



EQUIVALENCY EDUCATION and DECENT WORK

Access to quality education up to the minimum age of employment⁵ is a key element towards eliminating child labour and preparing young people to obtain Decent Work⁶. In Indonesia, youth are given a second chance to get an education, as they can (a) study to obtain certificates equivalent to

those available in the formal education system, and (b) reintegrate the formal school system (in principle) after having dropped out of it. The Equivalency Education (EE) system which is part of the National Education System in Indonesia, is aimed at expanding young people's access to primary level (Paket A and Paket B) and secondary level (Paket C) education.

Table 1: Equivalency Education in a nutshell

Aim	To contribute to the provision of non-formal education, as a way of supporting the government's 12-year education goal.
Target groups	Both school-aged children unable to attend formal schools as well as older individuals, with or without prior education.
Goal	Prepare students for higher education levels or for the labour market following the EE exam UNPK (<i>Ujian Nasional Pendidikan Kesetaraan</i> , National Equivalency Education Exam).
Structure	There are three 'packages'. <i>Paket A and Paket B</i> , equivalent to primary and lower-secondary education, cover the government's nine-year compulsory education programme. A <i>Paket C</i> equivalent to upper-secondary education is also available.
Regulation¹	Ministerial regulations stipulate the content of EE curricula according to competency standards, in line with the formal education system (Ministry of National Education Decree No. 14 of 2007). The National Education System officially establishes transferability of EE students back into the formal system (Article 12(1e) of Law No. 20 of 2003 on the National Education System).
Providers	PKBM (<i>Pusat Kegiatan Belajar Masyarakat</i> , community learning centres), mostly funded by the central government, are the main providers of EE. Other providers include <i>Pondok Pesantren</i> (religious and social organisations), SKB (<i>Sanggar Kegiatan Belajar</i> , Learning Studios) and <i>Unit Pelaksana Teknis</i> (technical implementation units). These institutions are certified by provincial (for BPKB & BP3LS ²) and district (for UPTD SKB ³) authorities based on standards developed by the Ministry of National Education (MoNE).
Outreach⁴	In the school year 2008/9, 1,697,908 students were in Equivalency Education. 168,099 students were enrolled in <i>Paket A</i> , 923,499 in <i>Paket B</i> , and 606,310 in <i>Paket C</i> .

¹ Act No. 20 of 2003; Ministry of National Education Decree No. 14 of 2007, and No. 23 of 2006.

² BPKB – *Balai Pengembangan Kegiatan Belajar* (Centres for the Development of Learning Activities); BP3LS – *Balai Pengembangan, Pendidikan dan Pelatihan Luar Sekolah* (Centres for the Development of out-of-school Education and Training).

³ *Unit Pelaksana Teknis Daerah SKB* (SKB District Technical Implementing Units).

⁴ *Petunjuk Teknis Bantuan Operasional Penyelenggaraan (BOP) Program Paket A & Paket B melalui Dana Dekonsentrasi* – PNFI Publication, 2010.

⁵ As defined by ILO Convention 138 concerning Minimum Age for Admission to Employment ratified by Indonesia.

⁶ According to the International Labour Organization, *Decent Work* involves opportunities for work that are productive and deliver a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns and to organise and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.

The Government of Indonesia (GoI) is committed to providing nine years of compulsory *Education for All*. This commitment has been backed by careful planning and important investments over the last decade. Indonesia has increased its spending on education from 10 per cent of the State Budget in 2006 to the constitutionally required 20 per cent in 2009. School enrolment rates for children have increased accordingly: the net enrolment rate for primary school is now 95.4 per cent (97 per cent for boys, and 94 per cent for girls)⁷, putting the country on track to achieve Millennium Development Goal 2 of universal primary education by 2015.

The 2010-2014 National Education Strategic Plan acknowledged these results, while recognizing the need to strengthen education results and outcomes.

The number of out-of-school children is an issue of particular concern. The Sakernas Child Labour Survey 2009 reports 1,496,362 out-of-school children between 7 and 14 years of age (4.2 per cent of their class of age). This figure is likely to stem from the cost of books, uniforms and transport, as well as from the opportunity cost of child labourers' time.

Evidence from an earlier study¹³ in Indonesia also showed that leaving school has an important negative impact on individuals' prospects of finding decent work. A more recent study¹⁴ indicates that

individuals with a junior high or a primary school degree experience significant difficulties in obtaining decent jobs. In 2010, only a relatively small proportion of them had access to jobs in the formal sector (25 per cent of individuals with Primary School diploma and 40 per cent of individuals with Junior High School diploma) and less than half of them were in salaried employment. Additionally, the wage premium is substantial for graduates with a Senior High School and Higher Education. Not properly equipped with the necessary knowledge and skills, dropouts and early school leavers are likely to eventually join the pool of underemployed youth¹⁵. EE is specifically devised to target this issue by providing school dropouts and early school leavers with access to flexible and affordable education.

In 2009, a rapid assessment survey conducted by the ILO on "Equivalency Education and Access to Decent Work" with 1,700 respondents in South Sulawesi and Papua also found that EE graduates experience lower employability than their formal school counterparts. EE certificates rarely seem to be associated with stable wage employment. Young EE graduates are relatively more likely to be self-employed in the agricultural sector, to have longer working hours and working weeks. They earn a lower income and experience lower occupational safety and health standards. Furthermore, female EE graduates were found to work longer hours and more days per week than male EE

Table 2: Outreach of Equivalency Education 2008-2009⁸

	STUDENTS (MoNE & MoRA ⁹) ¹⁰	DROPOUT STUDENTS ¹¹	UNPURSUING GRADUATES	TARGET POPULATION for EE	STUDENTS IN EE ¹²	OUTREACH (%)
ELEMENTARY	30,908,745	449,769	608,902	449,769	133,873	29.8
JUNIOR HIGH	12,538,448	233,498	1,295,222	842,400	487,541	57.9
SENIOR HIGH	5,250,496	146,002				
SENIOR HIGH VOCATIONAL	3,290,396	94,032		1,535,256	242,040	15.8
TOTAL	51,793,393	923,301		2,827,425	863,454	30.5

⁷ UNESCO, *Global Monitoring Report*, 2011

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$$x = \frac{E_{eq} + J_{eq} + S_{eq}}{E_d + (E_u + J_d) + (J_u + S_d)}$$

The above equation describes the outreach of students engaged in equivalency education as a portion of total potential, where *E* stands for elementary school, *J* for junior high and *S* for senior high (including vocational), *eq* for students enrolled in equivalency education in 2008, *d* for students that have dropped out of school, and *u* for graduates who do not pursue further education.

⁹ Ministry of Religious Affairs (KEMNAG, *Kementerian Agama*).

¹⁰ Indonesia Educational Statistic in Brief 2008/2009, *Arus siswa SD+MI sampai PT+PTAI* (Flow of Pupils from PS level to the HE level), 2009.

¹¹ Ibid.

¹² Indonesia Educational Statistic in Brief 2008/2009, table 80A, 80B and 80C.

¹³ ILO-IPEC, *Indonesia's youth labour market and the impact of early school drop out on child labour*, 2006.

¹⁴ UCW, *Report on child labour and youth employment in Indonesia*, 2011.

¹⁵ A person is considered to be underemployed when s/he works under the normal working hours (less than 35 hours a week).

graduates. More EE female graduates were found to be working without a contract, earning less than EE male graduates, and with fewer benefits (pensions, health insurance etc.).

The study also interviewed employers, who were asked if they attach the same value to EE and formal certificates when approaching job candidates. Most respondents pointed out that the selection is based on candidates' skills, rather than on the certificate they hold. And while EE graduates show more motivation to work hard, formal school graduates tend to be equipped with better academic skills.

To sum up, while school leavers and dropouts tend to get less decent jobs, so do EE graduates. Therefore, there is room to improve the impact of Equivalency Education in terms of labour outcomes. The rapid assessment survey looked at areas of possible intervention and proposed some policy options.¹⁶

A low quality of EE implementation, especially in more remote and disadvantaged areas, is in direct contradiction with EE's ultimate goal of addressing scarce access to quality education.

Based on 2008/9 data from MoNE, and tabulating the target population for EE as the total number of dropouts and non-pursuing students from the previous level, the overall outreach of EE equates to 30.5 per cent (see Table 2). While this relatively low outreach will be improved within the current five-year plan¹⁷, the quality of EE, especially in remote areas, should be improved through targeted interventions. The Rapid Assessment pointed to several areas for potential improvement.

- The poor quality of EE is directly related to the **limited amount of time that courses are offered**. By design, PKBMs only provide courses three times a week for three-hour sessions for six months¹⁸ prior to the UNPK equivalency examination. The study found that these 200 learning hours are not

sufficient and the tutors' main focus is often limited to drilling students on the upcoming examination.

- EE certificates are the main factor enticing students to join the EE classes, because they are perceived as a social requirement, rather than a means to obtain a specific job outcome. **The demand for high-quality, meaningful EE leading to jobs was also found to be low**, impacting negatively on the accountability of the PKBMs to the community at large.¹⁹
- **The lack of EE placement tests reduced the relevance of the provided equivalency package.** While in rural areas, the EE placement tests may be difficult to use (most likely because of the minimum number of 20 students required to form a *Paket* class), the study could not find any PKBM in neither rural nor urban areas where placement tests were administered.
- **The PKBMs were also found to be poorly staffed and equipped.** Tutors' qualifications often did not comply with set standards²⁰. While tutor capacity-building institutions are available (eight BPPNFI²¹ across Indonesia²²), tutor capacity-building programmes in the surveyed areas were found to neither be systematic nor sufficient. Education offices did not implement quality assurance on a regular basis. Delays in payment (allegedly for up to a year) also acted as a disincentive for tutors. PKBMs also lacked teaching devices and equipment (the more remote the areas were, the less equipment was available).

An effective EE depends on the formal school system lowering the barriers preventing school leavers from reintegrating into it.

Article 12(1e) of Act No. 20 of 2003 on the National Education System describes the multi-entry multi-exit education policy²³ which should also allow

¹⁶ While the study is limited to two provinces, findings are consistent with empirical evidence gathered over four years of technical assistance on equivalency education in six provinces, namely Papua, West Papua, South Sulawesi, East Nusa Tenggara, Maluku and Aceh.

¹⁷ The 2010-2014 Education Strategic Plan sets quantitative goals for a further expansion of EE supply (percentage of sub-districts having a PKMB to double and to reach 80 per cent by 2014).

¹⁸ A minimum of six months of attendance is required before examination.

¹⁹ ILO, Equivalency Education Study, 2009.

²⁰ Petunjuk Teknis Bantuan Operasional Penyelenggaraan (BOP) program Paket A & Paket B melalui Dana Dekonsentrasi, PNFI Publication, 2010.

²¹ Balai Pengembangan Pendidikan Non-Formal dan Informal (Non-Formal and Informal Education Development Centre).

²² Petunjuk Teknis BOP Pendidikan Kesetaraan Program Paket C (Dana Dekonsentrasi).

²³ The multi-entry, multi-exit system emphasized the equivalency of EE to the formal system in which a student is allowed to transfer across different education systems. As such, EE was further structured to allow compatibility with the formal education system.

EE graduates to enter the formal education system. Ministry of National Education Decree No. 14 of 2007 delineates the standard content of EE curriculum to ensure transfer between non-formal and formal education systems. **In practice, however, the Indonesian EE's bridging function is limited:**

- **Poverty is the main hurdle to youth reintegrating into the formal school system.** Very few EE graduates are able to go back to school. They dropped out of school for economic reasons in the first place; the direct costs and opportunity costs of education are again the main reasons preventing them from returning to school. The direct availability of small jobs in the informal economy, and the lack of information on how to return to formal education are also likely to contribute to the limited number of students returning to school.
- **The registration, certification and examination timelines for formal schooling and EE reflect a two-track system with limited bridging potential.** One of the bi-annual UNPK (Equivalency Examination) is commonly organized after the UN (National Examination) to allow formal school

students who failed the UN to sit the UNPK. However, this later date set for the UNPK often prevents Paket graduates from applying to formal schools. The late distribution of EE certificates was also said to hamper EE graduates from applying to formal schools. The format of the UNPK itself is different, and EE students do not benefit from the same NIS (Nomor Induk Siswa, student identification number), undermining the multi-entry multi-exit policy.

- **EE providers are isolated from the mainstream education system.** In addition, most PKBMs surveyed were unable to build sufficiently strong relations with surrounding formal schools to facilitate EE student reintegration into the formal education system. School principals were also keen to maintain the reputation and classification of their schools; they were not given sufficient incentives to accept former school leavers perceived as non performers. Some school principals were also found to organise entrance tests (in addition to the EE certificate required), which most EE graduates were said to fail.

Box 1: Struggling with certificates to re-enter the formal education system

D.A. is a young man living on the outskirts of Jayapura. He was a student at a local SMP when his parents decided to move to Timika. However not long after, his father fell ill so they all moved back to Jayapura municipality. Unfortunately, his mother didn't have the chance to collect a letter of release from his old school in Timika. D.A. could therefore not enrol into any school in Jayapura because his certificate had not been issued. One of his relatives informed him he could take *Paket B* near his aunt's house – tens of kilometres away from his own house. He enrolled in the *Paket B* and graduated after sitting for the exam in June/July 2008. Equipped with a renewed spirit and an aspiration to become a mechanic, he applied to a SMK. But his dream was immediately shattered. He could not enter the school because his certificate had not been issued. After looking for other options, he was finally accepted into a general SMA in Koya Timur – an area further away setting him back more than IDR 10,000 in transportation costs (motorcycle gasoline) each day. He is not pleased with the solution but still prefers it to *Paket C*. However, he does not feel settled in yet because his teachers often ask about his *Paket B* Certificate, which he has not received up to this date – almost one year after taking the exam.

The ‘livelihood skills development’ component is not fully equipped to efficiently prepare EE graduates for employment or self-employment.

The stated goal of *Paket B* is to prepare students for employment while *Paket C* is geared towards entrepreneurship²⁴. The study found a wide spectrum of perceptions regarding the goals of the Pakets among education officials and PKBM managers in the two provinces (South Sulawesi and Papua). Some see *Paket B* and *Paket C* as giving individuals a second chance to get an academic education, while others see them as non-formal skills development programmes, or any mix of the two. These goals are different in nature and require specific content and tutor capacity.

- **The training offered is generally not in line with market demand, and not competency-based.** The skills training was often reported to be too short and not reflecting the market’s demand for skills. It is also not often competency-based; as a result, potential employers cannot gather information on the graduates’ skills from their certificates.
- **The training is not inclusive.** There was strong evidence of gender division of labour in the skills areas chosen by the graduates, and the study could not identify any example of successful inclusion of persons with disabilities.
- **Business skills trainings were not provided.** Many EE graduates considered opening a business; however the technical skills trainings were not matched with business skills trainings.

RECOMMENDATIONS

- I. **Increase the demand for quality EE and formal school reintegration** – EE should be better integrated within the portfolio of front line measures for poverty reduction; some other programmes like Program Keluarga Harapan (conditional cash transfers) have the potential to greatly increase the demand for quality education.

The social background of the trainees should be checked in a holistic way, and integrated support should (a) increase demand for quality EE, and (b) facilitate formal school reintegration. Local Action Committees for the Elimination of Worst Forms of Child Labour set up after the Decree No. 6 of the Ministry of Home Affairs in 2009 have the potential to act as coordinating institutions to provide tailor-made support packages, involving EE and other Government programmes.

- II. **Increase school dropout prevention** – International good practices²⁵ show that providing children with special remedial support within the classroom is probably the most effective and cost-efficient way to prevent youth from dropping out of school. One of the main comparative advantages is that the child does not have to go through the often stigmatizing experience of leaving school. Such programmes require an intensive capacity-building component for the teachers/mentors providing extra support during or after class hours to children at risk of dropping out. They are very cost effective as they use the same school facilities and do not require additional transport costs. They also send a powerful message about the school’s commitment to provide an inclusive education and to keep all children “on board” irrespective of the learning difficulties they may be facing.
- III. **Couple EE providers with schools** – A foster system, similar to the strategy of the Open Junior High School, should be a prerequisite for the attribution of state funding to the PKBMs. The PKBM would not function in isolation but as part of the school-based governance system promoted by the Ministry. It would benefit from the technical inputs of the school, and it should be made accountable for the quality of its courses to the school principal, the school inspector, and the parents’ committee. This proposition is in line with the recent decision to move the management of Equivalency Education under primary school, junior high school and senior high school directorates. The reintegration of out-of-school children within the formal school system should be mainstreamed with the quality

²⁴ Ministry of National Education, Reformasi Pendidikan Kesetaraan, 2007.

²⁵ UCW, Non Formal Education Approaches for Child Labourers: an issue paper, 2006.

assurance framework of the Ministry, and a system of incentives should be devised to entice school principals to welcome back out-of-school children.²⁶

- IV. **Balance outreach with quality assurance and adequate remuneration** – There is no even level of capacity among PKBM managers and instructors and their allowance-based remuneration does not encourage them to perform. Clear criteria should be applied for the recruitment of instructors and managers. Capacity-building programmes should ensure they master the principles of learner-centred teaching.
- V. **The UN (Ujian Nasional, National Exam) needs to be established as the final examination for formal and non-formal students alike** – The current Equivalency Education is not equivalent to the formal education programme neither in terms of content nor career outcome. Currently, EE students undertake an EE-specific exam; the UNPK, that features some commonalities with the UN, but is considered less demanding. If the UN became compulsory for EE graduation, the non-formal system would have a very strong incentive to match the standards of the formal one. The UN grading system can be two-tiered with EE students probably only reaching the lower one, but having the prospect of achieving the higher level, too.
- VI. **Provide market driven competency-based skills training leading to jobs** – A partnership between the private sector and EE providers should result in the provision of relevant skills training including vocational and business training. The Ministry of National Education and the ILO tested this approach as part of a “4 in 1” methodology focusing on (a) identifying skills demand, (b) providing competency-based, inclusive training, (c) providing assessment and certification, and (d) providing after-training support. While the pilot was successful (42 per cent of the trainees were either employed or opened a business), the 4 in 1 methodological principles now need to be translated into a quality assurance framework, and funding to training providers is to be linked with performance.

CONCLUSION

Indonesia has made remarkable progress towards the Education For All (EFA) goals, particularly in the expansion of a nine-year, compulsory education. However, formal schooling sometimes fails to respond to the needs of disadvantaged households, mainly due to costs of books, uniforms and transport, as well as the opportunity cost of children's time. Because schools tend to focus on high achievers, children with lower performance tend to be left out. Consequently, there are a significant number of out-of-school children in the country.

The non-formal system of Equivalency Education (EE) is designed to give school dropouts a second chance to get an education and to prepare them for further education or for the labour market. As shown in the 2010-2014 Education Strategic Plan, the Government of Indonesia has managed the very difficult task of up-scaling a community-based model of Equivalency Education.

However, the rapid assessment survey conducted by the ILO in South Sulawesi and Papua showed that EE students in these two provinces came from a lower socio-economic background than children in school. It also showed that the labour outcomes of EE are significantly lower than those of normal schools. While EE can play an important role in providing a second chance to school leavers, (a) its poor quality, especially in remote areas, (b) the lack of bridging capacity with the formal school system, and (c) the lack of market-based vocational training hamper its potential to halt the trans-generational transmission of poverty.

Improving the quality of the EE, its relation with the formal schooling system, and its capacity to deliver training that is in line with labour market demand will go a long way to ensure that school leavers benefit from a real chance to get decent jobs. It will also contribute to improving equitable access to quality education for all Indonesians.

²⁶ Refer to 4 in 1 Handbook for Non-Formal Training Providers, jointly published by MoNE and ILO in 2011 (the approach will be replicated in 8 BPPNFI).