers continue to turn to illegal networks, thereby increasing the risk of exploitation. The CEACR has also noted that the Memorandum of Understanding concluded with the Government of Malaysia in May 2006 does not guarantee standard labour protections, does not include measures to prevent and respond to cases of abuse and contains provisions that contribute to maintaining Indonesian migrant workers in situations of great vulnerability. The CEACR has expressed its hope that the Government will amend the Memorandum.

Evidence of implementation effectiveness. In order to tackle trafficking in persons the Government has implemented prevention and protection measures and law enforcement, as well as inter-sectoral and intergovernmental coordination and cooperation. Several cases of recent arrest, prosecution and punishment of perpetrators have been reported. The CEACR has noted, however, that many of the measures to implement Law No. 39 of 2004 appear to place greater emphasis on addressing the shortcomings of worker placement and placement related procedures than on worker protections.

The CEACR has pointed out that several sections of the Criminal Code and of the Law No. 27 of 2007 are not in conformity with Convention No. 105 as they allow the use of forced labour as a punishment for expressing views opposed to the established political, social or economic system. It has noted that several persons have been sentenced to heavy terms of imprisonment, involving compulsory labour, for the peaceful expression of their political opinions, their peaceful support of an independence movement or for the simple fact of having raised a separatist flag. The CEACR and the Conference Committee on the Application of Standards have expressed their deep concern and their hope that the sections will be amended. The Conference Committee and the CEACR have asked the Government to amend sections 139 and 185 of the Manpower Act so as to limit their scope to essential services in the strict sense of the term and to ensure that no penalty involving compulsory labour can be imposed on persons participating in strikes, as required by Convention No. 105.

Ratification of ILO Conventions. Indonesia ratified the Forced Labour Convention, 1930 (No. 29), on 12 June 1950 and the Abolition of Forced Labour Convention, 1957 (No. 105), on 7 June 1999.

Sources. ILO: NATLEX database; CEACR 2008 observations on the application of Conventions Nos. 29 and 105; Conference Committee 2008 comments; Human Rights Council: *National report submitted in accordance with Paragraph 15(1) of the Annex to Human Rights Council Resolution 5/1: Indonesia*. 11 March 2008, UN Doc. A/HRC/WG.6/1/IDN/1.

Summary assessment

Child labour in Maluku is less prevalent than at the national level, and has fallen in recent years. Between 1996 and 2011, the share of children aged 10 to 17 years in child labour fell from 4.1 per cent to 2.9 per cent. This com-

pares favourably with the data for Indonesia as a whole, which showed a decline from 7.1 per cent in 1996 to 4.3 per cent in 2010. A major factor in this is likely to have been improved educational indicators, particularly the rising net enrolment rate between 2003 and 2010 (which was most impressive at secondary level), and the share of

children out of school, which fell by half between 1996 and 2010 (see Chapter 1). Unfortunately, and reflecting data deficits at the national level,

information on the current state of “hazardous” child labour in the province is unavailable, as is data on forced labour.

References

BPS and ILO. 2009. *Working Children in Indonesia* (Geneva).

Ronnas, Per, and Shamchiyeva, Leyla. 2011. *Employment diagnostic analysis: Maluku, Indonesia*. ILO Employment Working Paper No. 98 (Geneva).

6 Stability and security of work

Job stability and security are important indicators of labour market stability and an integral part of the Decent Work Agenda. Statistically, they are best measured through indicators of ‘precarious work,’ which in Indonesia is defined as work that by contractual status is of a casual nature (in both agriculture and non-agriculture).¹ Because these jobs provide no expectations of a long lasting employment relationship, they represent a key source of vulnerability and risk for affected workers, and have an adverse influence on skills accumulation, productivity and human capital development. Informal employment and vulnerable employment also share many characteristics of precarious work and can thus serve as complementary indicators of stability and security at work.

The extent to which workers enjoy stability and security of employment depends on a number of factors, including the economic, social and demographic context and the legal and policy framework governing the labour market. For paid employees job security and stability is typically defined by the length of their contract or relationship with their employer. For the self-employed it is more a question of the stability of their enterprises and the expectation of their finding work over a period of time.²

Indonesia has some of the strictest employment termination laws in Asia. The Manpower Act (MA) places extensive safeguards on employment, including a requirement that all dismissals be negotiated with the worker and/or union representative beforehand and, if negotiations fail, that a judicial ruling be handed down to confirm the termination of employment (see Legal framework indicator 8). Indonesia is yet to ratify the ILO’s Termination of Employment Convention, 1982 (No. 158).

The Manpower Act (No. 13/2003) also regulates short-term contracting and outsourcing practices, the aim being to promote fairness and economic security for temporary workers. According to the MA, a work agreement can be defined as short-term contracting (fixed-term work agreement) only if (i) the work requires less than three years for completion, or (ii) it involves a new activity that is still at the experimental stage, or (iii) it is seasonal work. The Manpower Act limits short-term contracts to a maximum of two years, including one year’s extension. If the contract breaches one of the legal requirements, the contract is deemed to be a permanent employment contract (unlimited-term work agreement).

According to the Manpower Act definition, outsourcing is the delegation of work from a principal enterprise to another enterprise and is restricted to “auxiliary production activities”. However, ambiguity surrounding the term “auxiliary production activities” has undermined the credibility of this regulation, and has led to many enterprises outsourcing work that could be considered by some as “main production activities.” This situation has created considerable tension between trade unions and employers’ associations in recent years and has led to calls for an

¹ For ILO guidance on the standard concepts and definitions used for the measurement of precarious employment, and other decent work indicators, see: ILO (2012) “Decent Work Indicators: concepts and definitions.” First Edition, Geneva, May 2012. (Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/--stat/documents/publication/wcms_183859.pdf). See also the resolution concerning the international classification of status in employment adopted at the Fifteenth International Conference of Labour Statisticians (Geneva, 1993).

² Anker, R., et al.: *Measuring decent work with statistical indicators*, Working Paper No. 2, ILO Policy Integration Department (Geneva, October 2002).

Legal framework indicator 8. Termination of employment

Law, policy or institutions. Manpower Act, Industrial Relations Disputes Settlements Act No. 2 (2004), collective agreements.

Substantive requirements for dismissals. *Valid grounds:* MA, Article 163: change of status of the enterprise, merger, fusion or change of ownership; MA, Article 164-165: closure of the enterprise due to continual loss for two years, *force majeure* or bankruptcy; MA, Article 158: serious misconduct (revoked by Constitutional Court Decision in 2003; Minister of Manpower's 2005 circular states that termination is possible for "emergency reasons" with approval of Industrial Court). MA, Article 160(3): inability to perform work because of detention (termination possible after six months). MA, Article 161: violation of work agreement, company regulations, collective agreement (termination possible after the issuance of three warning letters within six months). MA, Article 167: worker reaching retirement age. Article 168: unexplained absence for five days. *Prohibited grounds:* religion, ethnic origin, race, colour, sex, political opinion, marital status or physical condition, work illness or disability, trade union membership and activities, whistle blowing, family members at the same workplace, absence from work due to pregnancy, giving birth, breast-feeding, miscarriage, getting married, practising his/her religion, state duties or illness of less than a year (MA, Article 153; TU Act, Article 28).

Procedure for individual dismissals. Termination is not based on notice (MA, Article 150). All efforts (including alternatives to dismissal) must be made to prevent termination (MA, Article 151(1)); prior negotiations with the union/worker are necessary and, if they fail, mediation, conciliation and/or arbitration and ultimately a judicial ruling are needed to terminate employment.

Collective dismissals for economic reasons. There is no definition of collective dismissal and no special requirements are provided for.

Severance pay. Depending on its cause, termination may give rise to severance pay, service/reward pay, other forms of compensation and/or separation pay. *Severance pay* – MA, Article 156(2): one month's wages for each year of service up to a maximum of nine months. *Compensation pay* – MA, Article 156(4): rights or entitlements not used by the worker, such as annual leave, housing allowance, etc. (unless termination is motivated by serious misconduct or an absence of more than five days without explanation – MA, Article 160). *Service/Reward pay* – Article 156(3): two months' pay for 3-6 years of employment; three months' pay for up to 6-9 years of employment, etc., up to ten months' pay for 24 years of employment or more. *Separation pay:* In some circumstances (MA, Article 168 – absence of more than five days without explanation, for example) separation pay is due to the worker as provided for in the work agreement, company regulations or collective agreement. In case of termination by simple decision of the employer, the worker is entitled to twice the amount of severance pay, plus the amount of reward pay and compensation pay for entitlements not used (MA, Article 163(2)).

Evidence of implementation effectiveness. No information has been made available to the ILO's supervisory bodies.

Coverage of workers in law. All workers. Civil servants (covered by specific legislation) are excluded. Domestic workers are excluded (MA, Article 150). A worker on probation may be laid-off after negotiations, without the need to obtain the decision of a judicial body.

Coverage of workers in practice. N/A.

Ratification of ILO Conventions. Indonesia has not ratified the Termination of Employment Convention, 1982 (No. 158).

Sources. ILO: EPLex database; NATLEX database.

outright ban on outsourcing, or for the law to be changed so as to strike a better balance between the workers' need for protection and the legitimate interests of the employers (Jakarta Globe, 2012; Antara News, 2012).

Complicating the issue further is the fact that, owing to the widespread nature of informal employment, relatively few workers are actually covered by the Manpower Act or any legislation

on stability and security of work. With a higher than average level of informal employment (68 per cent compared with 60 per cent nationally), this challenge is particularly acute in Maluku.

Precarious employment describes workers employed as casual employees in all sectors of the economy, agricultural and non-agricultural. Because such jobs offer no expectation of a lasting employment relationship, casual work often

constitutes a major source of vulnerability and economic risk for the workers concerned. In Indonesia casual workers enjoy legal recognition, and so their contracts are regulated by MoMT Decree No. KEP.100/MEN/IV/2004, which defines them as employees working less than 21 days a month. If an employee works more than 21 days in three consecutive months, the contract automatically becomes an “unlimited-term work agreement”.

As the data in Table 6 show, precarious work accounts for a very small fraction of total employment in Maluku: just 3 per cent in 2011 compared with 10.1 per cent nationally in 2010. Nonetheless, this does represent a near-threefold increase since 2001. By gender the data show that in 2011 proportionally more male employees (4 per cent) were engaged in such work as female employees (1.5 per cent of female in both agriculture and non-agriculture (see Table 6). For women, this share has remained relatively stable since 2001, but for men it has more than quadrupled since 2001. This higher share of men in precarious employment follows broadly the same trend as at the national level, albeit at a lower overall level. The fact that men are more likely to be in precarious employment in Maluku (and in Indonesia more generally) most likely reflects their predominance in sectors and occupations where casual work is relatively widespread. At the national level, for example, men’s share of casual work is boosted by their majority presence in construction work, where casual contracts

are commonplace. It may also be related to the general limitation faced by both sexes in finding decent employment opportunities offering stable and secure employment and to the cultural emphasis on men being the primary breadwinner for the household.

Precarious work can be broken down into casual workers in agriculture and in non-agriculture. According to the BPS, casual employment in the non-agricultural sector constituted just 2.24 per cent of total employment but three-quarters of total *casual* employment in 2011. Casual employment in agriculture, meanwhile, made up 0.8 per cent of total employment and a quarter of total casual employment. The prominence of casual jobs in the non-agricultural sector may reflect the changing structure of Maluku’s economy, particularly the growth of services at the expense of agriculture. Further research into contracting practices in the service sector is needed before comprehensive conclusions can be reached in this regard.

In the absence of a precise definition of informal employment, Indonesia publishes estimates based on a cross-tabulation of employment status and main occupation. Estimates for Maluku using this methodology show that informal employment is widespread, accounting for almost 70 per cent of all employment in 2011 and considerably higher than the national figure of 59 per cent in 2010. As mentioned earlier, this

Table 6. Stability and security of work

Decent work indicator	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Precarious work, ages 15+, %¹	1.1	1.2	1.8	2.8	2.1	1.3	3.7	2.4	1.6	2.6	3
Male	0.9	1	2	3.4	2.3	1.4	5.1	3.1	2.2	3.7	4
Female	1.4	1.5	1.5	1.4	1.5	0.9	1.2	1	0.7	1	1.5
Informal employment, ages 15+, %²	79.6	78.1	74.7	75.4	76.3	75	73.6	71.9	72.6	66.3	68.3
Male	76.9	75.2	72.5	74.3	78.2	75.2	72.4	70.3	69.7	65.2	66.2
Female	84.6	83.4	78.8	77.7	70.8	74.5	75.8	74.8	77.4	68	71.6

¹ Precarious work represents all casual employees in agriculture and non-agriculture as a percentage share of total employed persons.

² Informal employment estimates based on cross-tabulation of employment status and occupation, as defined in the *Sakernas* reports.

Source: BPS: *Sakernas*.

reflects the continued dominance of agricultural employment in the province (despite its recent decline), which is a major source of informal employment. Similarly, the fact that informal employment declined by more than 10 percentage points between 2001 and 2011 is also illustrative of the changing structure of the province's economy, away from agriculture and into services where formal employment opportunities are more widespread.

Following the national trend, a greater proportion of women are found in informal employment in Maluku, but their share is declining faster than that of men. This may be related to the rapid recent growth of new employment opportunities in the services sector, many of which are favoured by or considered particularly suitable for women (Ronnas and Schamchiyeva, 2011).

Summary assessment

The extent to which workers enjoy stability and security of work is measured in part by indicators of precarious employment, which denote jobs that are by contractual status of a casual nature, with no expectation of continued long term employment. Despite the predominance of informal employment in Maluku, which often captures work of an unstable and insecure nature, just 3 per cent of employed workers were officially in "precarious employment" in 2011 – significantly lower than the most recent figure for Indonesia as a whole (10.1 per cent, in 2010). Moreover, although still widespread, informal employment is declining, driven in part by the structural transition from agriculture into services. This has at least the potential to expand access to more stable and secure employment in the province in the coming years.

References

BPS-Statistics Maluku. 2011. *Labour force situation in Maluku province; August 2011*.

ILO. 2011. *Decent Work Country Profile – Indonesia* (Geneva).

Jakarta Globe. 2012. "Indonesian Workers Demand an End to Outsourcing," 4th October 2012. Available at: <http://www.thejakartaglobe.com/economy/indonesian-workers-demand-an-end-to-outsourcing/548109>

Antara News. 2012. "Employers urge govt to change outsourcing law," 30th October 2012. Available at: <http://www.antaraneews.com/en/news/85321/employers-urge-govt-to-change-outsourcing-law>

7 Equal opportunity and treatment in employment

Since it ratified the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), in 1999, the Indonesian Government has enacted new laws and regulations against discrimination at the workplace, including discrimination based on sex, race, ethnic origin, religion and political orientation (see Legal framework indicator 9). In addition, to strengthen the enforcement of equal remuneration laws, the Government has mandated all provincial governors and district heads to implement Equal Employment Opportunity Guidelines (see Legal framework indicator 10). These guidelines promote non-discrimination and fair treatment for all workers and jobseekers, in recruitment, placement, career advancement, remuneration, eligibility for social security, and the like, so that workers can develop their full potential in their chosen career.

Despite this, there remain major shortcomings in the legal framework and enforcement of the Guidelines in practice. Sexual harassment at the workplace, though known to be widespread in Indonesia, is largely ignored by the country's legislation. However, to prevent the problem from escalating, the Ministry of Manpower and Transmigration in 2011 issued a circular (No. SE.03/MEN/IV/2011) on how to combat harassment. The circular defines sexual harassment as unwanted conduct or offensive behaviour which is sexual in nature, which may be physical, verbal, gestural, written, graphic or psychological and which may take place inside or outside working-hours wherever employment-related activities are conducted, including the communications and electronic media. The circular is not legally binding, however, and is merely a tool to help employers and workers identify sexual harassment. Moreover, it still refers to the Criminal Code in matters involving violence or the threat

of violence for purposes of sexual intercourse (article 285), or unwanted attention that violates so-called "standards of decency," (where the definition of decency remains unclear).

Occupational segregation by gender is determined by a variety of factors, including employers' and worker's preference, traditional stereotyping and societal pressures regarding the role of men and women in the labour market. Women in Indonesia make up around two-fifths of the employed population but they are disproportionately represented in certain occupations. However, while labour market segregation by gender is also evident in Maluku, the occupations in which this segregation is most pronounced differ quite widely from the national picture.

Perhaps most striking are the data showing that women in Maluku are more likely to be found in "prestigious" occupations such as legislators and corporate managers than they are in Indonesia as a whole. In 2011 over 30 per cent of employed workers in ISCO-88 categories 11 and 12 (comprising legislators, senior officials, and corporate managers) were female, compared with just 20 per cent nationally in 2010. A similar picture is apparent among technicians and associate professionals, among whom the female share in Maluku was 43.3 per cent against 32.7 per cent nationally, whereas among "professionals" women in Maluku are less well represented here than at the national level. On the whole, however, the data suggest that in terms of knowledge- and skill-intensive occupations women in Maluku tend to fare better in terms of their representation in these jobs than the national average, which is perhaps not surprising given the fact that women tend to have better education than men (Ronnas and Schamchiyeva, 2011).

Legal framework indicator 9. Equal opportunity and treatment

Law, policy or institutions. Equal treatment before the law is guaranteed by Section 27 and 28D of the 1945 Constitution; the right to be free from discriminatory treatment based upon any grounds whatsoever and the right to protection from such discriminatory treatment are guaranteed by Section 28I of the Constitution. According to the MA, every worker has equal rights and equal opportunity to get a job, choose a job or move to another job and the right to receive equal treatment without discrimination based on sex, ethnic origin, race, religion, skin colour or political orientation. Men and women have the same opportunity to obtain training (Article 32), and equal treatment is included for the disabled (Articles 5, 6 and 31). Entrepreneurs are required to provide workers with an adequate opportunity to perform their religious obligations (Article 80). Article 28 of the Trade Unions Act prohibits discrimination on the basis of trade union activities. According to Law No. 4 of 1997 on disabled people, an employer must employ one disabled person who fulfils the requirements and qualifications of the job for every 100 employees. The Elimination of Racial and Ethnic Discrimination Law (No. 40) was adopted in 2008 and Presidential Instruction No. 9 on Gender Mainstreaming was adopted in 2000.

Evidence of implementation effectiveness. A circular was issued by the Minister of Manpower and Transmigration (No. SE/60/MEN/SJ-HK/2006) on 10 February 2006 on Guidance to Equal Employment of Opportunity and Treatment in Occupations in Indonesia. The circular contained a clear definition of direct and indirect discrimination. The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has noted that the circular has so far been promoted in three Indonesian provinces, namely the Riau Islands, West Java and East Java. In 2007 the Government extended these provisions to other provinces with a view to covering all regions.

With respect to Ministerial Regulation No. PER/03/MEN/1989 on the termination of employment, which prohibits the dismissal of a “married couple” for reasons of pregnancy or childbirth, the CEACR has pointed out that protection against discrimination based on sex, including pregnancy, applies to all women regardless of whether they are married and has urged the Government to amend the Regulation.

The CEACR has noted several shortcomings in the legislation concerning sexual harassment and discrimination on the grounds of religion.

Coverage of workers in law. All workers.

Ratification of ILO Conventions. Indonesia ratified the Equal Remuneration Convention, 1951 (No. 100), on 11 August 1958 and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), on 7 June 1999.

Sources. ILO: NATLEX database; CEACR 2007 observations on the application of Conventions Nos. 100 and 111.

In other occupations too, local labour market dynamics seem to differ considerably from the national picture – most likely the result of both occupational segregation and the specific composition of the local economy in terms of jobs actually available. In industrial occupations (plant and machine operators and assemblers) and administrative occupations (clerks), women in Maluku tend to be significantly better represented than nationally. On the other hand, they appear to be greatly underrepresented in craft and related trade categories, where their employment share was only 4.2 per cent compared with the national average of 33.8 per cent.

In skilled agricultural positions the female share of employment differs less from the national picture: women in Maluku made up 33.4 per cent of

employment in these occupations in 2011, compared with 37.7 per cent nationally in 2010. The major difference here is that in Maluku these shares have risen since 2007 by more than 7 percentage points due to the rapid growth of value added in this sector (Ronnas and Schamchiyeva, 2011), while nationally they have remained virtually static.

In services, where the bulk of recent job growth has been, the female employment share has risen from 33 per cent to 36 per cent since 2007. However, it remains significantly lower than the national figure, which stood at around 50 per cent during the same period (excluding 2011, for which national figures were unavailable at the time of publication). These trends may be of concern to policymakers in Maluku, since they imply that in

Legal framework indicator 10. Equal remuneration of men and women for work of equal value

Law, policy or institutions. Equal treatment before the law is guaranteed by Sections 27 and 28D of the Constitution; the right to be free from discriminatory treatment on any grounds whatsoever and the right to protection from such discriminatory treatment is guaranteed by Section 28I of the Constitution. According to the Manpower Act, every worker has the right to equal treatment (Article 6). The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has urged the Government to provide explicitly for the principle of equal remuneration for *work of equal value*. It has noted that Ministerial Regulation No. 48/MEN/2004 concerning company regulations and collective labour agreements provides a mechanism for the Government to examine compliance with the principles of non-discrimination. Additionally, a number of initiatives have been undertaken to implement the principle of equal remuneration, ranging from training programmes for employers, workers and government officials to labour inspections. The Minister of Manpower and Transmigration has issued a circular letter (SE/60/MEN/SJ-HK/2006) requesting the governors of provinces and heads of districts throughout the country to implement the Equal Employment Opportunity Guidelines.

Evidence of implementation effectiveness. The CEACR has not been provided with any details of the implementation of the Equal Employment Opportunity Guidelines, of its impact on the gender wage gap, or of the findings of the inspections carried out.

Coverage of workers in law. All workers.

Ratification of ILO Conventions. Indonesia ratified the Equal Remuneration Convention, 1951 (No. 100), on 11 August 1958 and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), on 7 June 1999.

Sources. ILO: NATLEX database; CEACR 2007 observations on the application of Conventions Nos. 100 and 111.

what may become the province's most important sector, women face substantial barriers to employment. Further research in this area is required to determine more accurately why women's representation in these occupations is so low.

The situation in Maluku as regards gender equality in employment can also be examined through the lens of wage inequalities, and specifically the wage gap between women and men. In this regard, Maluku fares well compared with the country as a whole. Before the conflict, in 1996, the gap between men's and women's wages – expressed as a proportion of men's real monthly wages – was

around 20 per cent, meaning that a women earned 80 per cent of a man's wage in the same job. However, by 2003 the gap had fallen to 10 per cent, and by 2011 to 6 per cent (i.e. women earned 94 per cent of men's wages), signalling a real narrowing in wage inequality in the province. Nationally, the gender wage gap also narrowed, but from a far higher level; in 1996 the real monthly earnings of women were around two-thirds those of men, rising to almost 80 per cent in 2010. Coupled with the comparatively high proportion of women in "prestigious" occupations, this indicator paints a positive picture of the labour market prospects of women in Maluku.

Table 7. Equal opportunity and treatment in employment

Decent work indicator	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Occupational segregation by sex, ages 15+, %¹	...	...	...	...	...	...	...	...	...	...	...	29.25	13.65	14.29	16.85	28.22
1. Legislators, senior officials and managers	...	...	...	...	...	...	...	...	...	...	...	54.59	50.52	57.86	58.64	62.83
2. Professionals	...	...	...	...	...	...	...	...	...	...	...	28.53	29.95	34.14	41.76	36.67
3. Technicians and associate professionals	...	...	...	...	...	...	...	...	...	...	...	36.46	42.08	38.88	42.2	43.31
4. Clerks	...	...	...	...	...	...	...	...	...	...	...	60.01	57.56	58.88	56.26	63.28
5. Service workers and shop and market sales workers	...	...	...	...	...	...	...	...	...	...	...	32.9	34.04	37.97	35.94	36.35
6. Skilled agricultural and fishery workers	...	...	...	...	...	...	...	...	...	...	...	26.18	30.99	30.08	40.65	33.36
7. Craft and related trade workers	...	...	...	...	...	...	...	...	...	...	...	4.07	4.66	5.31	3.28	4.21
8. Plant and machine operators and assemblers	...	...	...	...	...	...	...	...	...	...	...	30.1	31.49	28.62	34.36	39.28
9. Elementary occupations	...	...	...	...	...	...	...	...	...	...	...	34.78	34.95	37.64	38.43	39.42
10. Armed forces	...	...	...	...	...	...	...	...	...	...	...	...	...	1.2	...	3.29
Female share of employment, ages 15+, %²																
ISCO-88 (groups 11 and 12)	...	...	...	...	...	...	...	...	...	...	...	32.1	17.7	17	10	30.7
Gender wage gap³																
Regular employees	21	14	26	2	...	6	8	10	1	16	7	8	10	10	8	6
All employees	21	14	26	2	...	10	12	10	(-2)	13	6	1	7	8	5	4

¹ Based on ISCO-88; female employment as a percentage share of total employment.

² ISCO-88 includes legislators and senior officials (group 11) and corporate managers (group 12); ISCO-1968 includes legislative officials and government administrators (group 20) and managers (group 21).

³ Represents percentage gap between male and female average real monthly wages.

Source: BPS: *Sakernas*.

Summary assessment

In the area of equal opportunity and treatment, the possibility for women in Maluku to participate fully in the labour market is limited by the traditional gender bias of society. There have, however, been some positive trends and developments in certain occupations, especially in “prestigious” occupations such as corporate managers,

senior officials and legislators. In knowledge- and skill-intensive occupations women also tend to fare better and a similar picture emerges in skilled-agriculture, administrative and industrial occupations. In addition, the gender wage gap in the province has been declining and is lower than the national level, thus placing women in Maluku in a comparably better position than Indonesian women on average.

References

BPS-Statistics Maluku. 2011. *Labour force situation in Maluku August 2011*.

MoMT and ILO. 2011. *Guidelines on sexual harassment prevention at the workplace*.

8

Safe work environment

The right to a safe and healthy working environment is at the heart of efforts to ensure decent work for all, since it is critical to ensuring that work is not only productive in an economic sense but also conducive to wider human development and the wellbeing of society. Attention is drawn to this right in the ILO Constitution, and it is further reaffirmed in the 1944 Declaration of Philadelphia and the 1998 Declaration on Social Justice for a Fair Globalization.

Regulations on occupational safety have existed in Indonesia since 1970. After the 1998–99 economic crisis and subsequent political reforms, the Government delegated the responsibility for enforcing occupational safety regulations to local governments. In 2007 the central Government revised its approach to occupational safety in favour of safety audits and a national competition encouraging firms to aim for “zero accidents.” It also established a tripartite National Occupational Safety and Health Council (NOSHC), comprising representatives of local government, businesses and trade unions, and charged it with formulating a national occupational safety policy. To increase the effectiveness of this campaign, the Government stipulated that businesses must report occupational accidents and diseases within 48 hours.

To enforce occupational safety regulations and policies Indonesia has a Labour Inspection Act (see Legal framework indicator 12), of which implementation at the sub-national level is the responsibility of the local government agency for manpower and transmigration (*Disnakertrans*) — an autonomous institution of the Ministry of Manpower and Transmigration that is under the authority of the governor at the provincial level and the regent or mayor at the district level. In this way, a complex system of hierarchical control has emerged between *Dis-*

nakertrans and the MoMT which has complicated and fragmented the enforcement of labour legislation. An attempt was made in 2010 to rectify this by means of a presidential decree aimed at synchronizing the national and local labour inspection enforcement system. Owing to the lack of data, however, it is not possible to evaluate the implementation of this new policy in Maluku.

It is difficult to determine from available data whether firms and the government in Maluku have made any recent progress in reducing occupational injuries. Between 2008 and 2009, the only years for which records are available, total reported occupational injuries increased from 178 to 216, but for 2009 there is no breakdown by type of injury. In 2008, the majority of the 178 cases concerned “non-fatal injuries not affecting time worked.” Beyond this, however, it is not possible to make an assessment of progress.

Progress towards safer work environments depends heavily on the availability of sufficient well-trained labour inspectors with a clear mandate and authority to enforce national and local legislation, and this is not yet the case in Maluku. Despite more than tripling the number of labour inspectors between 2007 and 2009, from 13 to 48, the ratio of labour inspectors per 10,000 registered workers remained incredibly low at just 0.5 in 2009 — just one labour inspector for every 20,000 workers. Understaffing affects not only the number of inspections conducted but also the quality of each inspection. These shortcomings are unfortunately not reflected in current labour inspection statistics (see ILO, 2011 for further information).

Whilst the vast majority of occupational injuries are avoidable, a protection mechanism is still required to provide settlements — both monetary

Legal framework indicator 11. Employment injury benefits

Law, policy or institutions. The 1945 Constitution states that every citizen has the right to social security (Article 28H(3)) and emphasizes the role of the State in providing universal coverage (Article 34(2)). Under the Workers' Social Security Act No. 3 of 1992, an employer with 10 or more employees or a monthly payroll of more than IDR 1 million has to insure his employees through the social security programme (*Jaminan Sosial Tenaga Kerja*, "*Jamsostek*"). Most enterprises that currently comply with the Act are formal sector enterprises. In 2006 the Department of Manpower and Transmigration issued a Ministerial Regulation (Guidelines on the implementation of the manpower social security programme, No. PER-24/MEN/VI/2006) to extending social security to self-employed workers. The National Social Security System Law No. 40 of 2004 provides a framework for a social security system but needs follow-up action to be implemented.

Qualifying conditions. Work injuries must be assessed by *Jamsostek*, based on a medical examination. There is no minimum qualifying period.

Level and duration of benefits. *Temporary disability:* The monthly benefit is 100 per cent of the insured's wage in the month before the disability began and is paid for the first four months, 75 per cent for the next four months, and 50 per cent thereafter until rehabilitation or the determination of permanent disability. *Permanent disability:* A lump sum is paid equal to 70 per cent of 80 months of the insured's wage in the month before the disability began, plus a monthly benefit of IDR 200,000 for 24 months. *Partial disability:* A lump sum is paid equal to 80 months of the insured's wage in the month before the disability began multiplied by the assessed degree of disability according to the schedule in the law.

Financing. Employer only (between 0.24 and 1.74 per cent of gross wages depending on the economic sector).

Evidence of implementation effectiveness. No information has been made available to the ILO's supervisory bodies.

Coverage of workers in law. N/A.,

Coverage of workers in practice. N/A.

Ratification of ILO Conventions. Indonesia has not ratified the Social Security (Minimum Standards) Convention, 1952 (No. 102) or the Employment Injury Benefits Convention, 1964 (No. 121).

Sources. Employees Social Security System (*Jamsostek*); ILO: NATLEX database; ISSA database.

Table 8. Safe work environment

Decent work indicator	2005	2006	2007	2008	2009	2010	2011
Occupational injuries¹	178	216	...	...
Total Injuries, non-fatal	183	...	...	...
Total Injuries leading to permanent disabilities	57	...	...	...
Total Injuries leading to temporary inability to work
Total Injuries not affecting time worked	126	...	...	...
Total Injuries, fatal
Time loss due to occupational injuries, working days
Labour Inspection							
Labour inspectors, total	13	12	48	...	...
Labour inspectors per 10 thousand registered workers	0.1	0.1	0.5	...	...

¹ Includes all reported cases of injury cases, including fatalities and injuries resulting in permanent disability and temporary absence from work. Source: Maluku Manpower and Transmigration Division and Ministry of Manpower and Transmigration administrative records.

and non-monetary – to victims of workplace accidents. Although Indonesia has not ratified ILO Convention No. 121, workers' rights to injury benefits are guaranteed under some national legislation (see Legal framework indicator 11). Under

the Workers' Social Security Act No. 3/1992, for example, all formal sector employers with ten or more employees are required to insure their employees against on-the-job injuries through the state-run *Jamsostek* insurance programme.

Legal framework indicator 12. Labour inspection (Occupational safety and health)

Law, policy or institutions. Manpower Act, Occupational and Safety Act No. 1 of 1970; Act No. 3 of 1951 on Labour Inspection. Decentralization, through the enactment of Act No. 22 of 1999 as amended by Act No. 32 of 2004 on local government and Government Regulation No. 25 of 2000, has challenged the application of Act No. 1 of 1970 and national oversight of labour inspection. In accordance with Presidential Decree No. 21 of 2010, the implementation of labour inspection is an integrated and coordinated system. (N.B. Labour inspection is *not limited* to occupational safety and health (OSH)). The labour inspectorate maintains a registry of workplaces and inspectors use standard checklists and report forms. Recruitment of labour inspectors is by competition; training lasts four months. Labour inspectors are civil servants and are independent in performing their duties as defined by the Manpower Act. They have the authority to enter any workplace without prior notice, may carry out any examination, test or enquiry, can provide education on OHS, can issue warnings and apply sanctions if necessary. The Manpower Act provides for the right of all workers to OSH protection (Article 86). Act No. 1 of 1970 applies to all workplaces within the jurisdiction of Indonesia.

Future plans for labour inspection include an increase in the number and quality of labour inspectors, an improvement in protection, institutional development and functional coordination, the development of networks inside and outside the country, and the improvement of the MoMT's management communications.

Every occupational accident or disease must be reported within 48 hours after the accident or its diagnosis.

The National Occupational Safety and Health Council (NOSHC) is a tripartite body responsible for OHS policy formulation and for drafting acts and government, presidential and ministerial regulations. The Council comprises representatives of employers, trade unions and government ministries, as well as experts from universities and research institutions. The main function of the NOSHC is to advise the Minister of Manpower and Transmigration in the field of occupational safety and health. The NOSHC also facilitates safety audits and conducts a safety campaign through a zero-accident competition. The MOMT assumes overall responsibility for coordination and cooperation between institutions and relevant sectors vis-à-vis the design and implementation of OSH plans and policies.

Evidence of implementation effectiveness. The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has noted the lack of resources faced by labour inspection units and has recalled the importance of labour inspection operating under a central authority. Presidential Decree No. 21 of 2010 has since been adopted. According to information received, there were 9,444,799 workers in the enterprises visited in 2007 and 14,047,272 in the course of 2970 visits in 2009.

Coverage of workers in law. N/A.

Coverage of workers in practice. N/A.

Ratification of ILO Convention. Indonesia ratified the Labour Inspection Convention, 1947 (No. 81), on 29 January 2004 but has not ratified its 1995 Protocol or the Labour Inspection (Agriculture) Convention, 1969 (No. 129).

Sources. ILO: *Labour administration in Indonesia*, 2006; NATLEX database; INTEGRATION and LAB/ADMIN communications with MOMT; report submitted to the CEACR under Article 19; National Occupational Safety and Health Council: *Vision, mission, policy, strategy and programme of national occupational safety and health, 2007-2010*.

In 2006 a further attempt was made to broaden the scope of this insurance to self-employed and informal sector workers, through a voluntary employment injury benefit programme known as TK-LHK (run by *Jamsostek*).¹

Summary assessment

Following the Law on Decentralisation in 2000, the Government of Indonesia delegated the res-ponsi-

bility to enforce occupational safety regulations to local governments. However, significant gaps remain in the reporting system, and enforcement of the law is hampered by a lack of labour inspectors.

While nationally there is sufficient data to make at least a tentative assessment of recent progress in improving overall workplace safety and health provisions, in Maluku – as in many other provinces- equivalent data from local administrative records is scarce. Data on occupational injuries is available for a single year, for example, while records on the number of labour inspectors

¹ See <http://www.jamsostek.co.id/content/i.php?mid=3&id=58> for more information about this program.

are available for just three years. Although the number of labour inspectors has increased more than three-fold between 2007 and 2009, this still translates into just 0.5 inspectors per ten thousand workers – less than the national average of 1.1 per ten thousand workers in 2009.

Without improvements to administrative record collection, it will remain difficult to determine the current situation or recent progress toward “safe work” objectives in Maluku.

References

ILO. 2011. *Decent Work Country Profile – Indonesia* (Geneva).

9 Social security

Indonesia is still struggling to provide comprehensive social protection to all members of society. Although the country has not yet ratified the ILO's Social Security (Minimum Standards) Convention, 1952 (No. 102), in 2004 the Government adopted Act No. 40 on the National Social Security System, which accommodated both that convention and the 1948 United Nations Declaration of Human Rights. This law sets out the conditions for universal social security coverage with compulsory contributions and provides for subsidies for those who cannot afford to pay premiums.

In general the law follows the basic principles of social security administration by covering all citizens and foreign nationals who have worked for at least six months in Indonesia and have contributed directly to the system through their employer or a government scheme. It provides for five social security programmes: health insurance, work accident insurance, old age pension, pension insurance (provident fund), and life insurance.¹

Several problems remain, however, not least the fact that the law is yet to be fully enforced nationwide. Moreover, services are provided by four separate administrative bodies, and recent efforts to merge these carriers under a single social security body (the *Badan Penyelenggara Jaminan Sosial*, BPJS) have encountered considerable opposition – mostly to its payment scheme – from both employers' and workers' organizations (see Legal

framework indicators 13, 14, and 15).² Under the BPJS Act, all workers are required to pay 7.5 per cent of their wage or earnings into the benefit scheme. As such, trade unions see the scheme as a threat to take-home pay, while employers see it as an additional labour cost that decreases their competitiveness.³ In its current form, moreover, the law still excludes informal workers, which account for around 60 per cent of all employed workers in Indonesia, and more in provinces like Maluku.

In the decentralization era, central government institutions are no longer the sole providers of social security. After a judicial review of the National Social Security System Act in 2005, it was announced that local governments could provide health benefits locally in addition to those provided nationally. There are therefore two local health benefit programmes that are financed out of the local government budget: *Askesda*, which is a healthcare benefit that targets the poor, and *Jamkesda*, which is based on local citizenship (i.e., persons registered in a given regency or city).

² There are six major social security programmes: *Asabri*, which manages pension benefits for military and police personnel; *Taspen*, which manages pension benefits for the public service; *Jamsostek*, which provides pension and employment injury benefits for private sector employees; *Askes*, which handles healthcare and maternity benefits for all military and non-military government personnel; *Jamkesmas*, which specializes in healthcare benefit for the poor; and *Jamsosda*, the social security programme that is provided by each local government. Additional information on Indonesia's social security system is available at <http://www.jamsosindonesia.com/english/cetak/3>.

³ According to the Indonesia Social Security Institute (IJSI), opposition also comes from existing social security institutions, which reject the central government's idea of merging *Jamsostek*, *Asabri*, *Taspen* and *Askes* into BPJS. Instead, they demand that the Government reform each institution according to the National Social Security System Law and provide the necessary assistances during the transition period.

¹ Owing to a number of factors including the large size of the population, the Government has not been able to include unemployment benefits.

Legal framework indicator 13. Pension

Law, policy or institutions. The 1945 Constitution states that every citizen has the right to social security (Article 28H(3)) and emphasizes the role of the State in providing universal social security coverage (Article 34(2)). Under Act No. 3 of 1992 concerning Workers' Social Security, an employer with 10 or more employees or a monthly payroll of more than IDR 1 million has to insure his employees through the social security programme (*Jaminan Sosial Tenaga Kerja*, known as *Jamsostek*). In 2006 the MOMT issued a Ministerial Regulation (Guidelines on the implementation of the manpower social security programme for workers undertaking jobs outside the framework of industrial relations, No. PER-24/MEN/VI/2006) which extended social security to self-employed workers. *Taspen* is the fund for civil servants and provides a retirement lump-sum and a pension programme; *Asabri* is the fund for the armed forces and police. The National Social Security System Act No. 40 of 2004 provides a framework for a social security system, but follow-up action is needed for its implementation.

Qualifying conditions. 55 years old.

Contributions. Employees: 2 per cent of monthly earnings. Employers: 3.7 per cent of payroll.

Level and duration of benefits. At the age of 55, a lump sum is payable that is equal to total employee-employer contributions plus accrued interest; optionally, a periodic pension may be paid to members with more than IDR 50 million in their provident fund account. The lump sum may be claimed after lay-off if the employee has contributed for at least five years.

Evidence of implementation effectiveness. No information has been made available to the ILO's supervisory bodies.

Coverage of workers in law. N/A

Coverage of workers in practice. 11 per cent of the employed population in the formal economy are members of *Jamsostek*.

Ratification of ILO Conventions. Indonesia has not ratified the Social Security (Minimum Standards) Convention, 1952 (No. 102).

Sources. Employees Social Security System (*Jamsostek*); LO: NATLEX database; ISSA database.

Legal framework indicator 14. Incapacity to work due to sickness/sick leave

Law, policy or institutions. Manpower Act, Article 93(2)a): Wages must be paid if the worker is ill. All workers in an employment relationship with an entrepreneur are covered.

Qualifying conditions. Illness must be certified by a physician.

Level and duration of benefits. Manpower Act, Article 93(3): First 4 months = 100 per cent of wages; second 4 months = 75 per cent of wages; third 4 months = 50 per cent of wages; subsequent months = 25 per cent of wages prior to termination of employment by the employer. A female worker/labourer who has a miscarriage is entitled to a period of leave of one-and-a-half months, or as determined in the medical statement issued by the obstetrician or midwife (Manpower Act, Article 82(2)).

Financing. N/A.

Evidence of implementation effectiveness. No information has been made available to the ILO's supervisory bodies.

Coverage of workers in law. N/A.

Coverage of workers in practice. N/A.

Ratification of ILO Conventions. Indonesia has not ratified the Social Security (Minimum Standards) Convention, 1952 (No. 102), or the Medical Care and Sickness Benefits Convention, 1969 (No. 130).

Source. ILO: NATLEX database.

Legal framework indicator 15. Incapacity to work due to invalidity

Law, policy or institutions. The 1945 Constitution states that every citizen has the right to social security (Article 28H(3); see also Manpower Act, Article 99) and emphasizes the role of the State in providing universal social security coverage (Article 34(2)). Under Act No. 3 of 1992 concerning Workers' Social Security, an employer with 10 or more employees or a monthly payroll of more than IDR 1 million must insure all employees in the social security programme (*Jaminan Sosial Tenaga Kerja*, known as *Jamsostek*). The National Social Security System Act No.40 of 2004 provides a framework for a social security system but follow-up action is needed for its implementation. In 2006 the Department of Manpower and Transmigration issued a Ministerial Regulation (Guidelines on the implementation of the manpower social security programme for workers undertaking jobs outside the framework of industrial relations, No. PER-24/MEN/VI/2006) extending social security to informal workers.

Qualifying conditions. A medical doctor must certify the incapacity.

Contributions. Employees (2 per cent of monthly earnings); employers (3.7 per cent of payroll).

Level and duration of benefits. Workers under the age of 55 with total permanent incapacity for work as a result of a work injury are entitled to a lump-sum payment equal to total employee-employer provident fund contributions plus accrued interest; optionally, a periodic pension may be paid to members with more than IDR 50 million in their provident fund account.

Evidence of implementation effectiveness. No information has been made available to the ILO's supervisory bodies.

Coverage of workers in law. N/A.

Coverage of workers in practice. N/A.

Ratification of ILO Conventions. Indonesia has not ratified the Social Security (Minimum Standards) Convention, 1952 (No. 102).

Sources. Employees Social Security System (*Jamsostek*); ILO: NATLEX database; ISSA database.

In Maluku, data gaps prevent a comprehensive assessment of progress in social security and social protection.⁴ Pension records, for example, are confined to the single year 2003, when it was 15.3 per cent of eligible persons.⁵ Data on healthcare coverage, meanwhile, offers some partial insight. As already noted, health care is offered through a number of state subsidy schemes, including the Health Card, Poverty Card and Health Service Warranty for poor families. Before 2005 the proportion of households receiving free healthcare services under these schemes fluctuated sharply between 8 per cent in 2002 and 19 per cent in 2003, which suggests either shortcomings in data collection (i.e., administrative records of healthcare beneficiaries) or practical problems in the distribution of healthcare subsidies. Both are

possible explanations, given the political instability that Maluku faced in the early 2000s. After 2005, some three years after the Malino II Peace accord, data show healthcare coverage stabilizing at around 13 to 16 per cent – perhaps indicative of improved delivery of these services amid renewed peace and stability in the province.

Another important feature of the overall social security landscape in addition to the existence of public healthcare provisions is the *availability* of healthcare facilities. Probably because of the destruction and insecurity wrought by the conflict, the number of hospitals in Maluku in 2000-01 fell from 20 to 16, before gradually rising in the post-conflict period. A similar trend was observed in the province's public health centres, the number of which fell from 161 in 1999 to 100 in 2001. By 2010 there were 23 hospitals in the province and 156 public healthcare centres, marking a return to pre-conflict levels. Current data are still inadequate to provide an insight into the *quality* of the care provided in such facilities, however.

⁴ Data gaps in this area of decent work are attributable to weaknesses in the records maintained by government administrations. It is an area that calls for closer attention if Indonesia is to self-monitor and self-assess the decent work situation in the country accurately.

⁵ Data refers to the share of the population aged 60 and above, as per line 1 in Table 9.

Table 9. Social security

Decent work indicator	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
share of population aged 60 and above benefiting from old-age pension,%¹	...	...	...	...	...	...	...	...	...	15.3	...	...	...	...	...	...
Number of health facilities²																
Hospitals	20	20	20	20	20	16	17	...	17	17	17	18	19	20	23	...
Public health centres (<i>Puskemas</i>)	157	158	161	161	96	100	96	98	103	109	125	142	153	135	156	...
Percentage of households that received free health services³	...	...	...	...	...	...	8.4	18.5	8.8	11.7	12	18.5	13.9	16.4	13.5	...
Participation in workers' social security fund⁴																
All workers	...	...	...	...	...	...	...	...	...	...	...	...	95,828	97,116	97,116	...
As share of the employed	...	...	...	...	...	...	...	...	...	...	...	...	19.1	18.2	16.6	...
Informal workers	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Companies	...	...	...	...	...	...	...	...	...	...	...	...	893	937	937	...

¹ BPS: SUPAS.

² Ministry of Health: *Health Profile of Indonesia and Pusdatinkes*.

³ BPS: *Susen* reports.

2002-04: Percentage of household having health cards.

2005: Percentage of households using a poverty warrant in the three-month reference period. (A poverty warrant can be a Health Service Warranty for poor communities, a Health Card, a Health Service Warranty for poor families, a Poverty Card or a Poverty Letter).

2006-09: Percentage of households that received health service free of charge in the six-month reference period, (Free health service can come in the form of insurance for poor people, an oil subsidy reduction compensation card or a health card, inter alia)

⁴ Ministry of Manpower and Transmigration administrative records.

Although data exists on the share of households receiving free (subsidised) government health-care, little insight can be derived from this without further information on the share of “poor” households in the province, as determined by the criteria for receiving these subsidies.

Pension benefits in Indonesia are provided by the central government through the *Jamsostek* social security fund. In absolute numbers, membership of this fund in Maluku has risen slightly since 2008, and Table 9 shows the increase in the number of participating employees and companies. As a share of total workers, however, coverage of the Fund has actually decreased, from 19 per cent in 2008 to 16.6 per cent 2010; in other words, the gains in *Jamsostek* coverage have not kept pace

with the province’s growing labour force. Determining overall pension coverage in the province is difficult because of the lack of relevant data; in any case, the 2005 figure of 15.3 per cent is not comparable with the national figure, which applies a different age threshold and is only available for 2003 (when it stood at 22.9 per cent).

Summary assessment

The Indonesian government is aiming to expand social protection provisions in the country and make it more inclusive for hard to reach and vulnerable groups. The 2004 National Social Security System remains a statement of intent for universal coverage in the future; however implementation has faced manifold challenges. At the national level the

Jamsostek scheme provides limited social security provisions for employed persons, particularly in terms of health and pension benefits, and this also applies to Maluku. However, gaps remain, particularly in terms of the scheme's coverage of informal workers, while recent data in Maluku suggests that coverage as a share of the employed has actually declined since 2008. Data on pensions coverage is limited to a single year, 2003, but shows comparably low coverage rate of 15 per cent in Maluku (nationally, the figure was 23 per cent in 2003).

Recent trends in healthcare coverage appear to have been heavily influenced by the security

situation in Maluku; during the late 1990s and early 2000s, as the province descended into civil conflict, a number of healthcare facilities became dysfunctional, thus reducing the availability of often vital medical services. With the return to peace, however, the local government has restored its health infrastructure, as reflected in the rising number of hospitals and public health centres since 2001. Overall, healthcare coverage through state subsidies – i.e. for the poorest groups- remains limited despite having risen since 2002: for every 100 households only 13 received government health subsidies (in 2010).

References

ILO. 2011. *Decent Work Country Profile – Indonesia* (Geneva).

Thabrany, Hasbullah. 2011. *Social security for all: A continuous challenge for workers in Indonesia*. Friedrich-Ebert-Stiftung/Perspective (Berlin).

10 Social dialogue, workers' and employers' representation

During the “New Order” period of the mid-1960s, industrial relations were tightly controlled by the central government. The Government recognized only one trade union – a policy intended to ensure political stability for the country’s state-led industrialization strategy. However, in the *Reformasi* era and following the 1997 financial crisis, industrial relations underwent considerable transformation and liberalization. In 1998 Indonesia ratified the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87), and in 2000 it enacted a Trade Unions Act that gave workers freedom to establish unions and conduct collective bargaining with the management (see Legal framework indicators 16 and 17). More than a decade after these important reforms, labour policy in Indonesia today is rarely discussed on any substantive level without the tripartite involvement of unions, employers and the Government.¹

Under the decentralized structure of governance, local governments play an important role in maintaining dialogue between employees and employers and promoting industrial harmony and productivity. Early in the decentralization period, the central government used bipartite mechanisms to build consensus between trade unions and employers’ associations in local industrial relations. However, following the difficulty of resolving some minimum wage and lay-off compensation issues, the Government issued new regulations in 2010 providing for local government involvement through a fully tripartite mechanism. Under this tripartite system,

the local government became the mediator between trade unions and employers’ associations, bridging conflicts of interest in crucial cases at the provincial and sub-provincial (regency and city) level.

The trade union landscape in Maluku is characterized by a multiplicity of organizations (158 registered unions in 2010) with a small overall membership (just 3,950 in 2010). As such, the union movement is fragmented and its authority diluted across the many small organizations, most of which are unable to pursue their mandate effectively because of limited financial and human resources. As shown in Table 10, the union density rate is low, at just 3.7 per cent in 2010, although this is in line with the low national rate of recent years, too. As a percentage of total employment, the ratio is even lower, at 0.7 per cent.

Knowledge and experience in collective bargaining within the union movement remains weak, not only in Maluku but nationwide. In 2009 only three industry-level collective labour agreements and 24 enterprise-level or “company” agreements were reached. In addition to being few, there is also no indication from current records as to the actual *quality* of these agreements, nor whether they have been enforced effectively.

Owing to the province’s low level of development, as well as its troubled recent history, the union movement in Maluku remains young and largely inexperienced. A major factor in this has been the delay in reforming the trade unions in the *Reformasi* era owing to sectarian conflict – a delay that has also set back the maturing of the wider industrial relations environment compared to other areas of the country.

¹ For the history of Indonesia industrial relations, see Ahmat (2010) and Rahayu and Sumarto (2003).

Legal framework indicator 16. Freedom of association and the right to organize

Law, policy or institutions. According to Section 28E(3) of the 1945 Constitution, every citizen has the freedom to associate, to assemble and to express opinions. The right to form and join a trade union or an entrepreneurs' organization is guaranteed by the Manpower Act and the Trade Unions Act. A trade union is formed by at least 10 workers. Trade unions have to be registered (Trade Unions Act, Article 20); they are required to respect the *Pancasila* (national ideology) and the 1945 Constitution (Trade Unions Act, Articles 2 and 3). The formation of federations and confederations is provided for by law (Trade Unions Act, Articles 6 and 7). Anti-union activities are prohibited by Article 28 of the Trade Unions Act and penalized by Article 43. Act No. 21 imposes penal sanctions on any person who engages in certain anti-union activities. Strikes are legal if they are the result of failed negotiations and are conducted legally and peacefully (Manpower Act, Article 137). Written notification of a strike must be given to the employer and the local government seven days prior to the strike. The employer cannot replace striking workers or punish them (Manpower Act, Article 144).

The CEACR has noted that several aspects of the legislation are not in line with Conventions No. 87 and 98 and has asked the Government to repeal or amend a number of sections of the law or to take action in several domains.

Concerning enterprise level relations, Article 106 of the Manpower Act requires that a "Bipartite Cooperative Agency" has to be established in every enterprise employing 50 or more workers to communicate, consult and deliberate on labour issues in the enterprise.

Workers covered by the law: The Manpower Act and the Trade Unions Act do not apply to civil servants, the police and the military, or to private security guards trained by the police or military. The right to organize has been granted but there are no specific regulations on the subject for civil servants.

Additional Information. The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has made a number of recommendations to the Government of Indonesia regarding freedom of association and the right to organize at the national level, including a request to amend the Criminal Code and Manpower Act. For more information on these recommendations, please see <http://www.ilo.org/dyn/normlex/en/f?p=1000:20010:0::NO::>

Evidence of implementation effectiveness. There are three active cases before the Committee on Freedom of Association. The CEACR has noted a suggested failure to provide protection against anti-union discrimination and interference in practice.

Coverage of workers in law. N/A.

Coverage of workers in practice. See Table 10 (above), union density rate.

Ratification of ILO Conventions. Indonesia ratified the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), on 9 June 1998 and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), on 15 July 1957.

Sources. ILO: NATLEX database; CEACR 2009 comments on the application of Conventions Nos. 87 and 98.

Legal framework indicator 17. Collective bargaining

Law, policy or institutions. The Manpower Act and the Trade Unions Act regulate collective bargaining. A registered trade union has the right to negotiate a binding collective agreement with an enterprise if more than 50 per cent of the workers of the enterprise are members of the trade union or if more than 50 per cent of the workforce support the trade union in its endeavour to conclude an agreement (Manpower Act, Article 119). If the trade union does not have this support, it must wait six months before another vote can be held. A collective agreement must be concluded within 30 days of the start of negotiations. It is valid for two years and may be extended for a maximum of one more year. The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has noted that several provisions of the law are not in line with Conventions Nos. 87 and 98 (including the six-month waiting period and the compulsory presence of the employer during the vote).

Evidence of implementation effectiveness. See Legal framework indicator 18: Freedom of association.

Coverage of workers in law. N/A.

Coverage of workers in practice. See Table 10 (above), collective bargaining coverage rate.

Ratification of ILO Conventions. Indonesia ratified the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), on 9 June 1998 and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), on 15 July 1957.

Sources. ILO: NATLEX database; CEACR 2009 comments on the application of Conventions Nos. 87 and 98.

Table 10. Social dialogue, workers' and employers' representation

Decent work indicator	2005	2006	2007	2008	2009	2010	2011
Union density							
Unadjusted net density rate, % of total employment	0.7	...
Unadjusted net density rate, % of total employees	3.7	...
Trade union membership, total	3,950	...
Registered trade unions, total	158	...
Total registered companies in Disnakertransduk¹	47,585	...	...
Total membership of Employers' Association of Indonesia (APINDO)
Collective bargaining²							
Company regulations, total	24	...	...
Collective labour agreements, total	3	...	...
Strikes and lockouts, total incidences
Workers involved
Working hours lost
Working days lost

¹ *Disnakertransduk* is the provincial government's manpower and transmigration agency

² Company regulations reflect enterprise-level agreements; collective labour agreements reflect sectoral agreements.

Source: Maluku Manpower and Transmigration Division and Ministry of Manpower and Transmigration administrative records.

Legal framework indicator 18. Tripartite consultations

Law, policy or institutions. A Tripartite Cooperation Institution, comprising an equal number of representatives of the Government and workers and employers, provides opinions and recommendations to the Government and other parties involved in policy making and problem solving concerning labour issues (Manpower Act, Article 107; Government Regulation No. 46/2008). Presidential Decree No. 37 of 2009 concerning representatives of institutionalized tripartite forums at the national, provincial and district level requires the appointment of 15 representatives (five representatives of the workers, of the employers and of the Government) as members of the forums. Currently, there is one institution at the national level, 29 at the provincial level and 195 at the district level. Not all of these institutions are functional.

Evidence of implementation effectiveness. The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has noted that in 2008 and 2009, the Tripartite Cooperation Institution's activities included social dialogue and consultation at the provincial level, discussions concerning the global economic crisis and an audience with the President of the Republic and the Parliament. No information was made available to the CEACR about tripartite consultations on international labour standards; technical assistance was offered.

Ratification of ILO Conventions. Indonesia ratified the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), on 17 October 1990.

Sources. ILO: NATLEX database; CEACR 2009 observation on the application of Convention No. 144.

Legal framework indicator 19. Labour administration

Law, policy and institutions. *Act No. 2 of 2004 on local government:* In accordance with Ministerial Regulation No. 14/MEN/VII/2005 the MoMT promotes the continuing improvement and strengthening of labour administration for the successful implementation of the national manpower policy as a component of national development. The MoMT has a General Secretariat, a General Inspectorate, a Research, Development and Information Board and six Directorates General in charge of training and productivity, manpower placement, industrial relations and workers' social security, labour inspection, transmigration, and community development. Each directorate has a system of reporting the implementation of activities and data from regional to central government, though according to the Government the system is not running well. Each Directorate General is supported by a secretariat and a division of programme evaluation and report, division of finance, division of legal affairs and foreign technical cooperation, and division of personnel and general affairs. No workers are excluded from the scope of the MoMT.

The Research, Development and Information Board has an employment database (Ministerial Decision MoMT No. 250 of 2008 concerning the classification and characteristics of employment data and information) which it is still refining. The database will be linked with the institution responsible for employment in the province of district/city. Each Directorate General and regional government has an online reporting system (job fair, foreign labour, labour inspection, industrial relations, training).

To support administrative functions at the province and district/city level, the MoMT allocates funding to each province, which is then distributed to specific districts/cities that report employment data and information on implementation on a continuous basis. The budget allocation is still partial, but one of the Directorates that has been allocated a budget is the Directorate General of Industrial Relations and Labour Social Security.

Evidence of implementation effectiveness. According to a Government communication, financing of labour administration is an area to be improved.

Ratification of ILO Conventions. Indonesia has not ratified the Labour Administration Convention, 1978 (No. 150); it ratified the Labour Inspection Convention, 1947 (No. 81) on 29 January 2004.

Sources. ILO: *Labour administration in Indonesia*, ILO Office in Indonesia, 2006; CEACR direct request regarding Convention No. 81; MoMT.

Summary assessment

Owing to weaknesses in the current data, it is difficult to accurately determine the extent to which institutions and processes of social dialogue in Maluku have developed in recent years, and likewise whether representation in employer and worker organisations has improved. Gaps in the current data – which are clear across the major indicators of social dialogue – are likely to reflect practical weaknesses in the collection and maintenance of data by government agencies in Maluku. As such, only tentative conclusions can be drawn.

The low union density rate, at just 0.7 per cent in 2010, shows that union membership among the working population is miniscule, and even lower than the national figure of 3.3 per cent. Owing to the combination of conflict and the “one-union” system that existed prior to 1998, it is likely that public understanding of the role and importance of unions has remained particularly weak in Maluku. However, the extent to which this situation is improving will remain unknown without further research and improvements to administrative data collection.

References

Ahmat, Ki Agus. 2010. *Sejarah Pergerakan Buruh di Indonesia*. Jakarta Legal Aid Institute (Jakarta). Available at <http://www.bantuanhukum.or.id/index.php/id/dokumentasi/makalah/168-sejarah-gerakan-serikat-buruh>

ILO. 2011. *Decent Work Country Profile – Indonesia* (Geneva).

Pangaribuan, Juanda. 2012. *Legalitas Outsourcing Pasca Putusan MK*. Hukum-online Legal Opinion (Jakarta). Available at <http://www.hukumonline.com/berita/baca/lt4f4b372fe9227/legalitas-ioutsourcing-i-pasca-putusan-mkbr-oleh--juanda-pangaribuan>

Rahayu, Sri Kusumastuti, and Sumarto, Sudarno. 2003. *The practice of industrial relations in Indonesia*. Smeru Research Paper (Jakarta).

Annex

Table 1. Adequate earnings and productive work by region

Decent work indicator	2005	2006	2007	2008	2009	2010
Minimum wage as a percentage of median wage,%¹						
Regular employees						
Sumatera	72.3	83.0	88.2	88.8	86.6	96.2
DKI Jakarta	79.1	81.9	85.0	85.3	83.8	77.9
West Java	58.3	56.0	62.9	65.3	63.5	63.6
Central Java – Yogyakarta	76.0	76.5	90.9	92.0	91.2	86.1
East Java	56.7	55.7	64.1	71.4	75.5	74.1
Banten	71.7	73.5	82.9	104.6	72.6	79.6
Bali – Nusa Tenggara	75.8	76.1	79.4	78.9	79.5	83.8
Kalimantan	64.4	68.6	68.4	78.4	71.3	77.7
Sulawesi	74.5	82.0	92.8	95.7	103.0	93.0
Maluku	59.8	55.8	61.5	64.8	58.1	64.8
Papua	56.9	56.7	70.5	70.0	72.6	69.4
All employees						
Sumatera	83.4	92.2	97.9	99.5	101.6	96.2
DKI Jakarta	80.9	81.9	87.9	85.3	85.6	79.9
West Java	68.0	74.6	77.6	81.2	83.8	79.0
Central Java- Yogyakarta	86.9	90.3	100.0	104.2	107.8	97.9
East Java	75.6	78.0	89.7	90.9	95.0	91.3
Banten	74.1	82.7	87.8	113.1	80.8	83.1
Bali – Nusa Tenggara	91.0	96.8	102.2	99.5	102.8	104.8
Kalimantan	66.5	73.5	75.2	85.1	76.4	85.5
Sulawesi	86.9	87.8	102.7	109.9	118.7	103.4
Maluku	68.3	60.6	70.6	73.7	64.9	70.3
Papua	63.4	63.3	73.1	73.7	74.3	70.6
Share of workers not covered in practice (Statutory minimum wages), %²						
Nanggroe Aceh Darussalam	32.2	36.9	32.6	42.8	49.7	45.6
Male	32.1	34.0	27.1	40.2	48.6	43.1
Female	32.5	43.3	45.9	49.1	51.7	50.6
North Sumatera	35.2	43.7	45.1	47.0	37.6	42.6
Male	28.1	38.2	38.1	41.7	29.8	36.5
Female	52.8	56.6	61.7	59.1	54.3	55.8
DKI Jakarta	28.4	34.5	37.2	41.7	36.7	33.6
Male	22.6	26.6	34.2	35.1	28.9	26.5
Female	40.5	47.1	42.3	51.6	48.1	44.8
West Java	20.6	20.5	23.8	27.7	28.1	25.4
Male	16.4	17.4	20.6	24.1	23.3	20.5
Female	31.5	27.7	31.8	35.3	37.2	35.2
Central Java	28.6	34.0	43.6	45.2	43.3	39.5
Male	19.8	22.0	34.1	37.1	32.9	31.2

Decent work indicator	2005	2006	2007	2008	2009	2010
Female	42.9	54.4	59.5	56.7	57.4	51.7
East Java	20.4	19.2	27.1	31.8	35.2	34.3
Male	12.6	12.3	20.3	26.1	27.3	26.4
Female	33.9	32.4	39.6	42.2	48.0	47.4
Banten	16.2	25.9	30.7	52.1	25.7	28.3
Male	11.6	19.8	26.8	44.0	22.2	24.9
Female	26.3	39.2	38.6	68.2	32.4	35.0
East Nusa Tenggara	30.5	39.3	34.7	37.7	38.7	43.0
Male	30.6	40.4	38.5	39.7	40.3	41.2
Female	30.3	37.2	26.4	33.4	35.1	46.2
Maluku	22.3	23.4	27.9	33.9	32.4	30.5
Male	20.0	20.6	24.5	31.8	29.2	27.5
Female	26.9	29.5	35.6	39.0	39.1	35.4
Papua	13.8	25.4	30.2	30.9	34.4	32.2
Male	10.8	22.0	28.4	27.4	33.0	30.9
Female	25.3	37.1	36.0	41.5	38.2	35.9

¹ Based on weighted average of provincial statutory minimum wages. All employees include regular and casual employees.

² Share of regular employees who earned less than the statutory provincial minimum wage. Based on weighted average of provincial statutory minimum wages.

Source: BPS: *Sakernas*.

Table 2. Decent hours by region

Decent work indicator	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Excessive hours (more than 48 hours per week), %¹															
Sumatra	22.0	22.7	21.3	20.9	21.4	22.9	19.3	19.7	22.6	22.4	23.2	26.8	26.5	25.7	29.1
DKI Jakarta	34.2	33.9	35.0	34.1	34.6	35.0	36.5	35.2	36.5	39.2	38.0	37.1	38.5	36.8	48.4
West Java	26.9	29.5	26.3	26.0	25.2	27.9	28.0	27.4	30.9	29.8	29.2	32.6	32.9	32.0	37.2
Central Java – Yogyakarta	26.7	27.8	25.6	26.0	27.0	28.7	27.7	25.7	28.7	24.8	27.0	28.9	29.7	29.6	33.1
East Java	28.2	28.0	26.3	26.2	26.3	28.4	23.9	25.4	27.4	24.2	26.8	30.0	29.8	29.7	32.7
Banten	...	...	...	...	...	26.9	20.5	25.4	25.0	25.2	28.6	31.9	31.2	30.9	35.8
Bali-Nusa Tenggara	18.6	23.2	20.4	22.5	20.6	24.3	21.8	20.9	20.2	20.8	21.0	26.2	24.2	24.9	28.2
Kalimantan	22.8	27.3	24.3	26.6	26.4	27.8	24.8	24.6	29.3	25.1	25.6	29.3	28.1	27.6	30.3
Sulawesi	18.0	22.8	18.4	19.2	18.7	21.4	21.4	18.1	20.6	20.7	24.4	27.1	26.3	25.9	27.4
Maluku	15.4	15.5	15.6	18.7	...	26.2	18.8	19.3	20.7	16.7	20.6	22.8	21.5	23.0	25.9
Papua	9.8	11.0	11.5	10.4	13.6	11.3	10.8	11.1	13.4	9.6	13.1	17.0	15.1	14.5	15.3
Average weekly hours of work²															
Sumatra	37.7	38.3	37.9	37.9	38.5	39.3	38.5	38.3	39.5	39.5	39.6	40.0	39.9	39.1	39.8
DKI Jakarta	48.2	47.9	47.5	47.4	47.8	48.5	49.5	48.6	49.2	49.1	49.0	49.1	49.3	48.9	50.6
West Java	40.0	41.5	39.5	39.7	40.2	41.1	41.3	41.2	43.1	43.0	42.4	43.2	43.5	43.6	43.9
Central Java – Yogyakarta	38.2	38.7	37.6	38.5	39.5	40.1	39.9	39.2	40.3	39.9	40.0	40.6	41.1	40.7	41.1
East Java	38.1	38.4	37.0	37.7	38.4	39.2	38.2	38.4	39.5	38.6	39.6	40.5	40.6	40.2	40.6
Banten	...	...	...	...	...	42.4	40.1	42.4	41.9	41.7	43.0	43.6	43.5	43.9	44.8
Bali-Nusa Tenggara	34.2	36.0	35.3	36.2	36.0	37.7	35.9	35.4	36.1	35.9	36.4	38.2	37.3	37.9	38.5
Kalimantan	37.9	39.5	38.5	39.6	40.4	40.4	40.2	39.8	41.8	39.9	40.6	40.9	40.5	40.9	39.9
Sulawesi	34.3	37.3	35.2	35.3	35.9	36.7	36.4	36.0	36.7	36.4	37.6	38.9	38.3	38.3	37.7
Maluku	34.2	36.4	35.5	36.0	...	38.3	38.4	37.7	40.3	38.1	37.8	38.9	37.6	38.7	38.6
Papua	32.6	33.6	34.4	33.5	35.2	35.1	35.1	35.6	36.5	36.8	35.5	38.9	38.7	37.7	37.6
Time-related underemployment rate, %³															
Sumatra	11.5	13.3	8.7	14.8	13.6	13.0	14.3	14.1	14.2	15.1	14.6	15.3	15.0	16.4	14.9
DKI Jakarta	3.2	3.8	3.4	5.1	3.9	3.9	2.8	3.3	3.1	3.7	3.9	4.0	4.8	4.7	3.8
West Java	10.4	10.7	9.6	14.7	13.3	12.4	11.5	12.5	12.1	11.8	13.4	14.0	14.0	12.3	12.5
Central Java – Yogyakarta	12.1	12.4	10.4	14.0	12.4	11.2	11.7	12.3	12.7	13.9	12.8	15.4	14.0	14.3	13.1
East Java	13.7	14.6	11.5	16.5	14.9	13.8	14.7	16.8	17.4	15.8	16.6	16.5	16.0	16.7	15.6
Banten	...	...	...	...	...	9.2	10.0	8.7	12.4	13.5	10.1	12.5	12.3	10.2	11.0
Bali-Nusa Tenggara	15.4	14.9	13.6	20.2	16.6	14.4	16.1	19.4	21.2	20.5	18.1	16.9	18.3	18.5	18.3
Kalimantan	13.0	12.9	9.3	16.1	13.3	12.1	14.1	13.9	10.9	16.3	15.2	15.5	14.1	13.6	14.9
Sulawesi	16.5	14.8	9.8	17.8	15.1	16.5	18.5	19.7	19.5	20.8	18.4	16.5	17.2	16.5	17.5
Maluku	12.2	10.3	10.6	13.7	...	16.0	10.5	17.3	5.6	16.8	17.5	14.8	17.4	16.0	16.2
Papua	16.2	15.6	9.7	20.2	18.2	20.0	20.1	24.0	19.5	15.0	18.5	9.2	7.8	13.4	14.9

¹ Percentage of employed persons working more than 48 hours per week in all jobs as a percentage share of total employed persons, based on actual hours worked.

² Average weekly hours of work of all employed persons in all jobs, based on actual hours worked.

³ Employed persons working less than 35 hours per week and are looking for a job or are available for more work as a percentage share of total employed persons, based on actual hours worked.

Source: BPS: *Sakernas*.

Table 3. Commuting time in Jabodetabek* and all metropolitan areas in Indonesia

	Jabodetabek metropolitan commuting time (%)				All metropolitan commuting time			
	≤ 30 minutes	31-60 minutes	> 60 minutes	Total	≤ 30 minutes	31-60 minutes	> 60 minutes	Total
Sex								
– Male	13.7	47.8	38.4	71.3	16.7	50.2	33.1	71.0
– Female	15.5	46.2	38.3	38.7	20.4	47.9	31.7	29.0
Marriage Status								
– Married	13.4	45.7	41.0	66.0	16.4	48.9	34.7	66.2
– Not married	16.0	50.6	33.5	34.0	20.4	51.0	28.7	33.8

* Jabodetabek is an abbreviation standing for Jakarta, Bogor, Depok, Tangerang and Bekasi.

Source: Sahara, 2010.

Box 1. Maternity leave

Legal framework indicator 7. Maternity leave

Law, policy or institutions. MA. Female workers/labourers are covered by the Act (a worker/labourer is any person who works and receives wages or some other form of remuneration). Domestic workers and casual workers are not covered.

Qualifying conditions. None stated in the MA.

Level and duration of benefits. MA, Article 82(1): 3 months (1.5 month before birth and 1.5 months after); 100 per cent of earnings.

Financing. Paid by the entrepreneur.

Evidence of implementation effectiveness. No information has been made available to the ILO's supervisory bodies.

Coverage of workers in law. N/A.

Coverage of workers in practice. N/A.

Ratification of ILO Conventions. Indonesia has not ratified the Maternity Protection Convention (revised), 1952 (No. 103), the Maternity Protection Convention, 2000 (No. 183), or the Social Security (Minimum Standards) Convention, 1952 (No. 102).

Sources. ILO: TRAVAIL legal databases; NATLEX database.

Box 2. Parental leave**Legal framework indicator 8. Parental leave**

Law, policy or institutions. MA.

Qualifying conditions. N/A.

Benefits (Levels and duration). No parental leave. A male employee is entitled to take 2 days of leave at the birth of his child.

Evidence of implementation effectiveness. N/A.

Coverage of workers in law. N/A.

Coverage of workers in practice. N/A.

Ratification of ILO Conventions. Indonesia has not ratified the Workers with Family Responsibilities Convention, 1981 (No. 156).

Source. ILO: NATLEX database.

Table 4. Provincial KHL rates (cost of living indicator), Indonesian Rupiah, 2005-2013

NO	PROVINSI	KHL (Rp)								
		2005	2006	2007	2008	2009	2010	2011	2012	2013
1	Aceh	619.876	775.000	920.000	1.200.000	1.400.000	1.400.000	1.476.145	1.531.459	1.514.383,00
2	Sumatera Utara	547.255	737.794	714.337	783.000	855.124	916.124	966.000	1.035.028	1.295.000,00
3	Sumatera Barat	501.315	668.678	760.000	871.000	896.920	979.000	1.099.227	1.153.456	1.384.233,00
4	Riau	551.498	870.625	774.122	815.665	1.022.669	1.053.000	1.230.491	1.312.888	1.499.378,00
5	Jambi	495.242	571.342	693.000	734.169	918.121	970.662	1.027.791	1.143.576	1.321.572,00
6	Sumatera Selatan	495.242	853.000	753.000	1.100.000	929.642	1.031.902	1.060.921	1.311.000	1.757.000,00
7	Bengkulu	480.000	586.000	644.000	714.750	742.499	788.956	808.031	884.289	1.216.089,00
8	Lampung	396.456	589.540	554.521	650.000	805.308	861.340	897.600	1.008.109	1.060.082,00
9	Bangka Belitung	690.000	714.000	830.000	978.720	1.237.000	1.130.500	1.562.000	1.540.330	1.555.206,00
10	Kepulauan Riau	552.045	991.237	943.254	923.000	1.022.000	1.073.264	1.139.903	1.080.332	1.395.442,00
11	DKI Jakarta	759.953	831.336	993.988	1.055.276	1.314.059	1.317.710	1.404.829	1.487.838	1.978.789,00
12	Jawa Barat	408.259	542.621	607.425	634.275	731.680	743.141	874.693	-	946.689,15
13	Jawa Tengah	405.282	582.128	586.220	612.223	793.693	803.985	833.465	-	857.727,70
14	DI. Yogyakarta	399.964	673.518	656.976	687.132	820.484	750.490	802.335	862.391	924.284,27
15	Jawa Timur	339.227	580.054	458.755	544.157	706.698	856.888	731.635	-	825.000,00
16	Banten	585.000	735.126	764.214	851.500	917.638	955.708	1.019.875	1.108.000	1.170.000,00
17	Bali	447.500	742.054	704.000	711.099	956.339	959.232	1.101.766	1.130.779	2.117.000,00
18	Nusa Tenggara Barat	526.040	570.000	643.557	727.682	860.000	1.460.099	1.007.000	1.222.088	1.403.700,00
19	Nusa Tenggara Timur	402.989	670.560	735.000	782.466	909.000	941.404	973.000	1.164.204	1.136.000,00
20	Kalimantan Barat	482.250	605.017	721.564	776.928	803.914	866.250	931.146	1.327.014	1.402.927,47
21	Kalimantan Tengah	553.376	850.000	753.098	825.000	910.670	947.100	1.095.000	1.720.414	1.919.413,00
22	Kalimantan Selatan	503.775	684.319	768.000	790.000	947.000	997.000	1.053.379	1.227.000	1.227.546,67
23	Kalimantan Timur	597.878	764.756	882.797	935.440	1.209.870	1.327.803	1.435.374	1.531.458	1.752.073,00
24	Sulawesi Utara	522.233	691.224	705.000	802.035	863.731	966.372	935.000	1.077.899	1.291.604,00
25	Sulawesi Tengah	588.000	615.000	635.000	733.000	915.000	890.000	900.000	900.000	1.036.000,00
26	Sulawesi Selatan	505.000	672.650	677.333	754.884	1.154.080	1.049.321	1.083.000	1.161.395	1.380.500,00
27	Sulawesi Tenggara	498.600	573.400	651.250	640.000	823.638	895.188	1.013.769	1.232.820	1.207.648,00
28	Gorontalo	531.500	677.362	599.080	798.852	889.000	921.647	996.367	1.099.222	1.539.539,00
29	Sulawesi Barat	-	672.650	886.493	850.000	1.126.000	1.258.973	1.381.470	1.381.470	1.403.666,00
30	Maluku	602.938	1.076.699	1.093.195	1.182.556	1.280.599	1.400.990	1.570.980	1.739.000	1.738.676,00
31	Maluku Utara	674.800	926.286	1.475.035	1.090.127	1.520.000	1.500.092	1.090.000	1.903.311	1.712.000,00
32	Papua Barat	-	941.099	-	1.638.746	1.325.843	1.421.814	1.800.000	1.800.000	2.117.000,00
33	Papua	769.050	941.099	941.099	1.638.746	1.734.054	1.799.228	1.781.356	1.904.000	2.069.318,00
	Rata - Rata :	530.082,00	749.305,63	766.360,00	849.179,00	1.010.371,93	1.068.399,49	1.123.743,88	1.299.692	1.435.014,74

Sumber : Ditjen PHL dan Imasistik, Ditahk Pustatindoker

Published by the International Labour Office (ILO)
with financial assistance from the European Union
under the ILO/EC Project “Monitoring
and Assessing Progress on Decent Work” (MAP).



ISBN 978-92-2-127535-0



9 789221 275350