



Australian Government
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Indonesian
Employers'
Association



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Code of practice for employers for promoting equality and preventing discrimination at work in Indonesia



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Code of practice and practical guide in five parts

Code of practice for employers	
	Practical guide in five parts:
1.	Equality In Employment: Key Concepts And Principles
2.	Business Case For Equality
3.	Equality In Company Practices
4.	Managing Equality In The Workplace
5.	External Support Resources For Equality Management At Companies

Indonesian Employers Association (APINDO)
International Labour Office (ILO), Jakarta

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Foreword APINDO

Principle of equality and non-discrimination at the workplace are basic labour principles that have been included in the Manpower Act, Law No. 13, 2003. Basically, the principles aim to uphold the principles of human dignity in social and economic justice. In the business community, the principles have also been accepted as universal standard in achieving market efficiency and sustainable economic development.

Policy arrangements have been made by the government to support the application of the principle of equality and non-discrimination. A number of companies also have specific policies to apply the principles. However, some challenges are still present in practice. Discriminatory practices at the workplace are often encountered. Women, minorities, and other vulnerable groups still have great possibilities to be treated in discriminatory manner.

By issuing these Code of Practice and Practical Guide for Employers for Promoting equality and preventing discrimination at work, APINDO has taken a pro-active initiative to assist the employers in Indonesia to apply the principle of equality and non-discrimination at the work place. The Code of Practice contains general principles taken from the labor law in Indonesia as well the ILO Conventions, especially the Discrimination (Employment and Occupation) Convention, 1958 (No. 111) and Equal Remuneration Convention, 1951 (No. 100). The Practical Guide contains the application such general principles into practical steps. This Practical Guide is divided into 5 booklets by theme so that it is easier to use.

We would like to thank the ILO Office Jakarta and the ILO MAMPU project that have provided technical assistance in the development and publication of this Code of Practice and Practical Guide. We hope that these two materials could offer advice and benefit not only for employers but also for APINDO's partners i.e. workers and government, to jointly implement the principle of non-discrimination and equality at work.

Jakarta, October 1st, 2013



Sofjan Wanandi

Chairperson

National Board of the Indonesian Employers' Association (DPN APINDO)

Foreword ILO

Non-discrimination and equal opportunities and treatment in employment are basic labour rights and are fundamental for the achievement of social justice and sustainable economic development in Indonesia. The principle of the right to equality in employment opportunities and treatment enables persons of all races, sexes, religions, social or ethnic origin, health status or disability to work their way out of poverty and to care for their families.

Equality of opportunity and treatment in employment is an integral part of the ILO's Decent Work Agenda and the Decent Work Country Programme in Indonesia. The ILO promotes opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. The Discrimination (Employment and Occupation) Convention, 1958 (No. 111) was adopted by ILO member States in 1958 and was ratified by Indonesia in 1999. This remains the most comprehensive international instrument dedicated to the promotion of equality of opportunity and treatment in the world of work. Following ratification of the ILO Convention, Indonesia has included principles of equality in employment in its Manpower Act (Law No.13 of 2003). ILO Convention No.111 and the Manpower Act provide the framework for the guidance provided in this Practical Guide and Code of Practice on equality in employment.

Successful employers understand that pursuing equality at work provides a competitive advantage over companies and employers who engage in discriminatory practices. Through the application of principles of equality and non-discrimination, employers are able to attract and retain the best talent, support greater innovation and enjoy productive working environments. The elimination of discrimination in employment is also an integral to pursuing a fair globalization.

This Practical Guide and Code of Practice was developed through a partnership between the ILO MAMPU project and APINDO. The Guide is divided into five separate booklets. It has been designed to support practical understanding by employers on how to apply principles of equality in employment in their workplaces.

It is our hope that this Guide and Code of Practice for employers on promoting equality and preventing discrimination at work in Indonesia will inspire employers to promote and realize principles of equality and non-discrimination in their workplaces.

October 1st, 2013



Peter van Rooij
Director, ILO Jakarta Office

Foreword

The ILO MAMPU – Access to Employment and Decent Work for Women Project is promoting equality in employment for women workers. This is being pursued through various strategies, including through partnerships and capacity building with employers in Indonesia. Employers' commitment to addressing discrimination in employment and active promotion of equal employment opportunities are crucial steps towards achieving substantive equality for women in Indonesia.

Women who are from minority ethnic or religious groups or who have a disability or health issue such as HIV and AIDs are often vulnerable to multiple forms of discrimination and face a double disadvantage in the labour market. Recognizing the particular vulnerabilities of these women and that gender-based discrimination is only one of many forms of discrimination found in employment, this practical Guide and Code of Practice, developed with APINDO, provide guidance to employers on how to prevent and address discrimination in employment based on a range of grounds including sex, ethnicity, religion, race, social origin, national extraction, health status, disability and political opinion.

The Project would like to thank APINDO for its commitment to pursuing equality in employment and for the lead role it has taken in developing and disseminating practical guidance on equality of opportunities and treatment to employers in Indonesia.

The development of guidelines for employers on equality and non-discrimination in employment initially began in China through the work of Ms Marja Paavilainen, Ms Nelien Haspels and Mr Tim De Meyer. The MAMPU project would like to thank colleagues in the ILO Decent Work Team for their contribution to the development of this Guide and Code of Practice.

We would also like to express our gratitude to Australian Aid, the donor of the ILO MAMPU Project, for their generous support and commitment to promoting equality in employment for women in Indonesia.

It is our hope that employers will use this Guide and Code of Practice in their hiring, firing and human resource decision-making processes in the future.

October 1st, 2013



Miranda Fajerman,

Chief Technical Adviser

MAMPU – Access to Employment and Decent Work for Women Project, ILO Jakarta

I. INTRODUCTION

It is with great pleasure that the Indonesian Employers' Association (APINDO) in cooperation with the International Labour Office (ILO), presents this Code of practice and the accompanying Guide booklets, to assist employers in promoting equality and preventing discrimination at work in Indonesia.

The Guide comprises five booklets:

1. Equality in Employment: Key Concepts and Principles
2. Business Case for Equality
3. Equality in Company Practices
4. Managing Equality in the Workplace
5. External Support Resources for Equality Management at Companies

We hope that you use this Guide and find it effective. We welcome feedback on subsequent improvements in your equality and non-discrimination policies.

1. Purpose of the Code of practice

This Code of practice (Code) articulates a set of guiding principles for employers and business on non-discrimination and equality at work. The Code is issued by the Indonesian Employers Association (APINDO) in cooperation with the International Labour Office (ILO) to help APINDO member companies to take measures to promote equal opportunity and treatment and eliminate discrimination in their company policies and practices.

In Indonesia, employers have a legal obligation to ensure that their recruitment and employment practices are free from discrimination. This Code is not a substitute for national law, but a voluntary instrument that seeks to promote private initiatives to foster corporate social responsibility and complement compliance with the law. The Code is a management tool that helps employers in ensuring that the recruitment and employment practices in their company are in full compliance with international and national standards on non-discrimination at work.

In addition to legal compliance, adherence to the guidelines set out in this Code can deliver benefits to businesses. These benefits include improved ability to attract a talented and skilled workforce, and ensure increased staff retention, greater workforce satisfaction and lowered employee turnover as well as avoid legal prosecution. Enhanced employee wellbeing also reduces risks of workplace conflict. In addition, measures that promote diversity and equality can increase productivity, innovation and creativity in the company, open access to new market segments, and improve company brand image and reputation. Compliance with

the Code makes good business sense, and facilitates the company's efforts to be a socially responsible employer.

The guidelines of this Code are drawn from Indonesian legislation and the ILO Discrimination (Employment and Occupation) Convention, 1958 (No. 111) and Equal Remuneration Convention, 1951 (No.100). Indonesia ratified Convention No. 100 in 1958 and Convention No. 111 in 1999.

2. Scope and terms used in the Code

2.1 Scope of application

This Code applies to business owners and managers, supervisors and all employees, including part-time workers, casual workers, subcontractors and agents working on commission. It covers:

- Hiring.
- Remuneration.
- Defining and assigning work.
- Access to vocational training, advancement and promotion.
- Conditions of work including hours of work, overtime, rest periods, public holidays, annual holidays with pay, sick leave, occupational safety and health measures.
- Granting of social security measures and welfare facilities and benefits provided in connection with employment.
- Security of tenure of employment, including dismissal and retrenchment.

If employers rely on the services of employment agencies to fill job vacancies, they should require the agencies to abide by the Code. Provision of services by APINDO affiliated employment agencies should be in line with this Code. Temporary staffing agencies and intermediaries or outsourcing companies who remain the employer of workers put at the disposal of user enterprises should also abide by the Code.

2.2 Terms used in the Code

Discrimination:

Discrimination means any distinction, exclusion or preference made on the basis of a person's personal characteristics not related to the job, which impairs equality of opportunity and treatment in employment or occupation. Under this Code discrimination is prohibited on the grounds of sex (including pregnancy, marital status and family responsibilities), race or ethnicity, colour, religious belief or creed, social origin, economic status, birth, national origin, political opinion, disability, HIV status, membership in a trade union or the exercise of union activities.

(See ***Inherent requirements of the job***, ***Special measures of protection***, and ***Affirmative action*** for exemptions from this rule.)

Equal opportunity and treatment at work:

Equal opportunity and treatment at work means that recruitment and employment decisions are made and terms and conditions of employment determined with exclusive reference to merit, skills, experience, abilities, and the suitability of a person for such position, without any interference of discriminatory bias or assumptions.

- **Equal opportunity** means having an equal chance to apply for a job or a specific position, to manage an enterprise, to obtain education, to have access to professional development or promotion, or to have access to means of production that are essential to engaging in economic activity (e.g. access to credit).
- **Equal treatment** refers to equal entitlements such as pay, working conditions, employment security and social security.

Equal remuneration for work of equal value (Equal pay):

Equal remuneration for work of equal value refers to rates of remuneration established without discrimination on any ground. The term remuneration includes the basic wage and any additional cash or in-kind emoluments, such as benefits, seniority increments and bonuses, arising out of the worker's employment and payable directly or indirectly by the employer to the worker. The principle of equal remuneration for work of equal value refers to equal pay for work that is the same, identical or similar and for work that is different but has the same value. The extent to which different jobs consist of work of equal value is usually measured by analyzing job characteristics, such as skills, experience, efforts, responsibilities and working conditions.

Harassment:

Harassment consists of unwelcome comments or conduct that violate the other person's dignity as perceived by a reasonable person, and/or create an intimidating, hostile, degrading or offensive work environment. Sexual harassment refers to conduct of a sexual nature or other conduct based on sex, affecting the dignity of women and men, which is unwelcome, unreasonable and/or offensive to the recipient. The actions constituting harassment can be physical (such as violence, touching or kissing), verbal (such as derogatory language or jokes) or non-verbal (such as threatening behavior, gestures or offensive suggestions).

Inherent requirements of the job (genuine occupational characteristics):

Inherent requirements of the job refer to the necessary, objective and proportionate qualifications that an applicant or employee need to have in order to perform the essential job functions, duties and responsibilities adequately. They are mostly related to certain abilities and skills, but may in exceptional circumstance include also personal characteristics of applicants or employees, such as sex, religion or absence of a specific impairment or disability, if deemed essential for adequate performance of the job. Any distinction, exclusion or preference based on the inherent requirements of the job in question shall not be deemed to be discrimination.

Reasonable accommodation:

Reasonable accommodation refers to any necessary and appropriate modification or adjustment to the working arrangements or environment that does not impose a disproportionate burden on the employer, and that enables a qualified applicant or employee with special needs relating to health, disability, religion, family responsibilities, or any other ground to have access, or to participate or advance in employment. Reasonable accommodation measures may include e.g. rearrangement of working time or provision of special equipment to a disabled employee.

Special measures

Special measures refer to support provided to certain groups of workers in order to help them gain equal opportunity and treatment at work. Two types of special measures are generally needed:

- **Special measures of protection:** Special measures of protection refer to preferential treatment and protection provided to certain groups of employees in need of special support, such as pregnant and nursing women, employees with disabilities or employees with family responsibilities. Special measures of protection are not a form of discrimination against persons who are not in need of special support.
- **Affirmative action:** Affirmative action measures include special temporary measures to redress the effects of past discrimination in order to establish equality of opportunity and treatment in practice between different groups of employees, or job applicants. These measures target particular groups of applicants or employees, such as women, workers with disabilities, or ethnic minorities that are disadvantaged in access to employment or specific positions or in terms and conditions of the work.

II. GUIDING PRINCIPLES TO PROMOTE EQUAL OPPORTUNITY AND TREATMENT AND PREVENT DISCRIMINATION AT WORK

3. Key principles of equal opportunity and treatment and non-discrimination at work

3.1 Legal compliance

Employers should comply with all national laws, regulations and procedures concerning non-discrimination and equality in employment and occupation.

3.2 Equal opportunity and treatment

- (a) Employers should ensure that all recruitment and employment decisions in their company are made solely with reference to merit, skills, experience and abilities of the applicant or employee in question, without any interference of discrimination or bias. Adequate attention should be paid to team diversity and company affirmative action measures.
- (b) To ensure that all employment decisions are made without discrimination, the employer should establish and use objective criteria for all aspects of employment, including recruitment, remuneration, benefits, terms and conditions of work, access to vocational training, advancement and promotion, as well as termination of employment contract.

3.3 Non-discrimination

- (a) Employers should ensure that all their recruitment and employment policies and practices are free from any discrimination on the 11 grounds covered by this Code.
- (b) Under this Code, direct and indirect discrimination is prohibited on the grounds covered in the Indonesian legislation and the ILO Convention No. 111. These **prohibited grounds** of discrimination are:
 - Sex/gender
(including pregnancy, marital status and family responsibilities).
 - Race or ethnicity.
 - Colour.
 - Religious belief or creed.

- Social origin.
 - Social status
 - Economic status
 - Group or faction.
 - National origin.
 - Political opinion.
 - Disability.
 - HIV status.
 - Membership in a trade union or the exercise of union activities.
- (c) Employers are encouraged to take further action to promote equal opportunity and treatment and fight discrimination on any additional grounds, such as place of origin, age, physical appearance and sexual orientation.

4. Fair recruitment practices

4.1 Job descriptions and job advertisements

- (a) Job descriptions should describe the main tasks and responsibilities of the job and the skills, abilities, knowledge, education and experience needed to perform the key tasks and responsibilities of the job.
- (b) Job advertisements should include a job description and clearly state the selection criteria principally related to qualifications, skills, knowledge and experience. Criteria related to job applicants' personal characteristics, such as sex, race or ethnicity, colour, religious belief or creed, social origin, national origin, social or economic status, group or faction, political opinion, disability, HIV status, membership in a trade union or the exercise of union activities should not be included in job advertisements. Personal characteristics may only be referred to if they are inherent requirements of the job. An employer who advertises a position requiring a specific personal characteristic that may be viewed as discriminatory should state the reason for this requirement in the advertisement.
- (c) Where appropriate, the employer should state its commitment to equal employment opportunity in the job advertisement and specify that vacancies are open to all qualified persons without any discrimination on the grounds prohibited under this Code. If the company is implementing affirmative action measures targeting particular categories of workers these should be mentioned in the job advertisement.

4.2 Job application forms

- (a) The job application forms should only ask job applicants to provide information that is relevant for determining the applicants' suitability for the job in question, such as information on qualifications, skills, knowledge, relevant experience, preparedness to accept certain responsibilities and willingness to accept particular working conditions. Unless objectively relevant to the nature of the job, the employers should not ask applicants to provide personal information related to their sex, race or ethnicity, colour, religious belief or creed, social origin, social or economic status, group or faction, national origin, political opinion, disability, HIV status, membership in a trade union or the exercise of union activities.
- (b) Applicants should not be required to submit a photograph with their application, unless physical appearance can legitimately be considered as an inherent requirement of the job in question.

4.3 Short listing

Employers should use consistent selection criteria as the basis for short listing, matching these objective standards against the corresponding qualifications, skills, knowledge and experience of each applicant. Efforts to make the composition of the workforce more diverse may be a valid selection criterion.

4.4 Selection and aptitude tests

Tests used for selection purpose should be specifically related to the requirements of the job in question and objectively measure applicants' actual or potential ability to do or be trained for the job.

4.5 Job interviews

- (a) The interviewers should only ask questions that are relevant to assessing an applicant's suitability for the job in question and use consistent criteria for assessing each applicant's ability to meet the selection criteria. The interview panels should include both female and male interviewers.
- (b) Interviewers should not ask job applicants personal information related to applicants' sex, race or ethnicity, colour, religious belief or creed, social origin, social or economic status, group or faction, national origin, political opinion, disability, HIV status, membership in a trade union or the exercise of union activities.
- (c) If the position requires preparedness to accept certain responsibilities and willingness to accept particular working conditions, interviewers should give full details of the job requirements and ask the candidate if they will be able to meet all the requirements.

4.6 Pre-employment medical examinations

- (a) Employers should not use pregnancy tests as a condition for hiring or continued employment, except in those limited situations where the work in question is prohibited for pregnant women under the law or there is a recognized or significant risk to the health of the woman and child.
- (b) HIV/AIDS tests or other tests for infectious diseases may not be required as a condition of hiring or of continued employment, except in cases where the occupational requirements for the job in question have been stipulated in law to include absence of the disease. Measures to encourage workers to know their own HIV status through genuinely voluntary counseling and testing are recommended to prevent the disease from spreading.
- (c) Employers may require job applicants to take a medical examination to assess their fitness for the job in question. The medical examination may not include testing for any disease or illness that does not have an immediate effect on a person's fitness to perform the job.
- (d) Employers shall respect the confidentiality of workers' health status and not undertake any action that could lead to breach of said confidentiality.

4.7 Records

Employers should keep records of the assessment made at each stage of the recruitment process by the reviewers on the applicant's ability to meet the consistent selection criteria.

4.8 Recruitment through employment agencies and employment services

Where recruitment is done through a public or private employment agency the employer should advise the agency to comply with this Code. Where appropriate, employers should highlight to the agency that vacancies are open to all qualified persons without any discrimination on grounds prohibited under this Code.

5. Fair treatment during employment

5.1 Pay and benefits

- (a) Employers should pay employees remuneration commensurate with the value of the job they are performing. The value of the work should be determined with reference to the effort, skill, responsibility and working conditions related to the job in question. There should be no differences in pay due to sex, race or ethnicity, colour, religious belief or creed, social origin, birth, national origin, political opinion, disability, HIV status, membership in a trade union or the exercise of union activities of the employees in question. Details of the pay schemes should be available to all staff.

- (b) Employers should make sure that company rules, requirements and practices on access to benefits, such as commission, bonuses, head of household benefits, allowances, performance pay or any other fringe benefits, do not discriminate against any group. This applies also to old-age benefits, medical benefits, maternity benefits and any other form of benefit that provides income protection to employees and is financed by the employer or industry in which employee works, i.e. is not paid out of a public system of social security.
- (c) Differences in pay for work of equal value may be justifiable only if they are related to different seniority or performance ratings or to a specific labour shortage in a particular job classification. Employers should ensure that performance appraisal systems applied to determine performance pay are free from discrimination and bias.

5.2 Terms and conditions of work

Employers should make sure that all employees enjoy equal terms and conditions of work, including hours of work, assignment of work and duties, rest periods, annual leave, occupational safety and occupational health measures, equipment and tools, without any discrimination on the grounds covered by this Code.

5.3 Performance appraisals

Employers should adopt formal appraisal systems which are based on fair and objective criteria free from discriminatory bias, with measurable standards for evaluating job performance. Employers should keep records of their employees' performance and conduct.

5.4 Training, advancement and promotion

- (a) Whenever opportunities for training, advancement or promotion arise, employers should inform all eligible employees of the conditions and procedure for applying for these opportunities. Employers should assess all interested candidates based on fair and consistent selection criteria, giving adequate consideration to the company's affirmative action policies.
- (b) Women and men should be provided opportunities to benefit from skills training in non-traditional trades. The special needs of workers with family responsibilities should be taken into account when establishing schedules or making other arrangements for training.

5.5 Termination of employment

- (a) Decisions to dismiss or retrench workers should be free from discriminatory bias. Employers should never dismiss or threaten to dismiss an employee on the basis of pregnancy, marital status, health status or disability.
- (b) Employers shall never refuse renewal of fixed duration contracts for reasons related to sex, pregnancy, maternity leave, temporary absence from work because of illness or injury,

or union membership or participation in union activities, or any other prohibited ground of discrimination covered under this Code.

- (c) Where retrenchments are necessary, they should be carried out responsibly in consultation with the concerned workers' organizations and employees. Selection for retrenchment should be done based on fair and objective criteria primarily referring to length of service and skills and qualifications, and taking any affirmative action measures into account.
- (d) The retirement age for women and men employees should be defined in accordance with national laws and regulations. Where the regulations allow discretion on determining the retirement age of women employees, employers should allow women to continue to work at par with men, if they wish.

6. Creating a productive working environment

6.1 Harassment

Employers should ensure that the work environment is free from harassment. Any type of violence, harassment, bullying or abuse, be it physical, sexual, verbal, or non-verbal, undertaken on any of the grounds referred to in this Code is prohibited. Employers are encouraged to adopt a policy of zero tolerance for harassment and to communicate the policy to all staff, and clients, customers and other work-related parties.

6.2 Maternity protection

- (a) Employers should ensure maternity protection for all pregnant women employees and new mothers in accordance with the relevant national laws. The maternity protection should include maternity leave in accordance with the law, cash and medical benefits, health protection, employment protection and non-discrimination, and breastfeeding.
- (b) All pregnant women employees shall be entitled to maternity leave for a minimum period of 3 months. Employers shall pay women workers their full salary during this leave. This applies to all workers, whether permanent or temporary.
- (c) If the working environment of a pregnant or breastfeeding woman involves risks, such as physical strain or exposure to hazardous agents, the health of the woman should be protected by eliminating these risks, adaptation of working conditions and/or, if adaptation is not possible, temporary transfer to another post or paid leave. Women should not be employed at night during pregnancy if a doctor perceives this to be a risk to the mother or child.
- (d) Employers should not, on the basis of a woman's pregnancy, make any employment decisions that negatively affect a pregnant woman's employment status, including decisions concerning dismissal, loss of seniority, or deduction of wages. Maternity leave should be counted as work for purposes of calculating seniority and retirement benefits.
- (e) Nursing mothers should be provided breastfeeding breaks and facilities to support

continued breastfeeding upon return to work.

6.3 Work-family balance

Employers should take the needs of employees with family responsibilities into account in the workplace. Family friendly workplace practices, such as flexible work arrangements, family care leave or child care facilities, should be adopted as appropriate.

6.4 Reasonable accommodation

- (a) Employers should take measures to reasonably accommodate workers with special requirements related to health, disability, religion, family responsibilities, or any other ground. Reasonable accommodation measures could include rearrangement of working time, the provision of special equipment, opportunities for rest breaks, time-off for medical appointments, sick leave, flexible leave to enable work-family balance, part-time work and return-to-work arrangements.
- (b) Failure to provide reasonable accommodation shall be deemed discrimination, unless accommodation would impose a significant expense or difficulty (undue hardship) to the employer's business.

7. Equality in company business practices

Employers should promote equality and non-discrimination in all their business practices and within the company's scope of control and influence. Employers should communicate positive images about diversity and equality and ensure that their customers, subcontractors, suppliers, intermediaries or other business partners and stakeholders are treated in a fair and non-discriminatory manner.

III. POSSIBLE METHODS OF IMPLEMENTATION

8. Use of the Code

Employers may put the Code into practice in many different ways. Outlined below are some of the most commonly used methods that have proven to be successful around the world. The list is not exhaustive, nor do any of the methods have to be followed in any prescribed order. Failure to follow any particular method should not be considered as evidence of failure to promote equality of opportunity or treatment or to comply with legal obligations as such. Following any or all of the methods may, however, support claims that legal obligations have been complied with.

9. Commitment and responsibility

- (a) Employers should follow the guidelines set out in this Code and formally endorse them at the highest management level as widely accepted good practices. The Code should be integrated into company core management policies and practices, including existing human resource policies. Responsibility for the implementation of the Code should be assigned to a senior management representative.
- (b) Procedures should be established to encourage compliance with the Code across company human resource management and business operations and, to the greatest extent possible, amongst suppliers, subcontractors and service providers.
- (c) Employers should consult with workers' organizations and representatives of directly concerned employees about activities related to this Code and its implementation.

10. Human resource policies and practices

- (a) Employers should follow the guidelines set out in this Code in all recruitment and employment decisions in the company, and align their existing human resource policies and practices with this Code.
- (b) Employers are encouraged to adopt specific policies and measures to promote equality of opportunity and treatment at work.

11. Communicating, raising awareness and building capacity

- (a) Copies of the Code should be publicly displayed on company premises, and information about it should be disseminated amongst all employees and workers' representatives in a language that they understand.
- (b) Activities should be undertaken to raise awareness on the Code among all employees to facilitate understanding and implementation of its provisions. All employees should be provided with information on what is and is not acceptable behavior or practice in the workplace. Employees should exercise tolerance and understanding at the workplace to enhance workplace harmony.
- (c) Employers should provide training to managers, supervisors and other relevant staff on their role in implementing this Code. They should be provided with practical information on how to apply the guidelines set out in this Code in human resource management and business practices of the company.
- (d) Commitment to the Code should be communicated to buyers, customers, clients, suppliers, sub-subcontractors, business partners, and relevant stakeholders, including workers' organizations and employee representatives, as appropriate.

12. Monitoring and corrective action

Implementation of this Code should be regularly monitored to determine compliance with the Code and efficiency of its implementation. Instances of non-compliance should be addressed as and when they are discovered, and steps should be taken to implement changes where necessary to ensure that such instances do not recur.

13. Handling grievances

Employees should have access to confidential means to report grievances related to non-compliance with this Code. Measures should be established to ensure that employees do not suffer disciplinary action for reporting grievances. Employers should develop procedures to document, handle and follow-up on grievance reports.

14. Transparency and dialogue

Implementation measures should include periodic communication with stakeholders about performance and progress related to the Code.

15. Application to suppliers and subcontractors

Compliance with the Code should be a condition of business and integrated into contracts with suppliers, subcontractors and relevant business partners such as employment agencies. Employers should make compliance with the Code a condition of evaluation, selection and maintenance as a supplier.

ANNEX: CHECKLIST FOR EMPLOYERS ON WORKING PRINCIPLES FOR EQUALITY PROMOTION

Introduction

The current Indonesian business environment is characterized by a search for new innovation and increasing competition in both domestic and overseas markets. This puts growing pressures on human resource management in companies. International experiences show that implementation of measures to promote equality and diversity among company workforce can bring tangible business benefits to a company, including improved ability to attract competent, talented and committed workforce, increased staff retention, greater workforce satisfaction and lowered employee turnover. Enhanced employee well-being also reduces risks of workplace conflict and litigation. In addition, measures that promote diversity and equality can increase productivity, innovation and creativity in the company, open access to new market segments, and improve company brand image and reputation.

Think about your business...

To understand the importance and relevance of fair employment practices and seeing how it fits your business needs, think about these questions:

- Does your business face problems in getting the right people to fill job vacancies?
- Is there high employee turnover?
- Are you expanding into new market segments, either locally or regionally?
- Do you feel that there is a shortage of new and creative ideas within the organization?
- Are your customers being treated well? Can this be improved?
- Do you want to raise employee engagement and morale?
- Do you believe in corporate social responsibility?

Equality promotion helps you to make your business more productive and successful!

Check how well your company is doing in equality promotion

Note! See comments on your answers in the end of the checklist!

Staff composition and workplace relations	Yes	No	Not sure
1. My company has a diverse workforce including women and men belonging to different ethnic, religious and/or social groups.			
2. My company employs workers with disabilities or health conditions.			
3. In my company, all workers feel they are treated fairly and equally, without distinctions based on their sex, race or ethnicity, colour, religious belief or creed, social origin, social or economic status, group or faction, national origin, political opinion, disability, HIV status, membership in a trade union or the exercise of union activities.			
4. In my company, women and men of different ethnicities and nationalities are equally represented in different types of jobs and occupational categories.			
5. In my company, we have both male and female bosses and supervisors.			
Recruitment			
6. My company's job advertisements clearly state the selection criteria related to qualification, skills, knowledge and experience needed for the job, and do not mention any personal characteristics like sex or origin that are not relevant for the job.			
7. In my company, short listing and selection of candidates is done solely on the basis of objective selection criteria related to qualifications, skills, knowledge and experience required for the job.			
8. During a job interview my staff does not ask job applicants questions relating to childbearing, family responsibilities, marital status or any other personal issues not related to the work.			
9. My company does not use pregnancy testing or HIV testing as a condition for recruitment, except when hiring for jobs where tests are required by law.			

Staff composition and workplace relations	Yes	No	Not sure
10. Employment contracts used by my company do not include clauses restricting employees' right to get married or become pregnant.			
11. All my managers and staff involved in recruitment processes are trained in merit-based and non-discriminatory selection methods.			
12. My company implements specific recruitment programmes to promote workforce diversity and hire people from currently under-represented groups.			
13. My company employs at least one person with a disability for every 100 persons employed			
Pay and benefits			
14. In my company, women and men workers from all different social groups are paid equal pay for work of equal value.			
15. In my company, all workers have access to salary increments, benefits, facilities and services (including housing and transport allowances and child benefits etc.), without any distinction on the grounds of sex, race or ethnicity, colour, religious belief or creed, social origin, social or economic status, group or faction, national origin, political opinion, disability, HIV status, membership in a trade union or the exercise of union activities.			
16. In my company, the performance appraisal systems used to define salary increments for good individual performance are objective, unbiased and applied in a non-discriminatory way.			
17. My company recognizes accumulation of seniority during women workers' maternity leave and does not reduce their wages or seniority upon return to work.			
Term and conditions of work			
18. In my company, assignment of duties and allocation of hour of work (including overtime) is done in an equal and fair manner without discrimination on any ground.			
19. My company provides safety equipment and arrangements to all workers without distinction			

Staff composition and workplace relations	Yes	No	Not sure
based on sex, race or ethnicity, colour, religious belief or creed, social origin, social or economic status, group or faction, national origin, political opinion, disability, HIV status, membership in a trade union or the exercise of union activities.			
Training, advancement and promotion			
20. In my company, all categories of workers have access to training and career development based on their personal abilities and motivation, without any discrimination on the grounds of sex, race or ethnicity, colour, religious belief or creed, social origin, social or economic status, group or faction, national origin, political opinion, disability, HIV status, membership in a trade union or the exercise of union activities.			
21. In my company all promotion opportunities are widely advertised throughout the organization and selection is based on abilities, current job performance and aspirations of the employee.			
22. My company provides special training and development programmes targeting women and other groups of employees that are under-represented in higher levels of personnel.			
Termination of employment			
23. In my company, renewal of fixed duration contract is never rejected for reasons related to pregnancy, maternity leave, temporary absence from work because of illness or injury, union membership or participation in union activities or any other ground of prohibited discrimination.			
24. Retrenchments are always conducted in a non-discriminatory manner in my company without any disparate or unjustifiable impacts on specific groups of employees (e.g. women or ethnic minorities).			
25. In my company women are never forced to retire at an earlier age than men.			
Harassment			
26. In my company, relations between different groups of workers are good and everybody is always treated with respect.			

Staff composition and workplace relations	Yes	No	Not sure
27. My company takes active measures to ensure that the working environment is free from harassment and bullying.			
28. My company takes active measures to ensure that the working environment is free from sexual harassment.			
Maternity protection			
29. In my company special consideration is given to women in their last months of pregnancy and nursing mothers in terms of suitability of job, workload and working conditions.			
30. My company allows pregnant women to take paid time off for prenatal checkups.			
31. In my company all women workers are provided with paid maternity leave and medical benefits.			
32. My company pays pregnant women workers maternity benefits for three months of maternity leave.			
33. My company provides nursing women with breastfeeding breaks and facilities.			
Work-family balance			
34. My company makes it possible for both men and women workers to balance their work and family life (e.g. flexible work arrangements or family care leave).			
Reasonable accommodation			
35. All workspaces in my company are made accessible for workers with physical and mental disabilities			
36. In my company, workers with disabilities are provided with special work tools and equipment to accommodate their special needs.			
37. My company makes effort to accommodate employees' reasonable needs and requests related to religious or ethnic customs or other personal reasons (e.g. specific dietary habits, work time and leave arrangements).			

Staff composition and workplace relations	Yes	No	Not sure
Company business operations			
38. My company respects the principles of equality and non-discrimination in all business practices, including customer service, marketing and sourcing.			
39. In my company, all customer service personnel is trained to treat customers in a respectful and non-discriminatory way.			
Management of equality issues in the company			
40. The leadership of my company recognizes fairness and non-discrimination as key values in the company management style.			
41. My company has a clear and explicit policy, rules and/or regulations to promote equality and prohibit discrimination.			
42. My company has a clear and explicit policy, rules and/or regulations to prohibit (sexual) harassment and bullying.			
43. My company has a clear and explicit policy, rules and/or regulations on maternity protection, paternity leave, and work-life balance			
44. My company has identified payment disparities between men and women, and is taking action to close the pay gaps.			
45. My company has conducted an equality audit to assess and monitor the equality situation in the company.			
46. My company has nominated a manager responsible for equality issues.			
47. In case services of an outsourcing or employment agency are used to recruit workers, my company always requires the entity to comply with our company equality policy.			
Workplace cooperation and social dialogue			
48. In my company, policies, rules and/or regulations (including the equality policy) are prepared in full consultation with trade unions and/or workers' representatives.			

Staff composition and workplace relations	Yes	No	Not sure
49. In my company, employees have successfully negotiated collective agreements with provisions on equality, maternity protection and flexible work etc.			
50. All groups of workers (women, men, ethnic minority workers, and workers with disability or health condition) are represented by their own representatives in consultations on issues directly concerning their employment and working conditions.			
51. My company has a suggestion box which any employee can use to voice their concerns or interests.			
Awareness raising and equality training			
52. In my company all staff is aware of company policies, rules and/or regulations on discrimination, harassment, maternity protection and work-life balance.			
53. All staff in my company understands what is and what is not acceptable and respectful behavior in the workplace.			
54. All managers have been trained on their role in implementing the company equality and non-discrimination policy.			
55. All staff in my company has been trained on equality and work-life balance.			
56. All staff in my company knows who the equality officer is and how to contact her/him.			
Complaints mechanisms			
57. My company has a procedure to deal with complaints regarding unacceptable behavior such as harassment, unequal treatment or other discriminatory practices.			
58. All staff in my company knows how to file a complaint using the mechanism.			
59. The complaints mechanism has been successfully used to investigate and solve several complaints in my company.			

Scoring

The total score for the checklist is **80 points**:

For questions **1-40**, each **'yes'** answer gives you **one point**.

For questions **41-59**, each **'yes'** answer gives you **two points**.

Comments on your checklist scores

- 0-10 yes's** There is some understanding of equality principles in your company but real awareness on discrimination at work is lacking. Read this "Code of practice" and the related "Guide for employers" to get more information on how to ensure equal opportunity and treatment and elimination of any discriminatory practices in your company.
- 11-30 yes's** Your company is starting to make progress in implementing equality, but you still have some way to go. Review this "Code of practice" and the related "Guide for employers" to get ideas on how to strengthen equality implementation in your company.
- 31-50 yes's** Progress has been made in your company in understanding and addressing workplace discrimination and promoting equality at work. Your company may be ready to adopt and implement a company equality policy.
- 51-70 yes's** Your company has made a good start at implementing equality measures. Use this "Code of practice" and the related "Guide for employers" to check whether you are on the right track and learn how to deal with issues that are not yet addressed.
- 71-80 yes's** Your company is doing very well! We suggest that you continue the good work by regularly reviewing your company equality policies and work practices.

