



Tripartite Validation Workshop of the Indonesia Decent Work Country Profile

Workshop Report
Jakarta, 27–28 2011



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ILO COUNTRY OFFICE FOR INDONESIA
ILO/EC PROJECT “MONITORING AND ASSESSING PROGRESS ON DECENT WORK” (MAP)

Workshop Report

**Tripartite Validation Workshop of the
Indonesia Decent Work Country Profile**

27-28 June 2011
Jakarta, Indonesia

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Foreword

The *Monitoring and Assessing Progress on Decent Work* (“MAP”) project provides support to national partners to measure and monitor decent work, especially by developing national assessments on progress towards decent work (Decent Work Country Profiles), from statistical indicators and legal framework indicators. A *Tripartite Consultation Workshop on Measuring Decent Work in Indonesia* was held in March 2010 to identify decent work indicators relevant at the national level. The Profile was prepared by national consultants from the University of Indonesia in collaboration with BPS, the Ministry of Manpower and Transmigration and ILO experts, on the basis of the national list of decent work indicators. A *Tripartite Validation Workshop of the Indonesia Decent Work Country Profile* was held in Jakarta from 27 to 28 June 2011, to give the opportunity to constituents to discuss the main results of the study and to advise on final amendments before its publication.

The Profile provides comprehensive data on decent work for stakeholders in Indonesia and can be used as an important advocacy tool for policy making. The economic crisis and the need to achieve a sustainable recovery based on inclusive growth have increased the importance of efforts to measure decent work (and thus, the importance of these profiles). In July 2009, the International Labour Conference adopted the Global Jobs Pact which proposes policy responses for job creation; mitigating the impact of unemployment; and promoting balanced and sustainable growth.

Several Government agencies such as the Ministry of Manpower and Transmigration (MoMT), the National Development Planning Agency (BAPPENAS), the Ministry of Finance (MoF), the Ministry of Industry and Trade (MoIT), Statistics Indonesia (BPS); representatives from employers’ associations (APINDO and ABADI), and the confederations of trade unions (KSBSI, KSPI, and KSPSI) were involved in the validation workshop. The stakeholders discussed the main results of the Profile and the way forward to use the Profile for policy design and advocacy, national development planning, and the monitoring of the country’s Decent Work Country Programme (DWCP).

This report summarises the outcome of the workshop discussions and may serve as a valuable source for social dialogue and advocacy for decent work in Indonesia.



Peter van Rooij

Director

ILO Country Office for Indonesia

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List of acronyms and abbreviations

ABADI	Asosiasi Bisnis Alih Daya Indonesia (Indonesian Outsourcing Association)
APINDO	Asosiasi Pengusaha Indonesia (Indonesian Employers' Association)
BAPPENAS	Badan Perencanaan Pembangunan Nasional (National Development Planning Agency)
BPS	Badan Pusat Statistik (Statistics Indonesia)
DEPNAKERTRANS	Departemen Tenaga Kerja dan Transmigrasi (Ministry of Manpower and Transmigration)
DWCP	Decent Work Country Programme
DWI	Decent Work Indicator
EC	European Commission
ECOSOC	Economic and Social Council
EU	European Union
GDP	Gross Domestic Product
ICLS	International Conference of Labour Statisticians
ICT	Information and Communication Technology
ILO	International Labour Organization
KSBSI	Konfederasi Serikat Buruh Sejahtera Indonesia (Confederation of Prosperous Indonesian Labour Unions)
KSPI	Konfederasi Serikat Pekerja Indonesia (Confederation of Indonesian Labour Unions)
KSPSI	Konfederasi Serikat Pekerja Seluruh Indonesia (Confederation of All Indonesian Workers Unions)
LFI	Labour Force Indicator
LFPR	Labour Force Participation Rate
MAP	Monitoring and Assessing the Progress of Decent Work
MDGs	Millennium Development Goals
MoMT	Ministry of Manpower and Transmigration
RENSTRA	Rencana Strategis (Strategic Plan)
RPJM	Rencana Pembangunan Jangka Menengah (Medium-term Development Plan)
SAKERNAS	Survei Angkatan Kerja Nasional (National Labour Force Survey)
SME	Small and Medium Enterprise
SPSI	Serikat Pekerja Seluruh Indonesia (All Indonesian Workers Union)
SUPAS	Survei Penduduk Antar Sensus (Inter-censal Population Survey)
SUSENAS	Survei Sosial Ekonomi Nasional (National Socio-Economic Survey)
SUSI	Survei Usaha Terintegrasi (Integrated Establishment Survey)
TME	Tripartite Meeting of Experts on the Measurement of Decent Work
UI	Universitas Indonesia (University of Indonesia)

1. Welcome and opening session

Moderator: Ms Gita Lingga, Media Relations Officer, ILO Country Office for Indonesia.

1.1. Welcome address and opening remarks by the Director of the ILO Country Office for Indonesia

Mr Peter van Rooij, Director, ILO Country Office for Indonesia.

Peter van Rooij thanked the participants for their support, participation and collaboration in the workshop. He emphasised that the ILO Declaration on Social Justice for Globalization (2008) recommends ILO member states to establish relevant indicators in order to monitor and evaluate progress towards decent work. The ILO supports the development of the DW Country Profile for Indonesia and capacity building for self-monitoring and self-assessment within the framework of the EU funded MAP project.

The ILO has mainstreamed the Decent Work Agenda into national policies and strategic planning, poverty reduction policies and MDGs. The Decent Work Agenda has received support from the Ministerial Declaration of the Economic and Social Council (ECOSOC). The ILO has acknowledged the achievements of the DWA in Indonesia. As one of nine countries participating in the global MAP project, Indonesia has conducted various activities aimed at promoting decent work and tripartism in national policy making. These activities have been aligned with the ILO's four strategic objectives: full and productive employment; social protection; rights at work and social dialogue.

The summary of the workshop will be published in the form of a report in order to deliver the results to stakeholders. The validation workshop was provided with a report from the University of Indonesia, supported by the ILO Geneva and the ILO Bangkok, and data compiled by BPS-Statistics Indonesia and the MoMT. Mr van Rooij expressed his hope that the Profile will raise awareness concerning the challenges of decent work and will help to identify gaps in Indonesia for the use of constituents, both on the national and regional/provincial level.

1.2. Opening remarks by the Representative of the Delegation of the European Union to Indonesia

Mr Julian Wilson, Head of Delegation, European Union Delegation to Indonesia.

Julian Wilson emphasised the support of the European Union for the MAP project as a global initiative, in particular because the principles of decent work, including rights at work, are part of the core values of the EU. Measuring decent work is necessary in order to balance growth and to achieve the MDGs.

Economic growth, investment, and labour are strongly correlated with decent work. Indicators might differ from country to country. The validation workshop should consider the following factors: standards; labour; decent work; and flexibility to attract investments and to achieve growth. In order to boost healthy economic growth the government also has to guarantee fair practices in competition.

Indonesia plays an important role in Asia, mainly because of the size of its population. Ensuring decent labour standards and investments in human capital can enable Indonesia

to catch up with other regional economies and encourage greater inward investment from the EU and other industrialised nations.

Julian Wilson emphasized two issues with an international dimension:

- 1) As ambassador of the EU to ASEAN, flexibility and fair practice will affect competitiveness of Indonesia in the ASEAN.
- 2) Does the EU use labour standards as trade barriers?

1.3. Opening remarks by the Employers' Representative

Mr Sofjan Wanandi, General Chairman of APINDO

Mr Wanandi, representative of the Indonesian Employers' Association (APINDO), emphasised the importance of this workshop. He considered the workshop as a bridge for communication between the government, employers and workers. The importance of this workshop lies in the identification of key priorities and recommendations for future steps and their implementation.

As an employers' organization, APINDO considered unemployment as a problem which should be prioritised. Unemployment has indirectly become one of the first obstacles to investment which affects workers. Solving the unemployment problem requires careful planning. The issue must be addressed by a joint agenda to improve standards and decent work. The Government needs to reform laws and policies that hinder investments at the national and regional/provincial level.

Mr Wanandi pointed out that approximately 70 per cent of all workers work in the informal sector with a low level of education. They work at Small and Medium Enterprises (SMEs), so the growth of these SMEs must be encouraged.

He reminded the workshop to discuss the issues related to the ILO and work with other government bodies. The workshop should not be limited to the event but should provide clear follow-up recommendations for decent work. What are the targets for the coming years? What should be the action plan and the way to address these issues, particularly for informal workers?

1.4. Opening remarks by the Workers' Representative

Mr Sjukur Sarto, General Chairman of KSPSI

Sjukur Sarto, as a workers' representative, drew attention to worker protection. He stated the importance of increasing full employment, social security, decent wages and decent working hours (35 hours/5 days). To achieve all targets, Indonesia needs support from the ILO and the EU, especially to strengthen IR at the enterprise level and to enforce social dialogue between stakeholders. Social dialogue is needed to identify the rights of employees and obligations of employers.

Indonesia needs assistance from the ILO to identify the right indicators to be implemented in Indonesia. Unemployment is a crucial issue and should be taken into account when measuring decent work. It is difficult to discuss unemployment because of disguised unemployment and informal employment. As mentioned by Mr Wanandi, a large proportion of workers are in the informal sector. Decent work must therefore also consider informal workers whose wages are often far below what is necessary to survive (given the

living costs they face). Mr Sarto pointed out that productivity can be increased if workers and enterprises are satisfied and take pride in their work.

Measuring decent work undoubtedly has a positive impact on workers. Thus, he asked whether it could be possible to measure decent work on the enterprise level as well.

1.5. Opening remarks by the Ministry of Manpower and Transmigration

Mr Guntur Witjaksono, Head of Centre for Administration of International Cooperation, Ministry of Manpower and Transmigration

Mr Witjaksono, representative of MoMT, emphasised the importance of the MAP project. He noted that the concept of decent work has been adopted by ILO member states since 1999. Indonesia has discussed and tried to establish relevant indicators for decent work. The discussion was based on four pillars of decent work, namely, employment creation, social protection, rights at work and social dialogue.

The reason for the unemployment problem faced by Indonesia is the large number of the labour force. Therefore, it is urgent to create employment, and to address the informal sector. Employment creation and social protection should be at the heart of crisis recovery. MoMT as a government agency must take into account labour standards in its investment policies in order to protect workers. Social dialogue is a cross cutting issue. All core ILO conventions were ratified but need to be implemented and enforced, particularly when it comes to employment contracts and trade agreements. Even though legislation concerning social protection has been introduced many years ago the financing and implementation of social protection remains problematic.

To strengthen the analysis, industrial sectors should be better-defined. There remain considerable differences in terms of the quality and nature of employment between economic sectors, such as agriculture, mining, industries, etc.

Mr Witjaksono also asked whether decent work could be measured on the regional/provincial level. He thanked the ILO and the EU for supporting the Indonesian Government through the MAP project.

2. Background and Process for Development of Decent Work Country Profiles (Session 1)

Presenter: Mr Nikolai Rogovsky, Senior Economist, Policy Integration Department, ILO Geneva; and Mr Phu Huynh, ILO/EC MAP, ILO Bangkok

2.1. Background

Mr Rogovsky began his presentation by defining the concept of decent work as opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and dignity.

Decent work has been endorsed by ECOSOC, Presidential Summits and Head of State Summits in all regions, UN system, European Union and others as a global goal. The ILO Declaration on Social Justice for a Fair Globalization (2008) has endorsed the Decent Work Agenda:

- i. Fundamental principles and rights at work;
- ii. Promoting employment;
- iii. Social Protection; and
- iv. Social Dialogue and tripartism.

The declaration recommends ILO member states to establish indicators to monitor and evaluate their progress towards decent work with assistance from ILO experts if needed. Monitoring decent work is needed in order to achieve the MDGs, to achieve full and productive employment and decent work for all, including women and young people, and to eliminate gender disparity in primary and secondary education.

Measuring decent work goes beyond traditional labour statistics and might include the consideration of the following questions:

- i. How family-friendly are work arrangements?
- ii. Do workers have to work long hours?
- iii. Can I join a union?
- iv. Do migrant workers face discrimination?
- v. What happens if I fall sick?
- vi. How dangerous is work?
- vii. Will I get paid maternity/paternity leave when I have a child?

On some of these questions, traditional labour market statistics can give answers – but it's more difficult for others.

A framework that can assist constituents to assess progress, that offers comparable information for analysis and policy development, and that covers all four dimensions of decent work is needed for measuring decent work.

The Tripartite Meeting of Experts on the Measuring Decent Work (Sept. 2008) reviewed the conceptual framework of the proposal and list of indicators, including statistical indicators and indicators on fundamental principles and rights at work and indicators on the legal framework, as a guidance on options for measuring decent work. The results were presented to the ILO Governing Body and to the 18th International Conference of Labour Statisticians (ICLS) in 2008.

There are 11 (eleven) substantive elements of the decent work framework, which are:

- i. Economic and social context for decent work;
- ii. Employment opportunities (1 + 2);
- iii. Adequate earnings and productive work (1 + 3);
- iv. Decent hours (1 + 3);
- v. Combining work, family and personal life (1 + 3);
- vi. Work that should be abolished (1 + 3);
- vii. Stability and security of work (1, 2 + 3);
- viii. Equal opportunity and treatment in employment (1, 2 + 3);
- ix. Safe work environment (1 + 3);
- x. Social security (1 + 3);
- xi. Social dialogue, workers' and employers' representation (1 + 4)

Note:

(1) Fundamental principles and rights at work

(2) Employment opportunities

(3) Social Protection

(4) Social Dialogue

There are also different types of statistical indicators. The layered approach is needed because a lack of data that might result in incomplete information for analysis (Table 1).

Table 1. Indicator grouping under the international framework for measuring decent work

Type of indicators	Abbreviation	Description	Numbers of Indicators
Main indicators	M	Core set of indicators to monitor progress towards decent work	18
Additional indicators	A	To be used where appropriate, and where data are available	25
Context indicators	C	Provide information on the economic and social context for decent work	11
Future indicators	F	Currently not feasible due to conceptual or data availability issues, but to be included in the future	12
Disaggregation by sex	L	Information included under legal framework	21

Source: Workshop Presentation

The use of these indicators depends on whether the concept is feasible and whether the data is available. Countries are encouraged to select from the list or add additional indicators that can reflect the national circumstances.

Main statistical decent work indicators are crucial for monitoring progress toward decent work. The 18 main indicators are:

1. Employment-to-population ratio;
2. Unemployment rate;
3. Youth not in education and not in employment;
4. Informal employment;
5. Working poverty rate;
6. Low pay rate (below 2/3 of average hourly earnings);
7. Excessive hours (more than 48 hours per week);

-
8. Incidence of children in child labour;
 9. Precarious employment rate;
 10. Occupational segregation by sex;
 11. Female share of employment in ISCO-08 sub-major groups 11,12 and 13;
 12. Occupational injury rate, fatal;
 13. Share of population above a specified age benefiting from a pension;
 14. Public social security expenditure (% of GDP);
 15. Union density rate;
 16. Enterprises belonging to employer organization [rate];
 17. Collective bargaining coverage rate;
 18. Indicator for Fundamental Principles and Rights at Work (Freedom of Association and Collective Bargaining) to be developed by the Office.

Because national law can help to give an insight into decent work in the country context the legal framework is important for measuring decent work. Legislation can help set the context for achieving decent work in Indonesia. The Profile's Legal Framework Indicators (LFIs) thus provide descriptive information on 21 pre-determined topics relevant to decent work. The structure of each LFI is as follows:

1. Law, policy or institutions: Content of law, policies and institutions related to the LFI and scope of the law.
2. Qualifying Conditions: When relevant, the criteria for eligibility of certain benefits;
3. Financing: When relevant, the source of funds such as contributions;
4. Evidence of implementation effectiveness: Comments of ILO supervisory bodies related to implementation;
5. Coverage of workers in law: If available, a broad estimate in percentage of the workforce covered by the law is indicated;
6. Coverage of workers in practice: If available, a broad estimate in percentage of workers covered in practice is indicated;
7. Ratification of ILO Conventions: Title of relevant ILO convention(s) and date of ratification, if any.

2.2. Decent Work Country Profile

While the development of the Profiles is a broader ILO initiative, it is carried out only in selected pilot countries. The Profiles are brief assessment reports on national progress towards decent work over the last decade or more (depending on data availability). They represent a compilation of all available data based on a national list of DWIs, including gaps and trends analysis on national labour and social policies. The DWIs can be used as monitoring tools of national policies and programmes by assessing progress towards selected targets.

The development of a Profile starts with the drafting process carried out by national consultants in collaboration with ILO experts. National partners are both consulted and involved during the compilation of the information on the indicators. The Profiles are then validated by the national tripartite constituents before publication. Finally, the Profiles are published by the ILO in the national language and at least one official ILO language.

Indonesia is one of the countries which has had the opportunity to develop a Profile. The Tripartite Consultation Workshop on Measuring Decent Work in Indonesia was held on 24-25 March 2010 and helped to select indicators that suit to Indonesia, to identify gaps, and to find feasible modes of measurement from existing administrative records and household and other surveys. Workshop participants also requested training assistance on tabulation, data compilation and analysis.

2.3. Indonesia Decent Work Country Profile: Process and Timeline

The drafting of the Profile started during the second quarter of 2010 with the development of legal framework indicators by ILO Geneva subsequently reviewed by the MoMT during the last quarter of 2010. During the same period, BPS (Statistics Indonesia) tabulated the statistical indicators from survey data and the MoMT tabulated statistical indicators from administrative records. In the first quarter of 2011, the University of Indonesia and ILO-Jakarta developed the data analysis of the draft Profile. In May 2011, the ILO reviewed and edited the draft Profile, and in June 2011, the tripartite validation workshop was held with national tripartite constituents and stakeholders as participants. After the tripartite validation workshop, the University of Indonesia and the ILO revised and translated the Profile for final publication. The time schedule for the whole process is shown in Table 2 below.

Table 2. Timeline for Decent Work Country Profile Production

Process	Person in Charge/Participants	Time
Development of Legal Framework Indicators	ILO Geneva	Q2 – Q3 2010
Review of Legal Framework Indicators	MoMT	Q4 2010
Tabulation of statistical indicators from survey data	BPS-Statistics Indonesia	Q4 2010 – Q1 2011
Tabulation of statistical indicators from administrative records	MoMT	Q4 2010 – Q1 2011
Data analysis and development of draft Profile	Team from University of Indonesia and ILO Jakarta	Q1 – Q2 2011
Review and editing of draft Profile	ILO Bangkok, Geneva and Jakarta	May 2011
Tripartite validation workshop	National tripartite constituents and stakeholders	June 2011
Final revisions, translation and publication	University of Indonesia and ILO	Q4 2011-Q1 2012

Source: Workshop Presentation

Before concluding his presentation, Mr Rogovsky urged consideration of the possible links between the Profile and the DWCP and other strategic documents, ahead of the next session, which would present the Decent Work Country Profile to the participants.

2.4. Plenary Discussion

A representative of Asosiasi Pengusaha Indonesia (APINDO or Indonesian Employers' Association) raised comments and issues related to the Indonesia Profile in the plenary discussion:

1. Lack of data on investments in Export Zones.
2. The need for more discussion on hiring and firing processes.
3. The lack of discussion on research investments.
4. Recognition of the fact economic to date has benefited large corporations more so than those at the bottom of the socio-economic ladder.

-
5. The need to distinguish between formal and informal employment and sectors.
 6. The need for data on good governance at the local level (particularly, corruption).
 7. The need for further discussions on minimum wage setting.
 8. The need for full tripartite involvement in the production of the profile (and future profiles).

He also questioned the definitions of unemployment and emphasised the need to better analyse the situation of the working poor and low wage earners.

3. Overview of the Indonesia Decent Work Country Profile: Key Findings and Priority Decent Work Challenges (Session 2)

Presenters: Ms Sri Moertiningsih Adioetomo, University of Indonesia; Ms Beta Yulianita G. Laksono, University of Indonesia; Mr Padang Wicaksono, University of Indonesia; and Ms Diah Widarti, National Project Coordinator, ILO-Jakarta.

This session contains overviews of Indonesia Profile chapter by chapter given by a team from University of Indonesia and the ILO-Jakarta. This session highlighted the key indicators for measuring decent work (as per the standard list of DWIs for Indonesia), which was aimed at giving participants the essential background information for the upcoming group work sessions.

3.1. Economic and social context (Chapter 1)

Presenter: Ms Beta Yulianita G. Laksono, University of Indonesia

Ms Beta gave an overview presentation on the economic and social context, which is Chapter 1 of the Profile. With regard to the economic context, Ms Beta stated that economic growth has been good so far. Despite the global financial crisis Indonesia has maintained sustainable growth. Yet, growth is not sufficient in order to create employment. In fact, the gap between worker wages/earnings is wider than before. While Indonesia's labour productivity is increasing it remains lower than in other ASEAN countries (Singapore, Malaysia, Thailand, and the Philippines).

Concerning the social context it was expressed that the education level measured by the Gross and Net Enrolment Rates (GER and NER) showed an increase, but that the 95 per cent of the NER and GER targets had not yet been achieved. Similarly, targets with regard to education and health have not yet been achieved. HIV/AIDS is still prevalent and it has even been alleged that Indonesia has the highest rate of HIV/AIDS in Asia. Finally Ms Beta demonstrated that even though poverty is still persistent in Indonesia, its rate is declining.

3.2. Combining work, family and personal life (Chapter 5)

Presenter: Ms Beta Yulianita G. Laksono, University of Indonesia.

With regard to combining work, family and personal life, Indonesia has adopted legal provisions regulating leave and working hours: 40 working-hours per week, 12 working days of annual leave and 3 months of paid maternal leave (for women workers). As female workers are increasing regulations to protect them are needed. Therefore, the Ministry of Health with its Technical Guides to Child Births (JAMPERSAL or Jaminan Persalinan)

Number 631, 2011 aims to provide wider access for pregnant women by funding healthier and safer birthing facilities.

Ms Beta emphasized that working is no longer a choice but is more a necessity both for economic and self-fulfilling objectives. Fulfilling the family's needs becomes the joint responsibility of both husband and wife. This trend can be observed in the labour participation rate (LFPR) which has increased over the past decade for women: The male LFPR is stable around 85 per cent (1996-2010), while female LFPR has slightly increased from 52.3 per cent to 53.7 per cent within the same period.

The slight increase of female participation can be explained by the demographic trend that shows a decline in the fertility rate over time, from 5-6 children (1970) to 2-3 children (2000s). Other factors increasing female LFPR are commuting time, particularly in the Jabodetabek region. Commuting time amounts to more than 60 minutes, but the advancement of information and communications technology (ICT) has improved work arrangements and reduced the need to commute among some female workers.

3.3. Equal opportunity and treatment in employment (Chapter 8)

Presenter: Ms Beta Yulianita G. Laksono, University of Indonesia.

Gender gaps are prevalent in Indonesia. When it comes to education the gender gap becomes particularly visible at lower and at upper secondary level. While female participation in the labour market is increasing, the number of unemployed women with higher education is larger than that of men.

The participation of women in politics and management positions has increased, although the number is still very small when compared with men. Women are overrepresented in certain sectors such as professionals where they represent 55.4 per cent of the workers and in services, shop and market sales workers where they represent 51.1 per cent of the workers, but are underrepresented in professions such as the judiciary, senior officials and managers where they represent 21.2 per cent of the workers.

Other issues that are relevant to equal opportunities and treatment in employment are ethnic minorities and migrant workers. The Indonesian government adopted Act No. 40/2008 stipulating the Elimination of Racial and Ethnic Discrimination, Act No. 4/1997 on the *Diffabled* and Act No. 39/2004 on Placement and Protection on Indonesia Migrant Workers Abroad.¹

3.4. Employment opportunities (Chapter 2)

Presenter: Mr Padang Wicaksono, University of Indonesia.

In this section, Mr Padang presented chapter 2 of Indonesia DWCP about employment opportunities. Mr Padang started his presentation with data for the period of 1996 to 2010. During that period, progress in terms of employment opportunities has been mixed. The Employment to Population Ratio (EPR) has generally remained steady, but remains significantly lower for women than from men. Employment opportunities for female

¹ *Diffabled* is a term introduced in Indonesia as a legal reference to persons of differing ability (encompassing and replacing the more common use of "persons with disabilities")

jobseekers have improved notably since 2005, but the female unemployment rate remained 2.6 percentage points higher than for men in 2010.

Progress in youth employment, as measured by the NEET, and has improved since 2005, but remains higher than the level in 1997. Finally, only small achievements in reducing the number of workers engaged in informal employment have been observed, with more progress seen in the decrease of female informal employment rates compared to men.

3.5. Adequate earnings (Chapter 3)

Presenter: Mr Padang Wicaksono, University of Indonesia.

In this chapter, Mr Padang highlighted that the progress on adequate earnings and productive work in Indonesia has been modest in the last ten years. But there has been a positive increase in average real wages for both men and women, in particular for regular employees, except for 2008. The increase in the minimum wage as a percentage of median wages shows that the increase of average real wages is limited in comparison with minimum wages. Generally, casual employees and female employees are less advantaged, according to the gaps observed between sex and type of employment contracts. Average real wages are much lower for female employees and casual employees.

Finally, the minimum wage policy is inadequate to protect employees, especially casual employees and female employees, and regional disparities are observed. Also, the government faces non-compliance problems in enforcing minimum wage policies.

To support the achievement of decent work in Indonesia, Mr Wicaksono advised that the minimum wage should be a safety net. The minimum wage is reaching the median wage. Wage increases may benefit labour productivity; since low pay can lead to low morale, motivation, and ultimately, productivity. However, wage increases cannot be guaranteed without improvements to the collective bargaining position of workers. Capacity building in this area can be achieved by training workers and employers.

Investing in human capital development at the enterprise level (for example, training workers) makes business sense because of the positive impact it can have on productivity and profits. The problem is who should make such investments, the government, the enterprises, or the workers themselves (or a combination of all)?

3.6. Safe work (Chapter 9)

Presenter: Mr Padang Wicaksono, University of Indonesia.

Mr Wicaksono started his presentation on this chapter by stressing the difficulties Indonesia is facing in the reporting system from the local level to the central level. This fact makes it difficult to fully assess the trends in safe work. Nevertheless, the available data shows that in the last five years the number of fatal and non-fatal occupational injuries has been reduced in Indonesia. However, the government is still lacking in institutional capacities to enforce the occupational safety regulations. There number of labour inspectors has been decreased in the last three years even though the number of registered workers has increased.

Mr Padang concluded that workers in Indonesia have experienced improvements on work environment safety in the last five years and that the government made efforts to provide greater coverage for workers. However, the labour inspector system should be improved as well as the monitoring capabilities of the government.

The needs of stakeholders for local level data cannot be fulfilled. Not only because there is no coordinated reporting system, but also because of the lack of regulations concerning work safety. Consequently, it is very difficult to monitor safety work at the local level. Yet, it has to be underlined that the time of cheap labour is over and that Indonesia now has to improve safety at work to increase its competitiveness.

3.7. Work that should be abolished (Chapter 6)

Presenter: Ms Sri Moertiningsih Adioetomo, University of Indonesia.

In this chapter, Ms Adioetomo demonstrated that two types of work need to be abolished in order to achieve decent work, namely child labour and forced labour.

a. Child Labour

There are national regulations for child labour and for hazardous work. But the limitation of the Labour Force Survey (Survei Angkatan Kerja Nasional, *Sakernas*) is that it only covers children who are at least 10 years old. The Government of Indonesia has been promoting 9 years of compulsory education for a long time. The success of this program is evident from an increase in school enrolment. Available data shows the relationship between school enrolments and the number of working children. Child labour has decreased as a result of increasing school enrolment. Nevertheless, a large number of children between the age of 5 and 17 are still engaged in child labour and hazardous work. Child labour can be seen in agriculture, plantation, and the fisheries sector which usually has the most hazardous work. Most of the child labourers are unpaid family workers rather than employees or self-employed workers. They work in the streets, at traffic lights and market stalls where they are exposed to exploitation, abuse, and air pollution. Therefore, even though the rate of child labour has decreased, child labour still remains a huge problem. The existing laws have helped in reducing the problem but have not succeeded in eliminating it, mainly because children may combine work and school. Ms Adioetomo suggested that one way to minimize child labour is to provide cash transfer programmes for education.

b. Forced Labour

The second type of work that should be abolished is forced labour. Forced labour in Indonesia is closely associated with human trafficking and sex work. In 2003, Indonesia was classified as a TIER 2 country by the US Department of State's Office to Monitor and Combat Trafficking in Persons. This classification means that a minimum standard of efforts to eliminate trafficking has been achieved. However, trafficking is still prevalent, and an anti-trafficking act was adopted in 2007. Monitoring forced labour remains difficult because of the lack of data. Only remittance data on migrants are currently available.

3.8. Social protection (Chapter 10)

Presenter: Ms Sri Moertiningsih Adioetomo, University of Indonesia.

Ms Adioetomo stressed that Indonesia has put a lot effort in increasing the coverage of social protection, which is recognised as a basic human right. ILO convention No. 102 (1952) on minimum standards of social protection has not yet been ratified by Indonesia. Moreover, despite the long awaited adoption of the National Social Security System Act (which incorporates the Universal Declaration of Human Rights and ILO Convention No. 102), its stated provisions for universal coverage have yet to be implemented. The implementation of the law can be seen through the observed increases in public expenditure. However, coverage needs to be expanded, particularly to vulnerable groups

like informal workers. The pilot program covers 500.000 participants, yet success to date has been mixed.

The current system of social protection is administered by four state-owned companies, namely:

- i. PT Askes: Health coverage for Government civil servants and the military;
- ii. PT Taspen: Pension for government civil servants;
- iii. PT Jamsostek: Health, old-age benefit, provident, occupational injury, mostly formal workers;
- iv. PT Asabri: Pensions for the military.

3.9. Decent hours (Chapter 4)

Presenter: Ms Diah Widarti, National Project Coordinator, ILO-Jakarta

Ms Diah began her presentation by mentioning that Indonesia has not yet ratified ILO's convention on decent hours, namely:

- i. Hours of Work (Industry) Convention, 1919 (No.1);
- ii. Hours of Work (Commerce and Offices), 1930 (No.30);
- iii. Holidays with Pay Convention, 1936 (No.52);
- iv. Holidays with Pay (Agriculture) Convention, 1952 (No.101);
- v. Holidays with Pay on Agriculture (revised) Convention, 1919 (No.1).

Even though Indonesia has not ratified those conventions, regulations regarding decent working hours have been adopted such as those determining maximum working hours and paid annual leave. The existing regulation for hours of work is ministerial decree No. 11 (2003) which determines that the maximum working hours per week are 40 hours and regulated paid annual leave.

The Sakernas data shows that the average hours worked per week tended to exceed the maximum working hours. Both regular employees (formal sector) and self-employed persons are often involved in high overtime hours. If broken down by gender, the percentage of male workers who work more than 48 hours per week is higher than of female workers. The average working hours increasingly exceeds the legal limits. There has also been a significant increase of women working overtime. Male workers are concentrated on the 40-48 hours per week range, while female workers are concentrated on the 1-24 hours and the 35-39 hours per week range. Nevertheless the trend shows a decrease. Based on hours of work, the workers with less than 35 work hours per week are categorized as underemployed.

3.10. Stability and security of work (Chapter 7)

Presenter: Ms Diah Widarti, National Project Coordinator, ILO-Jakarta.

Ms Diah began her presentation on this chapter by drawing the attention to ILO Convention No. 158 (1982) which regulates termination of employment. In Indonesia, Law No. 13/2003 regulates termination of employment. Ms Diah presented the number and percentage of workers who are employed in precarious work.

In Indonesia, casual workers (in agriculture and non-agriculture sector) represent workers who work at precarious work. There were more than 6 million casual workers in 2001 and the number increased to almost 11 million in 2010. The majority of casual workers in Indonesia are male and their share in this type of work is rising (from 68.8 per cent in 2001 to 74.4 per cent in 2010). Ms Diah explained that the increasing number of precarious worker was due in large part to the growth of outsourcing in the country.

The number of workers who work in the informal sector remains high, representing close to 60 per cent of total employment in both 2001 and 2010. In 2010, the total number of workers who worked in informal sector decreased by 59.0 per cent, the male and female share in informal sector was 57.2 per cent and 61.8 per cent respectively.

Based on occupational status, the trend shows that more than 50 per cent of female workers in the informal sector were unpaid family workers, while for male workers this share was less than 13 per cent.

3.11. Social dialogue (Chapter 11)

Presenter: Ms Diah Widarti, National Project Coordinator, ILO-Jakarta.

Ms Diah started her presentation on Chapter 11 by drawing attention to ILO Conventions related to social dialogue: ILO Convention No. 87 (1949) on Freedom of Association and Protection of the Right to Organise; ILO Convention No. 98 (1949) on the Right to Organise and Collective Bargaining; and ILO Convention No. 144 (1976) on Tripartite Consultations. Indonesia was the first country in South East Asia to ratify eight key ILO Conventions. Law No. 21/2000 on Labour Union; Law No. 13/2003 on Manpower; and Law No. 2/2004 on Industrial Relations regulate social dialogue in Indonesia.

For this chapter, the data was collected from the administrative records of MoMT. Ms Diah said that the data has been incomplete due to local reporting and decentralization issues. Ms Diah also mentioned the indicators used in this chapter, namely : union density rate; number of registered trade unions; trade union membership; collective labour agreements and company regulations; strikes and lockouts (number of strikes, workers involved and working days lost); and numbers of bipartite cooperation councils.

The first indicator presented in this chapter by Ms Diah was the union density rate. The union density rate remains low. In 2005, the unadjusted net density rate as percentage of total employment was 13.0 per cent, and decreased by 11.7 per cent in 2009. The unadjusted net density rate as percentage of total employees in 2005 was 3.6 per cent, while in 2009, this number decreased by 3.3 per cent. The number of registered trade unions decreased from 18,000 in 2005 to 12,000 in 2009, but trade union membership increased from 3.39 million in 2005 to 3.41 million in 2009.

The number of enterprises, another indicator, registered at the MoMT has increased. Pursuant to the administrative records of MoMT, the number of enterprises registered in 2007 was 187,000 and increased to 209,000 enterprises in 2009. Collective bargaining, that is collective labour agreements and company regulations, shows an increase. The increasing number of company regulations was followed by the increasing number of collective labour agreements. In 2005, the number of company regulations issued was 36,500 and increased to 43,300 in 2009. On the other hand, the number of collective labour agreements also increased from 2005 to 2009 from 9,200 to 10,700. The other indicator that shows an increase was the number of bipartite cooperation councils, which increased from 10,800 in 2007 to 12,100 in 2009.

The numbers of strikes decreased from 2005 to 2009, except for 2006 and 2008. In 2005, the number of strikes and lockouts was 96 and involved 56,000 workers involved and

caused the loss of 389 working days and 746 working hours. This numbers increased dramatically in 2006, with 282 total incidences, involving 587,000 workers, causing 2,430 lost working days (equivalent to 4,665,685 of lost working hours). The lowest number of strikes could be observed in 2009, with 207 incidences, 38,000 workers involved and 250 lost working days (equivalent to 480,586 lost working hours).

Ms Diah concluded her presentation by pointing out that Government responses do exist which can be seen in the legal frameworks introduced. Nevertheless, workers and employers need to do more to achieve implementation and enforcement.

3.12. Plenary discussion

Following the overview of the Indonesia Profile by the team, questions and comments were raised by the workshop participants. The first comments came from the KSPSI. As the representative of the trade unions, KSPSI underlined the importance of Chapter 8 (equal opportunity and treatment in employment) and Chapter 7(stability and security of work). The KSPSI representative asked for more discussion on gender based discrimination, inclusion of the *diffabled*, migrant workers and social protection issues. He questioned Chapter 7 particularly on outsourcing and contract based employment. With regard to Chapter 9, he highlighted that labour inspectors are not the only important issue. There is a need to increase the number of enterprises monitored by the inspectors. He also provided comments in relation to Chapter 11 on social dialogue. While it is necessary to collect labour agreements to reflect national definitions, it is also important to bring social dialogue to the enterprise level. The KSPSI acknowledged that collective labour agreements have increased but their content have remained the same. He concluded his comments by suggesting that it is important to build capacities for trade unions.

BAPPENAS, the government planning agency, was the second participant to raise comments. The representative admitted that the information in the Indonesia Profile was needed. He expressed that the Profile is overall very good. Yet, he emphasised that comparisons between Indonesia's current position and a benchmark are important.

BAPPENAS also asked a few questions related to subject of interest:

- i. What is the ultimate goal for each indicator to assess the current deficit?
- ii. What is the ideal that should be achieved?
- iii. What are the recommendations to achieve these goals?

Thirdly, the representative from SPSI suggested revision of Act No. 13/2003 on Manpower in page 5 to Act No. 21/2000, particularly concerning industrial relations.

Fourthly, the KSPI provided comments. He said that the information on the labour force by age is necessary, mainly for persons from the age of 15 to 17. He asked for more discussions on the unemployment rate of educated persons. The overview presentation demonstrated a comparison of the unemployment rate between men and women with higher education. He considered that data with regard to the graduate unemployment rate should be included. Concerning issues related to child labour, he noted that while the working hours of children in industry can be controlled, this is not true of children working on the street. Based on the point concerning the role of school enrolment in reducing the numbers of child labourers, he suggested the establishment of a training centre for children in coordination with the Ministry of Education. Furthermore he commented on wages by pointing out that the minimum wage has been very low for the past 5 years. The existence of the Social Security System (SSS) is reflecting the failures of Jamsostek. Unfortunately, SSS has very limited coverage. Another point mentioned was the contract workers issue. The IR system stipulates mostly short-term contract workers often limited to 2 to 4 months.

The duration of a contract in practice is short, only about 2 to 4 month. It is still a problem because it means a lack of job security. In fact, employment contracts are regulated by specific legislation, namely Legislation No. 56, 59 on employment contracts. Outsourcing work is regulated by article 16. The problem with outsourcing is that no real employer can be identified. Finally, he said that the monitoring of decent work might lead to dubious results if there is no independence, in particular in the decentralisation era since inspectors are hired by local governors.

The final comments came from the MoMT. The representative acknowledged the importance of the role of the local government and local disputes. For this reason, this issue needs to be discussed in the Profile. He also asked for discussion of law enforcement efforts of the MoMT in enterprises and inspectors. And it should include just the latest laws. The process of developing the Indonesia Profile has revealed a lack of data in some areas, and reliance on old data in others. So it is important to provide new data on all decent work indicators to improve the Profile.

4. Parallel working groups to review and revise chapters of the Indonesia Profile (Session 3)

Facilitators: Ms Miaw Tiang Tang, Senior Employers' Specialist, ILO Bangkok; Mr Shigeru Wada, Senior Workers' Specialist, ILO Bangkok; and Ms Diah Widarti, National Project Coordinator, ILO-Jakarta.

Ms Tang, the facilitator of the parallel working groups, explained the purpose of this session to the participants. The participants were divided into three groups. Each group was responsible for a certain chapter of the Profile. Their task was to review the relevant chapter and to revise it. Three questions guided the review:

1. Is there anything that is factually incorrect in the chapter?
2. What is missing and should be added to the chapter?
3. What recommendations should be made (policy or process)?

4.1. Economic and social context for decent work (Chapter 1)

The working group on the “Economic and social context for decent work” had a tripartite structure and consisted of seven MoMT officials, one BPS officials, and two workers' representatives.

This group made the following comments:

- i. The translation of the English terms into Indonesian is in some cases inaccurate. The improvement of the translation was recommended.
- ii. Because there is no clear relationship between education and HIV/AIDS, the relative information needs to be reviewed and revised.
- iii. The data on poverty and the number of workers needs to be validated.
- iv. It is necessary to compare nominal wages versus real wages. The data shows that the nominal wages is increasing, but how about the real wages? A general overview on workers' wages should be added.
- v. The analysis of employment by sectors exposes the decreasing of the agricultural sector, while the services sector is expanding. To deepen the analysis this chapter need to further elaborate on the industrial sector, in particular on the manufacturing sector. This will give an understanding on what is happening in the agricultural sector.
- vi. The statement “Growth of GDP compared to ASEAN countries“, should be revised since it does not specify any countries.
- vii. The following sentences must be revised:
 - a. Act Number 13/2003 on Manpower.
 - b. Act Number 21/2003 on Trade Union
- viii. The number of the poor seems to be declining. Does this also include the number of workers and their payments?
- ix. The following must be added to Table 1 of Decent Work Indicators:
 - a. Population growth;
 - b. National policy;
 - c. Other social indicators;
 - d. Health other than HIV;

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- e. Data on formal and informal workers.
 - x. The following sections of page 10 para. 2 should be revised:
 - a. “Pekerjaan masih tersebar di sektor pertanian dan jasa dan menengka”. There are three sectors where workers are disseminated, which are agriculture, industry and services. But industry is not mentioned here.
 - b. The text mentions that the GDP growth and workers’ growth in Indonesia is still lagging compared to other region in ASEAN. Yet, to make a comparison it is necessary to mention specific countries rather than the ASEAN which includes various economies.
 - xi. Page 10 para. 3 mentions the HIV/AIDS issue under education. In order to avoid confusion this issue should be addressed in the next paragraph.

4.2. Employment opportunities (Chapter 2)

The working group on “Employment opportunities” had a tripartite structure and consisted of six MOMT officials, two BPS officials, three workers’ representatives, and one representative of APINDO.

This group pointed at the following issues:

- i. Considering the theory of employment demand and supply, are schools in line with labour market needs?
- ii. The analysis in this chapter is not deep enough. It does not explain why the female unemployment rate is higher than the male unemployment rate? Is this the result of the impact of the crisis on the garment sector?
- iii. Educated people will made educated employment.
- iv. Statistical indicators and Legal indicators: the LFI need to be further elaborated.
- v. The data is presented in table-format. The chapter on Employment Opportunities needs more graphics and charts by indicators that the reader can easily read and interpret the Profile.
- vi. The analysis should be less descriptive.
- vii. Has the school curriculum fulfilled employment needs? There is a mismatch between the curriculum and the needs of enterprises which might be relevant to employment opportunities.
- viii. The information concerning employment opportunities should not be limited to the creation of employment. It should also focus on the creation of self-employment. Increasing entrepreneurship is important and people should learn how to create employment for themselves and for others. To support self-employment, data is needed on investments disaggregated by region (Java and Outside-Java).
- ix. There is a need for further discussions of the unemployment rate of educated persons which tends to increase annually.
- x. Data on foreign investment that creates job/employment opportunities should be added to the Profile.
- xi. Data revealing job opportunities by region should be added, and an employment opportunity map should be created.
- xii. Further LFIs should be added to the Profile because of the number of ministerial regulations regarding employment opportunities.
- xiii. Further analysis and descriptions are needed.

4.3. Adequate earnings and productive work (Chapter 3)

The working group on “Adequate earnings and productive work” had a tripartite structure and consisted of five MOMT officials, three BPS officials, and three workers’ representatives.

This group made the following comments:

- i. Clarity needed about the following terms:
 - a. Adequate earnings.
 - b. Productive work.
 - c. Nominal wage, real wage, and income.
 - d. Resources.
 - e. Casual workers, workers, regular employees.
 - f. Median wage.
 - g. Working poor (translation).
 - h. Low wages.

The group thought it necessary to define these terms in the overview. It recommended the provision of a prologue outlining relevant definitions before the narrative.
- ii. There are inconsistencies with regard to different terms in the analysis and tables (translation).
- iii. The Profile should focus on the disparity between men and women and should look at disparity based on sectors, income groups, and education.
- iv. Inclusion of glossary of indicator definitions and terms?
- v. There are some concepts which could lead to confusion:
 - a. Appropriate income vs. real wage.
 - b. Casual worker, regular worker vs. employee, regular employee.
 - c. Statutory minimum wage.
- vi. Proper definition concept for :
 - a. Formal, informal worker.
 - b. Percentage of workers earning less than two-thirds of the median wage (low pay rate).
- vii. Indicator validity and method to classify:
 - a. Working poor.
 - b. Low pay rate.
- viii. The terms used in the indicators and tables should be consistent, e.g. while the table mentions “low salaries” the narrative refers to “low wages”. Furthermore, it should be explained what the concepts and terms are based on.
- ix. Corrections on indicators relating to the working poor. Need to use better formula to derive indicators on working poor (number of working poor), to use a better methodology and a better data set.

4.4. Decent hours (Chapter 4) and Combining work, family and personal life (Chapter 5)

The working group on Chapter 4 and Chapter 5 had a tripartite structure and consisted of seven MoMT officials, one BPS official, and two workers’ representatives. This group’s task was to review Chapter 4 (decent hours) and Chapter 5 (combining work, family and personal life). The working group made the following comments:

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- i. The respective data from trade unions and the BPS seem to follow different concepts and methodologies which have resulted in incomparable and uncomplimentary data. Therefore, it is necessary to standardise the terminologies.
 - ii. Need of standardization on employment.
 - iii. Need of a clearer description of the terminology.
 - iv. The terminology should be based on the BPS as a standard based on statistical evidence (i.e. employment by status).
 - v. Act number 13/2003 determines working hours:
 - a. 40 hours (normal working hours).
 - b. 14 hours (overtime working hours).
 - vi. The Labor Act No. 13/2003 states that the limit of hours of work is 40 hours per week. However, the LFI 5 mentions that 40 hours per week are permitted except for workers in the mining sector, electricity sector, water and gas offshores, and in remote areas.
 - vii. Overtime work is defined by legislation (exceeding 40 hours, 14 hours per week).
 - viii. Recommendations:
 - a. Decent work is work without overtime.
 - b. Must limit/reduce forced overtime.
 - c. Should overtime be accepted if optional/conditional?
 - d. What should be the limit of overtime allowed?
 - e. Should eliminate possibility of abuse of this overtime limit.

4.5. Work that should be abolished (Chapter 6)

The working group that reviewed Chapter 6 (work that should be abolished) had a tripartite structure and consisted of six MOMT officials, two BPS officials, three workers' representatives, and one representative of APINDO.

This working group made the following comments:

- i. Need for consistency of terminology.
- ii. They found that the BPS did not provide data on child labour in dangerous sectors such as agriculture, mining, etc. which limits the analysis.
- iii. The statements concerning forced labour and overtime are questionable. Overtime is not always voluntary.
- iv. Need to monitor conditions of young migrant workers (e.g. child labour in Kalimantan). Data regarding to this issue is available at Migrant Care. This Profile should be enriched with this kind of secondary data.
- v. Based on data this group concluded that :
 - a. The majority of children work in a family but are also employed in hazardous work.
 - b. Statutory overtime work is another form of forced labour (though overtime work should be a voluntary).
- vi. The recruitment of prospective migrant workers should be monitored.

4.6. Stability and security of work (Chapter 7)

This working group had a tripartite structure and consisted of five MoMT officials, three BPS officials, and three workers' representatives. Their task was to review and revise Chapter 7 concerning stability and security of work. The working group made the following comments:

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- i. The translation of the Profile should be improved. The terms used are not standardized. There is no Indonesian equivalent for certain terms which should be mentioned in order to avoid misunderstandings. A more general Indonesian translation should be used.
 - ii. The terminology should follow the BPS and be consistent.
 - iii. The tables were printed in Bahasa and should also be translated. The Chapter needs graphics/charts to explaining the tables.
 - iv. The outsourcing system needs to be discussed. The law that regulates outsourcing is not enough to protect workers.
 - v. Discussion on trade and impact on stability of work is needed.
 - vi. Smaller adjustments in the printouts.

4.7. Equal opportunity and treatment in employment (Chapter 8)

This working group had a tripartite structure and consisted of seven MoMT officials, one BPS officials, and two workers' representatives. Their task was to review and revise Chapter 8 about equal opportunity and treatment in employment. They made the following comments:

- i. There were inconsistencies in the use of terminology at Table 8 (casual workers versus daily workers).
- ii. To explain the real situation of the recent migrant worker and domestic worker more data is needed.
- iii. Cultural and religious factors need to be elaborated further for discrimination, in particular concerning Islam.
- iv. Law enforcement is needed to protect the rights to equal remuneration. Even though the MA guarantees equality of opportunities for all it is not providing the principles for implementation. There is not comprehensive data to measure how the *diffabled* get equal opportunity.
- v. Data on women migrant workers does not exist. The ILO needs to collect this kind of data.
- vi. The data on domestic workers versus regular workers needs to be elaborated.
- vii. The following sentence should be revised "stable and uncertain trends" (page 53, last line)
- viii. An agreement to complement the MoU between two countries to protect migrant workers is needed.
- ix. The analysis should focus on differences related to age, ethnic group, disability (the *diffabled*), colour, and cultural aspects.
- x. Women make up 2/5 of the total workforce. Cultural factors are mentioned as one of the causes for inequality in employment opportunities. No causal factors are found concerning income.

4.8. Safe work environment (Chapter 9)

This working group had a tripartite structure and consisted of six MOMT officials, two BPS officials, three workers' representatives, and one representative of APINDO. Their task was to review and revise Chapter 9 about safe work environment. The following comments were made:

- i. Before coming to the analysis a more detailed definition of safe work should be provided.

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- ii. To give a comprehensive understanding of the topic, explanations about the scope of safe work (tools, equipment, and health procedures) should be provided.
 - iii. Before publishing the Profile, it needs to clarify the issues regarding definitions in the data (fatal versus non-fatal, etc).
 - iv. There are problems with regard to the sources of the data. There has been a gap of data reporting between the central and provincial offices due to local autonomy. The working group recommended the use of the data from the local office of the MoMT and the Jamsostek.
 - v. The declining trend for occupational accidents between 2005 and 2009 should be explained. Is it because the Act Number 1/1970 on OSH has been reinforced? Where is the evidence?
 - vi. While the number of occupational accidents declined between 2005 and 2009 the number of inspectors declined as well. There seems to be the concern that the reason for the decline in the number of occupational accidents is based on the fact that they are not reported. Why does the number of inspectors constitute a measure for safety at work? Does improved monitoring cause a decline in the number of accidents?
 - vii. Factors that should be added to enrich the analysis are :
 - a. Working environment;
 - b. Skill and knowledge of the workers;
 - c. Dissemination of information on OSH;
 - d. Compliance with regulations/law enforcement;
 - e. Social security/social protection.
 - viii. Migrant workers are covered by Act No. 39/2004 on Protection and Placement of Indonesian Workers Abroad. This law regulates the whole process of recruitment, document management, education and training, shelters, preparation for departure, departure from the destination country, and return to the destination country. Does monitoring also include the Indonesian migrant workers abroad?
The following questions were raised:
 - a. How can migrant workers be protected?
 - b. Who is responsible for the protection of migrant workers, the ambassador or the host (receiving) country?
 - ix. The following changes should be made to the wording:
 - a. Paragraph 2 :
 - Local government should be change become provincial/regional.
 - ‘Bagan 9’ into Table 9.
 - per ten thousand...
 - b. Paragraph 4 :
 - The word ‘inspektur’ should be changed into ‘pengawas ketenagakerjaan’.
 - x. Social security is covered under Chapter 10, so Chapter 9 should only focus on OSH.

4.9. Social security (Chapter 10)

This working group had a tripartite structure and consisted of six MOMT officials, two BPS officials, three workers’ representatives, and one representative of APINDO. Their task was to review and revise Chapter 10 about social security. The following comments were made:

- i. Like others chapters, this chapter needs an explanation in the first paragraph. The coverage of Jamsostek should be outlined.
- ii. Insurance premium should be lowered it needs subsidies from the government.
- iii. Safety protection should be in line with productivity; but there is no final research conclusion. It should therefore not be included in the Profile.

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- iv. Only 28 per cent of formal workers are covered by Jamsostek, but all should be covered.
 - v. Issues regarding active/inactive members, and beneficiaries.
 - vi. Data sources are different and the data used also varies. The terms used for non-standardised data should therefore be confirmed by the source of the data.
 - vii. Paragraph 3: Should elaborate more on the real coverage of Jamsostek.
 - viii. Paragraph 5:
 - a. Encourage to expand the coverage of Jamsostek to informal workers to make work more secure.
 - b. To reduce the amount of insurance premium.
 - ix. Page 67, paragraph 4: “the working insurance equals to productivity and work quality.” This statement seems to be hypothetical. Where is the data supporting this assumption?
 - x. Additional notes: Jamsostek has been introduced more than 30 years ago but only covers about 9.4 million out of about 33 million of workers even though membership is compulsory by law. Jamsostek also applies to informal workers in the property industry (about 550,000 members).

4.10. Social dialogue, workers’ and employers’ representation (Chapter 11)

This working group had a tripartite structure and consisted of five MOMT officials, three BPS officials, and three workers’ representatives. Their task was to review and revise Chapter 11 about social dialogue, workers’ and employers’ representation. They recommended several points:

- i. The terms KKB (Kesepakatan Kerja Bersama) should be changed into PKB (Perjanjian Kerja Bersama). Is this mistake related to the translation?
- ii. Need to compare the number of PKB and the number of companies for clarification.
- iii. Need to verify the data from MoMT of APINDO, and add the footnotes of the important information. Based on information from MoMT, the data only covers 40 per cent of enterprises, due to local autonomy issues.
- iv. Social dialogue often only takes place on the local management level but not on higher management levels. The implementation of these agreements is difficult because of the limited power of the local management.
- v. The Government introduced ministerial decree 48 of regulations to improve the quality of social dialogue at the workplace.
- vi. The stakeholders need to commit to submit relevant data (i.e. province/regional/city). More detailed data is needed, e.g. type of companies with a better breakdown.
- vii. There is a need to improve the quality of the analysis. For example it should be mentioned why the number of regulations concerning companies is so low.
- viii. Non-Technical inputs:
 - a. Improving social dialogue is important because good social dialogue will reduce tensions between stakeholders.
 - b. All stakeholders need to commit to report the data they possess (for example Pusdatin and Litbang)
- ix. Ministerial Decree Number 48/2011 concerning the procedure of collective working agreements should be added to the LFI.

5. Summary of main findings and recommendations and the way forward (Session 4)

Facilitator: Mr Nikolai Rogovsky, ILO Geneva; and Mr Phu Huynh, ILO Bangkok.

Following the parallel working group discussions that reviewed and revised the Profile, Mr Rogovsky led a session in order to collect the summary of the main findings. He also asked for any recommendations and the way forward. This session consisted of three groups. Each group presented its summary.

5.1. Group 1

Summary and recommendations raised by working group 1:

- i. Surveys should be conducted in various provinces to sharpen, develop and focus the indicators that have been composed initially.
- ii. Mentioning companies which meet the criteria for decent work could help to improve the measurement of decent work and the Profile.
- iii. Activities implemented by relevant ministries should be based on decent work.
- iv. Improving the empowerment of the tripartite elements.
- v. Enforcing Law Number 7/1981 in order to achieve decent work.

5.2. Group 2

Summary and recommendations raised by working group 2:

- i. It is expected that this Profile will give accurate information and good recommendations, thus making it possible for constituents to implement them.
- ii. This Profile should be improved by using additional indicators.
- iii. This Profile will provide the framework for planning the actions of each constituent.
- iv. The content should be improved by including (reference to) the Medium-term Development Plan and MDGs.
- v. Periodic reporting from stakeholders and annual meetings with all concerned parties at regional level are needed.

5.3. Group 3

Summary and recommendations raised by working group 3:

- i. There were some limitations concerning the data that may have biased the conclusion(s). The improvement of the data quality is the top priority, so the analysis can be useful, in particular when it bears policy implications.
- ii. The existing indicators should be improved (data, quality, scope, etc.) so that they can be used by stakeholders in taking decisions on manpower issues:
 - a. Government side: Introduce manpower-related programs (reduction of unemployment, job creation).
 - b. APINDO / employers side: Monitoring of companies that are members of their association.
 - c. Trade union side: Monitoring of decent work (working hour, wage, etc.).

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- iii. A mechanism to sustain decent work monitoring
 - a. Monitoring is not the responsibility of only the government but also of tripartite constituents. Indonesia needs to establish a monitoring institution that involves tripartite representatives, who are dealing with decent work indicators, and the ILO as the facilitator.
 - b. Standardizing the monitoring report format. Establishing reporting mechanism (improving administration/registration) for example by creating a uniform mechanism from central to local government. This system hopefully could simplify data collection, and increase the reporting rate. Complete and qualified data will further optimal monitoring.
 - c. The tripartite representatives have to discuss the decent work indicators periodically.

6. Closing session

The closing session presented by ILO representatives. Two Senior Employers' Specialist, from the ILO Bangkok: Ms Miaw Tiang Tang and Mr Shigeru Wada, and Mr Nikolai Rogovsky, Senior Economist, Policy Integration Department from the ILO Geneva.

Ms Miaw Tiang Tang, Senior Employers' Specialist, ILO Bangkok.

The first speech came from Ms Miaw Tiang Tang, Senior Specialist on Employers' Activities, ILO Bangkok. On behalf of the ILO, the organization who is organizing the workshop, Ms Tang thanked all participants for their efforts and their collaboration during the workshop. She also emphasized the importance of social dialogue. She noted the value of the Profile for the DWCP, the Global Jobs Pact and the achievement of decent work. At the end of her speech, she highlighted further activities in Indonesia that will require tripartite collaboration to achieve decent work.

Mr Shigeru Wada, Senior Workers' Specialist, ILO Bangkok.

As Mr Tang said, Mr Wada, Senior Specialist on Workers' Activities from the ILO in Bangkok also thanked all participants and noted the value of tripartite cooperation during the workshop. He expressed his satisfaction with the DW Profile. It has clear with and supports the Indonesia Jobs Pact. Mr Shigeru emphasised the importance of strengthening social dialogue at provincial level and enhancing of the capacity of constituents.

Mr Nikolai Rogovsky, Senior Economist, Policy Integration Department from ILO in Geneva.

Mr Rogovsky thanked all participants. He expressed his satisfaction with the spirit of social dialogue and cooperation during the workshop. He re-emphasised that the Profile is linked to the Indonesia Jobs Pact and the DWCP in order to further capacity building. The Profile can lead to future ILO activities in Indonesia.

Annex 1. List of participants

No	Name	Sex	Organization	Position
1.	Iftida Yasar	F	APINDO	Chairman Committee of the Domestic Employment
2.	Chandra Kurnianingrat Putra	M	APINDO	Information and Member Services Staff
3.	Arief Deswandi	M	ABADI	Executive Director
4.	Wahyu Samio Klidodo	M	ABADI	
5.	Greg Chen	M	ABADI	Head of International Relations
6.	M. Iqbal Abbas	M	BAPPENAS	Deputy Director for Manpower Quality
7.	Mahatmi P Saronto	F	BAPPENAS	Head of Sub Directorate
8.	Jondan Indhy Prasetyo	M	BPS	Staff of Sub-Directorate of Labour Statistic
9.	M. Nashrul Wajdi	M	BPS	Staff at Evaluation and Reporting Section
10.	Dani Jaelani	M	BPS	Staff
11.	Krismawati	F	BPS	Staff
12.	Haerani Agustin	F	BPS	Staff
13.	Aden Gultom	M	BPS	Head of Sub Directorate Population and Manpower Statistics
14.	Rachmi Agustiyani	F	BPS	Staff of Sub-Directorate of Labour Statistic
15.	Wachyu Winarsih	F	BPS	Head of Statistical Analysis Section
16.	Yohanes Nana	M	Disnakertrans Kupang	Secretary
17.	Mudhofir	M	KSBSI	President
18.	Sulistri	F	KSBSI	Deputy President
19.	Agus Toniman	M	KSPI	Sekretaris Majelis Nasional
20.	Anny Simanjuntak	F	KSPI	Treasurer
21.	Sofyan	M	KSPI	Vice President
22.	Hardjono	M	KSPSI	Chairperson
23.	Chandra Mahlan	M	KSPSI	Training Director
24.	Nana Yankarti	F	KSPSI	Vice Chairperson
25.	Atum Burhanudin	M	KSPSI	Secretary General
26.	Abdul Gani	M	KSPSI	
27.	Andi Hadiar Putra	M	KSPSI	Deputy Secretary General
28.	Dedy Maryadi	M	KSPSI	Secretary DPP
29.	Evan Oktavianus	M	Ministry of Finance	Centre for Regional and Bilateral Policy
30.	Imran Rosjadi	M	Ministry of Finance	Centre for Regional and Bilateral Policy
31.	W. Angga Priatna	M	Ministry of Industry	Head of Section
32.	Doddy Eka M	M	Ministry of Industry	Sesditjen KII
33.	Selly Grace	F	Ministry of Trade	
34.	Arif R	M	Ministry of Trade	Kasie Jasa Keuangan
35.	Agatha Widianawati	F	MoMT	Head Sub Directorate of Law
36.	Erwina WH	F	MoMT	Kasubbag Penelaahan Konvensi Biro Hukum
37.	Fristanti Dana	F	MoMT	Staf Binapenta
38.	Rotua Yossina W	F	MoMT	Staf Balitfo
39.	Rofika Nora Agustina	F	MoMT	Staf Binapenta
40.	Achmad Junaedi	M	MoMT	Staf Balitfo
41.	Nuniek Medyawati	F	MoMT	
42.	Timbul T. Panggabean	M	MoMT	Staf Binapenta
43.	Citra Anggraini	F	MoMT	Staf Binapenta
44.	Firman Fridono	M	MoMT	

Annex 2. List of resource persons and speakers

No	Name	Sex	Organization	Position
1.	Peter van Rooij	M	ILO Jakarta	Director
2.	Julian Wilson	M	European Union	Head of Delegation
3.	Sofjan Wanandi	M	APINDO	General Chairman
4.	Sjukur Sarto	M	KSPSI Kalibata	General Chairman
5.	Guntur Witjaksono	M	MoMT	Head of Center for Admin of International Cooperation
6.	Nikolai Rogovsky	M	ILO Geneva	Senior Economist, Policy Integration Department
7.	Phu Huynh	M	ILO Bangkok	LMI Officer, ILO/EC MAP
8.	Jajoon Coue	M	ILO Bangkok	Labour Law Specialist
9.	Miaw Tiang Tang	F	ILO Bangkok	Senior Employers' Specialist
10.	Sigheru Wada	M	ILO Bangkok	Senior Workers' Specialist
11.	Diah Widarti	F	ILO Jakarta	National Project Coordinator
12.	Sri Moertiningsih A	F	UI	Consultant
13.	Padang Wicaksono	M	UI	Consultant
14.	Beta Yulianita G. Laksono	F	UI	Consultant

Annex 3. List of journalists

No	Name	Sex	Media
1.	Elly Burhaini Faizal	F	The Jakarta Post
2.	Rivana Pratiwi	F	Media Indonesia
3.	Jenifer	F	KB. Antara
4.	Ummu Hanie	F	KB. Antara
5.	Hamzirwan	M	Harian Kompas
6.	Laurencius	M	detik.com

Annex 4. Workshop programme

ILO/EC Project “Monitoring and Assessing Progress on Decent Work” (MAP)

ILO Country Office for Indonesia (CO-Jakarta)



Tripartite Validation Workshop of the Indonesia Decent Work Country Profile

27-28 June 2011

Arya Duta Hotel (Jl. Prapatan 44-48)
Jakarta, Indonesia

June 27

- 08.30-09.00 *Registration*
- 09.00-09.30 **Welcome and opening remarks**
- Mr Peter van Rooij, Director, CO-Jakarta
 - Mr Julian Wilson, Head of Delegation, European Union Delegation to Indonesia
 - Mr Sofjan Wanandi, General Chairman, APINDO
 - Mr Sjukur Sarto, General Chairman of KSPSI and Representative of the Indonesia Workers' Organizations
 - Mr Guntur Witjaksono, Head of Center for Administration of International Cooperation, Ministry of Manpower and Transmigration
- 09.30-10.00 **Background and process for development of Decent Work Country Profiles**
- Mr Nikolai Rogovsky, Senior Economist, Policy Integration Department, ILO Geneva
 - Mr Phu Huynh, ILO/EC MAP, ILO Bangkok
- 10.00-10.30 *Coffee/tea break*
- 10.30-11.30 **Overview of the Indonesia Decent Work Country Profile: Key findings and priority decent work challenges**
- Ms Sri Moertiningsih Adioetomo, University of Indonesia
 - Ms Beta Yulianita G. Laksono, University of Indonesia
 - Mr Padang Wicaksono, University of Indonesia
 - Ms Diah Widarti, CO-Jakarta
- 11.30-12.15 **Plenary discussion and organisation of working groups**
- 12.15-13.30 *Lunch*
- 13.30-14.30 **Parallel working groups to review and revise three (3) chapters of the Indonesia Profile**
- Economic and social context for decent work
 - Employment opportunities
 - Adequate earnings and productive work
- 14.30-15.00 **Presentation of findings by the working groups in the plenary session**
- 15.00-15.30 *Coffee/tea break*
- 15.30-16.30 **Parallel working groups to review and revise four (4) chapters of the Indonesia Profile**
- Decent hours and Combining work, family and personal life
 - Work to be abolished
 - Stability and security of work
- 16.30-17.00 **Presentation of findings by the working groups in the plenary session**

June 28

- 09.00-10.00 **Parallel working groups to review and revise four (4) chapters of the Indonesia Profile**
- Equal opportunity and treatment in employment
 - Safe work environment and Social Security
 - Social dialogue, workers' and employers' representation
- 10.00-10.30 **Presentation of findings by the working groups in the plenary session**
- 10.30-11.00 *Coffee/ tea break*
- 11.00-12.00 **Summary of main findings and recommendations and the way forward**
- How the Profile can be used by constituents
 - Links to the Decent Work Country Programme and the Medium-Term Development Plan
 - Mechanism for sustaining the monitoring of decent work
- 12.00-12.30 **Closing remarks**
- 12.30 *Lunch*