



Ministry of
Manpower and
Transmigration



International
Labour
Organization

Factsheet on **Labour Inspection in Indonesia**

Labour Inspection: General Condition

Labour inspection is a public function of labour administration that ensures the application of labour legislation in the workplace. Its main role is to convince the social partners of the need to observe the law at the workplace and their mutual interest in this regard, through preventive, educational and, where necessary, enforcement measures. Ever since the appointment of the first labour inspectors in the United Kingdom in 1833, labour inspectorates have been established in almost every country in the world. For about 175 years, labour inspectors have gone about their work improving working conditions.

In the world of work, labour inspection is the most important instrument of state presence and intervention to design, stimulate, and contribute to the development of a culture of prevention covering all aspects potentially under its purview: industrial relations, wages general conditions of work, occupational safety and health, and issues related to employment and social security.

Nowadays, labour inspectorates perform their duties in a challenging environment involving important changes in the economic and social context, in industrial developments; in the organization of labour and employment relationship; in the social and political expectations, and in technology and in the nature of work hazards.

Labour Inspection: Local Condition in Indonesia

The Directorate General of Labour Inspection Empowerment (the Directorate) under the Ministry of Manpower and Transmigration (MoMT) is a technical unit assigned to provide labour protection for workers and employers. The vision of the Directorate is to realize prosperous and fair industrial, while the mission is to realize legal certainty, become a trusted institution as well as create safe and productive working environment. Up to the end of 2009, the Directorate was supported by 204 personnel consisting of 72 structural officials, 68 labour inspectors and 64 administrative staff.

Legal Basis for Labour Inspection

- Law No. 3 of 1951 concerning Bringing the Labour Inspection Law No. 23 of 1948 of the Republic Indonesia into operation for the whole territory of Indonesia.
- Law No. 1 of 1970 concerning Occupational Safety.
- Law No. 7 of 1981 concerning Compulsory Reporting for Companies.
- Law No. 4 of 1992 concerning Social Security for Workers.
- Law No. 13 of 2003 concerning Manpower.
- Law No. 21 of 2003 concerning the Ratification of ILO Convention No. 81 on Labour Inspection in Industry and Trade.
- Presidential Decree No. 21 of 2010 concerning Labour Inspection.
- Manpower and Transmigration Ministerial Decree No. 9/V/2005 concerning Procedure for Labour Inspection Reporting.

Data and Information on Labour Inspections in Indonesia

The data presented below was taken out from the labour inspection profile of Indonesia in 2010 based on the first semester of 2011 of the Manpower Ministerial Decree No. 9/2005.

Labour Inspectors

There were 1,468 active labour inspectors by the end of 2010 at provincial and district/city levels, with an additional 124 inspectors at the national level for a total of labour inspectors 1,592 persons. The labour inspectors were divided into 1,275 general inspectors and 317 specialists with following competencies:

1.	Inspection on Steam and Pressurized Vessels	96 persons
2.	Forklifts	34 persons
3.	Power and Production Tools	4 persons
4.	Electrical installations and Lifts	30 persons
5.	Fire Management	26 persons
6.	Building Construction	17 persons
7.	Occupational Health	25 persons
8.	Working Environment	16 persons
9.	Wages and Working Hours	2 persons
10.	Workers' Social Security (Jamsostek)	99 persons
11.	Safe Chemical Work	4 persons

While labour inspectors work across all of Indonesia, the majority are concentrated in Java with the largest number working in West Java, Central Java, East Java and North Sumatra and the Directorate with 124 persons. Other provinces with fewer than 10 inspectors include West Nusa Tenggara, Gorontalo, West Sulawesi, North Maluku and West Papua.

While all provinces have labour inspectors, only 300 out of 504 districts/cities have labour inspectors. Based on an evaluation of the regional governments, it is expected that all districts/cities will have labour inspectors in the near future.

OSH Objects

Types of occupational safety and health (OSH) objects that must be monitored, inspected and tested are varied with different level of potential risks. Below is the data on OSH objects based on the Manpower Ministerial Decree No. 9/2005.

Steam Vessels	21,153
Pressurized Vessels	121,547
Forklifts	56,606
Power and Production Tools	37,349
Electrical installations and Lifts	36,476
Fire Management	49,977
Building Construction	10,609
Occupational Health	8,528
Working Environment	16,594
PJK3	8.192

Members of the Workers' Social Security Programme

The number of companies participating in the Workers' Social Security (*Jamsostek*) programme is relatively low. Only 86,185 companies have been registered in the programme with a total 5,370,731 workers.

Total number of participants in each *Jamsostek* programme is as follows:

- Work accident compensation = 6,953,890 persons
- Life Insurance = 6,973,655 persons
- Pension = 6,969,578 persons
- Health care:
 - Single workers = 498,132 persons
 - Married workers = 450,407 persons

The total number of participants in the health care programme (non-*Jamsostek* programme) is much greater, reaching around 274,323 persons.

Work Accidents

Based on the regional report in 2010, there were 98,711 cases of work accidents. Meanwhile, based on the first semester data of 2011, there were 48,515 cases of working accidents.

In terms of source of accident, the largest cause for such accidents is engines, lifting equipment and hand tools. In terms of types of accidents, the largest type is being knocked, slashed and cut by sharp objects and falls.

Violation of Work Standards

Related to work standards, out of 4,057 companies inspected, 3,517 were given warning letters by inspectors to bring their practices into compliance with the law.

The Role of the ILO in Strengthening Labour Inspection Services

Convention No. 81, which applies to industry and commerce, remains the principal international reference for labour inspection services and is as relevant today as it was over 60 years ago. It has become one of the most widely ratified of all ILO Conventions (141 countries) and has served as a model for most national laws and regulations creating modern inspection systems. Convention No. 81 and Recommendation No. 81, taken together, clearly constitute the rules to be applied in the field of labour inspection.

Convention No 129, which applies to agriculture, repeats in essence the provisions of Convention No 81 while enlarging the scope of the enterprises and workers covered as well as the areas of competency of the labour inspection system. Convention Nos. 81 and 129 define the functions, duties and responsibilities of labour inspection systems, requirements for the recruitment of staff, means of action for inspectors, enforcement powers and obligations of inspectors in relation to ethics and reporting on activities. They also provide for the reporting of accidents and diseases. The Labour Inspection Recommendation 1947 (No. 81) gives further details as to what information should be included in annual reports and contains further guidance for collaboration between inspectors, employers and workers, mainly in the area of safety and health.

Benchmarks for effective labour inspection under this universal standard are:

- Labour inspection should be organized as a system applying to all workplaces in respect of which legal provisions relating to conditions of work and the protection of workers are enforceable;
- Labour inspection should be placed under the supervision and control of a central authority so far as is compatible with the administrative practice of the country;
- It should ensure both educational and enforcement functions in relation to conditions of work (such as hours of work, wages, safety, health and welfare, the employment of children and young persons and other connected matters) and alert the competent authorities of any defects or abuses not covered by existing relevant legal provisions;
- Inspectors must be public officials assured of the stability of employment and independent of changes of government and improper external influences;
- They must be recruited with the sole regard to their qualifications and they must be adequately trained for the performance of their duties;
- Their number must be sufficient to secure the effective discharge of these duties in regard to, inter alia, the number, nature, size and situation of workplaces, the number of workers employed, and the



number and complexity of the legal provisions to be enforced;

- They must be properly equipped with local offices and transport facilities and measurement material;
- They must be provided with proper credentials and be legally empowered.
- Workplaces must be inspected as often and as thoroughly as is necessary to ensure the effective application of relevant legal provisions.
- Inspectors should supply information and advice to employers and workers on how to comply with the law;
- Adequate penalties for violations of legal provisions enforceable by labour inspectors and for obstructing labour inspectors in the performance of their duties must be provided for by national laws and regulations and must be effectively enforced; and
- Operative performance of the labour inspection system can be achieved through effective cooperation with other government services and private institutions engaged in labour protection as well as with employers and workers and their organizations.

The ILO Support to Indonesia

At the 100th session of the International Labour Conference (ILC) held in June 2011 in Geneva, the Government of Indonesia and its social partners urged the ILO to develop institutional and multilateral collaboration as part of the labour administration and inspection systems. According to the tripartite constituents, there is an urgent need for the active involvement of the governments, workers and employers as well as other relevant partners to build more efficient and effective labour inspection.

In response to this need, the ILO, with support from the Norwegian government, has developed a close collaboration with the Ministry of Manpower and Transmigration to conduct trainings aimed to build the capacity of the labour inspectors as part of the effort to

build a modern and effective labour inspection system in Indonesia. These trainings, targeted at all labour inspectors throughout the country, were conducted in Bogor and Makassar from January to May 2011. The trainings concluded with recommendations from labour inspectors from provincial and district/city levels, noting that the labour inspection system should focus on ensuring the effective implementation of the labour inspection policies: Presidential Decree No. 21/2010 on Labour Inspection and Decree of the Minister Manpower and Transmigration No. PER.02/MEN/2011 on Empowerment and Implementation Coordination on Labour Inspection.

Effective labour inspection coordination is important in order to tackle existing challenges which include, among others, lack of coordination between the regional and central governments in labour inspection, lack of competent labour inspectors, lack of infrastructure and facilities, the changing world of work with its new employment patterns such as outsourcing, sub-contracting, including protection to vulnerable workers in the informal economy, etc.

To answer these existing challenges, a high-level tripartite meeting on labour inspection will also be organized in 20 October 2011, aimed at building a commitment among the relevant partners in labour inspection as an effort to strengthen synergies among workers' organizations, employers' organizations and multi-sectoral governmental institution on labour inspection.

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