

Key Findings of the Joint Report of the ILO and Tufts University on Barriers to Employment and Discrimination in Employment for Women in Indonesia

Household survey conducted by the ILO and Tufts University in collaboration with University of Brawijaya in Malang and University of Medan in Medan, covering 1.000 households in North Sumatra and East Java in 2012.

Health care

1. There are meaningful advantages to formal sector work in terms of access to health care and job security, but that sexual harassment and verbal abuse remain significant problems—and could dissuade women from joining the formal sector.
2. Employees, outsourced workers and short-term contract workers were also more likely to have a doctor or midwife attend their delivery. Other participants occasionally report a delivery attended by a family friend or healer. For example, 16 percent of own account workers were not attended by a professional. For casual employees in agriculture, the figure is 14 percent. Fully one third of contributing family workers had their delivery attended by a healer.

Pay equality

1. On average, women earn 79 percent of the hourly wage of men. The gap is even higher for monthly wages.
2. Both men and women with children under the age of 10 earn less than their peers, controlling for age and other demographic characteristics. However, the negative impact is larger for women than for men.
3. The return from formal education is positive, and larger for women than men. Training programs also raise wages, but unlike with formal education, the effect is larger for men than women.
4. The fields of study that women tend to choose pay less than other fields of study. However, women who choose female-dominated fields receive a higher wage than men in the same fields.

Formalisation of micro and small enterprises

1. A slightly higher percentage of women than men prefer formalization, although the difference is not statistically significant.
2. Education is positively associated with preferring formalization.

Employment

1. Men were more likely to be employed outside the home and to be the primary wage earner for their family.
2. Men are more likely to receive Jamsostek or other social security benefits.
3. Men received better treatment in the workplace; they reported less verbal and sexual harassment, were promoted more often, and received more in weekly, hourly, and bonus pay.

4. Men also had more power, both within the workplace (they were more likely to be supervisors) and at home (they were more likely to decide how the family income is spent).
5. Men reported having been at their current or last job significantly longer, on average, than women did: The mean length of time for men was 9.36 years, compared to 5.61 years for women. Men were more likely to report leaving their last job because the pay was too low (27 per cent), whereas women were more likely to report leaving because of family responsibilities: to get married or have a child (14 per cent), or take care of their family (14 per cent).

Key Findings of the ILO's Study on Specific Challenges Faced by Home-workers in the Putting-Out System

The study was conducted in 2012 for women home-workers in the putting out system in which a company or employer outsources work to be performed by workers in their home.

Why women engage in homework:

- Low levels of education (many elementary or junior high school);
- Women engage in homework due to lack of other opportunities. Sometimes only source of household income;
- Culturally appropriate (avoid dirty workplace; attend to domestic duties); and
- Attractive for women due to nature of work at home.

Conditions of work

- Paid on piece rate basis (badminton racket producers' daily income is Rp.5,000-7,000 in peak season in Malang);
- Contribution of children (sometimes fulltime in peak season) and intergenerational impact
- Seasonal work, income is unpredictable and notification of orders is often only one day in advance;
- Home-workers bear responsibility for costs of production (electricity, equipment, mistakes – quality of product);
- Competition among home-workers – leads to inability to bargain for higher wages
- No written contract;
- No social security or social safety net. Many home-workers are indebted to multiple creditors;
- Home-workers themselves do not know their rights or understand they are 'employees' ; and
- Half/incomplete payment is common. Guarantees the employer's investment in the inputs will be returned in the next order.

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