



THE INDONESIAN TRADE UNION POSITION PAPER FOR SKILLS DEVELOPMENT ADDRESSING THE CURRENT EMPLOYMENT ISSUES

Background

1. Under employment and Unemployment;
2. Low productivity;
3. Inequality (Income and gender);
4. Economy integration;
5. Industry Revolution 4.0
6. Climate change
7. Demographic bonus
8. Why should trade union involve?

Aims and objectives

1. The purpose and objective of position paper;
2. To whom the position paper should address

Aims

1. Purpose of position paper is to influence employment policy on skills development, towards addressing the current employment challenges;
2. Monitoring implementation of the employment policy and programme on skills development to address the current employment challenges and opportunities;
3. Reference for relevant stakeholders (Trade Union, Government, Employers, and Development Partners) on the issue of skills development.

Objectives

1. To increase trade union involvement in formulating a policy and in monitoring implementation of the policy on skills development in Indonesia;
2. To improve access for labour force (job seekers and workers) to skills development opportunities (This includes skilling, upskilling and reskilling);
3. To improve alignment between skills development and the industry demand/ labour market;
4. To improve facility and infrastructure of training centres for skills development;

Target beneficiaries:

New entrants to the labour force, workers and retired persons, peoples who are under-employed and unemployment.

Prioritised sectors:

Maritime, tourism, manufacturing, agribusiness, health and ICT.

<p>Trade union who involved in developing trade union position paper.</p>	<ol style="list-style-type: none"> 1. The Confederation of Indonesian Moslem Trade Unions (K – Sarbumusi) 2. The Confederation of Prosperity Indonesian Trade Unions (KSBSI) 3. The Indonesian Trade Unions Confederation (KSPI) 4. National Confederation of Trade Union (KSPN) 5. The Confederation of All Indonesian Workers’ Union- Reconciliation (KSPSI-R) 6. The Confederation of All Indonesian Workers’ Union (KSPSI)
<p>Challenges</p> <ol style="list-style-type: none"> 1. The purpose and objective of position paper; 2. To whom the position paper should address 	<ol style="list-style-type: none"> 1. Skill Mismatch between supply and demand of skilled labour force as a result of, among others, low involvement of industrial sector. 2. Limited number of competency standards that do not match with skills demand of the industrial sector. 3. Ineffectiveness of the implementation of Active Labour Market Policy (ALMP)– No data/ information on vacancies / labour demand from industry and no form available - to be filled out - to support this mechanism at industry level; 4. Ineffective Vocational Training Centre (BLK) to address the need of industry/ labour market. These issues includes the need for improvement of the BLK instructors and Management, training programme and facilities at the training centre. 5. Lacking of coherent policies and no integrated approaches between relevant institutions dealing with skills development. This includes coordination among certifying institution, BNSP (National Board for Profession Certification), Industries, Vocational Training Centre, Productivity Centre and Employment Services. 6. No budget allocation/ ineffective budget allocation mechanism (High dependence on National State Budget Allocation and budget misallocation.) 7. Gender inequality and limited access for people with disabilities in their productive age in the labour market 8. Low education attainment of labour forces 9. Youth employment (high proportion of youth in under and open unemployment- in comparison with other age group. 10. Low involvement of trade union/ workers organizations in formulating policy and monitoring the policy implementation on skills development. The trade union do not consider the issue of skills development as their priorities. No involvement of trade union in the existing vocational committee.

Proposed Recommendations

<p>1. Skill Mismatch between supply and demand of skilled labour force as a result of among others low involvement of industrial sector.</p>	<p>1.1. To ensure the involvement of industry in establishing standards and skills development;</p> <p>1.2. To ensure a linkage between skills development and employment services. This includes empowering/ improvement of training, certification and placement (3 in 1 Kiosk) and coordination between skills development, certification and job placement;</p>
<p>2. Limited number of competency standards and mismatch with skills demand of the industry.</p>	<p>2.1. To ensure the establishment of industrial roadmaps particularly for specific prioritizing sectors;</p> <p>2.2. To ensure government and industry development of standardization and competency certificates for every layer of occupation matching with labour market/ industrial demand at regional, national and international levels;</p> <p>2.3. To ensure the establishing of remuneration structure and system according to competencies certificate/ standard;</p> <p>2.4. To ensure improvements to the implementation of transition programmes from training to work and fulfilling of the right of training programme participants.</p>
<p>3. Ineffectiveness of the implementation of Active Labour Market Policy- there is no data/ information on vacancies / labour demand from industry and no available form to be filled out at the industry;</p>	<p>3.1. To ensure policy and mechanisms on data collection and labour market information (supply and demand sides) are available at the employment services;</p> <p>3.2. To ensure that Government integrates relevant institutions, including vocational training centre (BLK and LPK), certification institution and employment services;</p> <p>3.3. To ensure effectivity of job placement through career counselling for job seekers at the employment services;</p> <p>3.4. To revisit existing regulations on employment services involving trade unions focusing on the following:</p> <ul style="list-style-type: none"> • Role and responsibility of relevant stakeholders; • Tripartite institution, geographical coverage; • Employment Services system and service; <p>3.5. To ensure establishment of an employment social insurance system that is integrated as part of active labour market policies;</p>

Proposed Recommendations (cont.)

<p>4. Ineffective Vocational Training Centre (BLK) to address the need of industry/labour market. These issues cover the need for improvement of BLK instructors and Management, training programme and facilities at the training centre.</p>	<ul style="list-style-type: none"> 4.1. To ensure partnership between Vocational Training Centre (VTC) / BLK at national and regional level as centres of excellence; 4.2. To ensure the involvement of industry in developing curriculum through learning methodology of theory and practical knowledge), instructors and training programme at BLK to respond to the labour market needs at regional, national, and international level; 4.3. To ensure BLK <i>rebranding</i> through the BLK managerial staff improvement of management and soft skills to run the centre; 4.4. To ensure the BLK providing foreign language training course, particularly English and soft skills to increase trainee's employability as a core module for the training participants; 4.5. To ensure the development of BLK in line with industrial demand and economic potential in the region.
<p>5. Lacking of coherent policies and no integrated approaches between relevant institutions dealing with skills development. This includes certification institution, BNSP (National Board for Profession Certification), Industries, Vocational Training Centre, Productivity Centre and Employment Services.</p>	<ul style="list-style-type: none"> 5.1. To ensure harmonization of policies (coherent policies) on skills development, certification, standardization of competencies, wage and labour market information; 5.2. To ensure tripartite consultation involving trade unions in formulating and harmonizing all related skills development policies. 5.3. To ensure upgrading of the National Vocational Committee to National Vocational Council (Dewan Vokasi Nasional)¹, involving trade union representatives; industrial sector, profession standardization institution, certification government institution, including employment services; 5.4. To ensure effectivity and efficient accreditation mechanisms, for industrial sector competency standards; 5.5. To ensure prior learning recognition mechanism is taking place as part of competency certification through competencies assessment.

¹ National Vocational Council (Dewan Vokasi Nasional) (- has their clear structure and responsibilities at national level appointed by The Indonesian President decree)

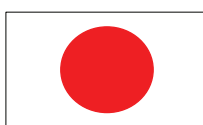
Proposed Recommendations (cont.)

<p>6. No budget allocation/ ineffective budget allocation mechanism (High dependence with National State Budget Allocation and budget misallocation.)</p>	<p>6.1. To ensure budget allocation and sustainability through budget allocation mechanism development of national and regional state budget (APBN/ APBD), industrial sector contribution and other financial resources, including BPJS contribution;</p> <p>6.2. To ensure improvement of industrial policy at national, regional and sectoral levels through training needs analysis and budget reallocation to match with the labour market industrial needs.</p> <p>6.3. To ensure active role of National Vocational Council in monitoring and utilization of budget for skills development;</p> <p>6.4. To ensure investment for quality of skills development.</p>
<p>7. Gender inequality and limited access for people with disabilities in their productive age in the labour market ;</p>	<p>7.1. To design and implement an intervention supporting better access and opportunities for women to skill training, job placement and career development;</p> <p>7.2. To encourage a long-distance learning especially for women and marginalized groups;</p> <p>7.3. To ensure awareness raising of trade unions on the issue of equality for gender and persons with disabilities in accessing skills development, job placement and career development;</p>
<p>8. Low education attainment of labour forces</p>	<p>8.1. To ensure access to education and skills development that is required for 60% of community group with low education attainment for their better employability;</p> <p>8.2. To ensure access for trade unions in establishing training centres and profession certification centres in line with their trade union competencies in their respective sector of industry;</p>

Proposed Recommendations (cont.)

<p>9. Youth employment (high proportion of youth and open unemployment) - in comparison with other age group.</p>	<p>9.1. To encourage the development and implementation of face-to-face and long-distance learning (BLK, BLK Community and LPK-Training Centre) targeting, particularly the millennials/ young generation.</p> <p>9.2. To ensure an integration of data and information for employment services with training/ education institutions for young people;</p> <p>9.3. To ensure policy formulation and implementation supporting youth employment through school to work transition.</p>
<p>10. Low involvement of trade union/workers organizations in formulating policy and monitoring the policy implementation on skills development; The trade union do not consider the issue of skills development as their priorities; No involvement of trade union in the existing vocational committee.</p>	<p>10.1. To ensure active involvement of trade union in skills development governance and system and adult learning.</p> <p>10.2. To establish work plan on skills development for respective trade union confederations in line with this position paper.</p> <p>10.3. To ensure an integration between learning agenda and skills development with the trade union functions, such as negotiation, communication and leadership;</p> <p>10.4. To ensure increasing of trade union involvement in activities, representation and membership in skills development;</p> <p>10.5. To ensure opportunities of skills development, education and long-life learning (skilling, re-skilling, and up-skilling), and access to employment services for all;</p> <p>10.6. To ensure trade union representative in National Vocational Committee to be extended to National Vocational Council;</p> <p>10.7. To ensure monitoring of the policy implementation for skills development by trade unions at company level through bipartite mechanisms (CBA-Collective Bargaining Agreement) at work place and sectoral level);</p> <p>10.8. To ensure the implementation of study on the impact of digitalization to youth employment, including the their training needs that is responsive to industrial demand;</p>

Supported by:



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