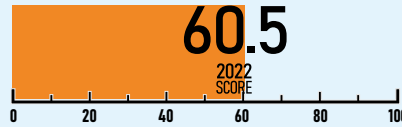




Indonesia



60.5 2020 SCORE

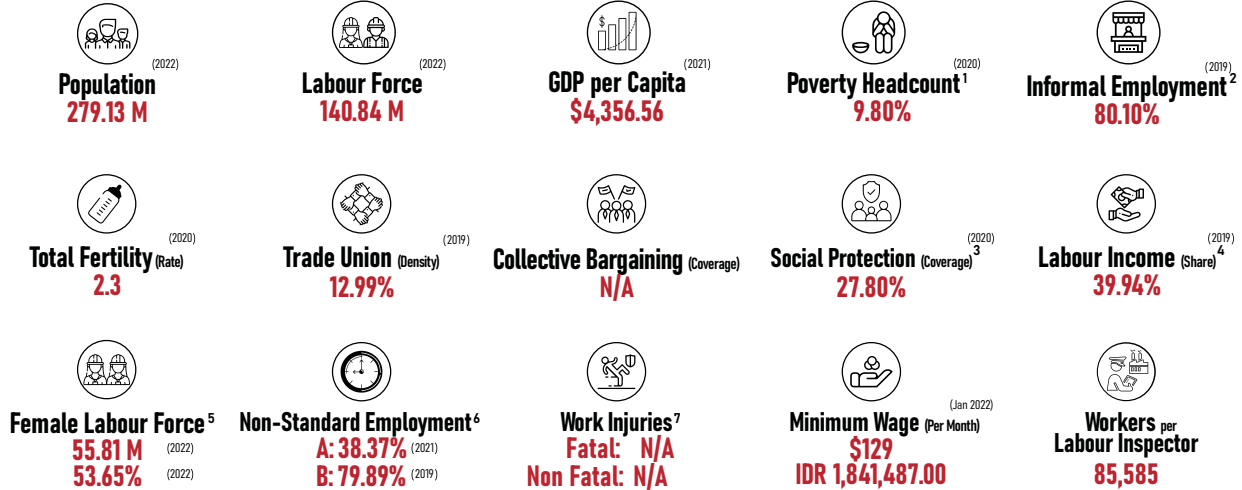
South East Asia

Lower-middle income

Limited Access to Decent Work

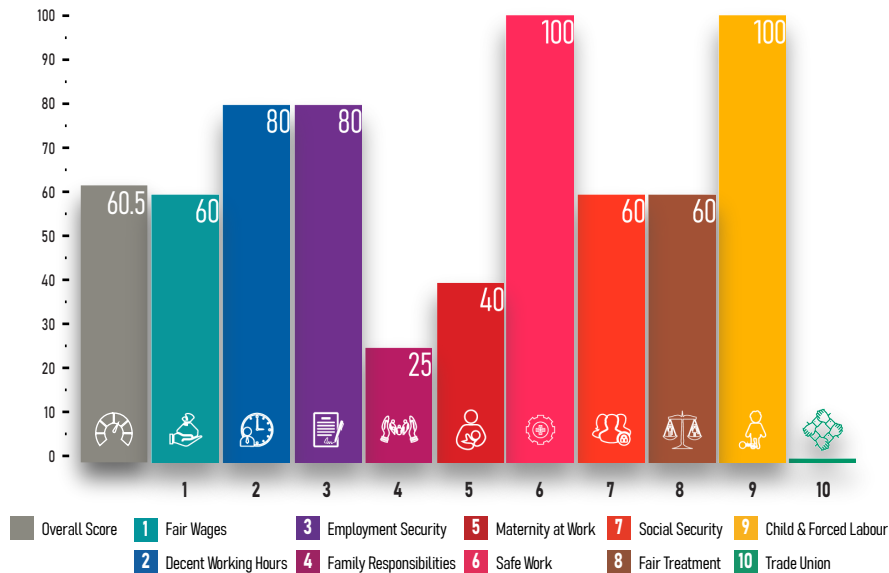


## Contextual Indicators



Sources: World Bank  
International Labour Organization  
WageIndicator Minimum Wages and Living Wages Database  
M=Million

## Legislative Performance Indicators



## Introduction

The Labour Rights Index 2022 (LRI 2022) is a de-jure index covering 135 economies and structured around the working lifespan of a worker. In total, 46 questions or evaluation criteria are scored across 10 indicators. The overall score is calculated by taking the average of each indicator, with 100 being the highest possible score. The Index uses a rating system, ranging from "Total Lack of Decent Work" to "Decent Work". The Labour Rights Index aims at an active contribution to the Sustainable Development Goals, by providing necessary (complementary) insights into de jure provisions on issues covered in particular by SDG8 (Decent Jobs), SDG 5 (Gender Equality), SDG 10 (Reduced Inequalities) and SDG 16 (Strong Institutions). The Index is based on national labour legislation, applicable on 1 January 2022. The Index does not take into account COVID-19 related labour market measures in its scoring.

Indonesia's overall score is 60.5 out of 100. The overall score for Indonesia is lower than the regional average observed across South East Asia (62.33). Within the South East Asia region, the highest score is observed for Viet Nam (75).

<sup>1</sup> Proportion of population living below the national poverty line (%), as measured under SDG 1.2.1

<sup>2</sup> Share of informal employment in total employment (%), as measured under SDG 8.3.1

<sup>3</sup> Proportion of the country population covered by social protection floors, as measured under SDG 1.3.1

<sup>4</sup> Labour income (income of employees + partly income of the self-employed) as a percentage of GDP, as measured under SDG 10.4.1

<sup>5</sup> The female labour force is shown in absolute number along with the female labour force participation rate

<sup>6</sup> Non-Standard Employment has been defined as Part-Time Employment (A) and Temporary Employment (B)

<sup>7</sup> Rate of fatal and non-fatal injuries per 100,000 workers, as measured under SDG 8.8.1

The country rating is based on the overall score of 0-100, with the following coding:

(90.5-100) Decent Work | (80.5-90) Approaching Decent Work | (70.5-80) Reasonable Access to Decent Work | (60.5-70) Limited Access to Decent Work | (50.5-60) Basic Access to Decent Work | (0-50) Total Lack of Decent Work

# LABOUR RIGHTS INDEX 2022

	Question <sup>9</sup>	Answer	Legal Basis	Trend <sup>12</sup>
1. Fair Wages	Does the law prescribe minimum wage rates in the country?	Yes	§88, 88(A-E), 90(A-B), & 185 of the Manpower Act, 2003; §43-44 of Regulation on Wages (GR 36 of 2021)	●
	Does the law require regular payment of wages?	Yes	01(30), 54, 88(A), 92, 92(A), 94, 95(2), 157A & 169 of the Manpower Act, 2003; Regulation on Wages (GR 36 of 2021)	●
	Does the law require overtime compensation be at least 125% of the regular hourly rate?	Yes	§77 & 78 of the Manpower Act, 2003; §26 of the Regulation on Wages (GR 36 of 2021)	●
	Does the law require additional compensation for working on a weekly rest day?	No	§85(3) of the Manpower Act, 2003; §1(1) & 11(b & c); GR 35 of 2021; GR 36 of 2021	●
2. Decent Working Hours	Does the law require additional compensation for night work?	No	§76 of the Manpower Act, 2003; §2-8 of the Decree No. 224 of 2003	●
	Does the law stipulate general working hours as 48 hours or lower?	Yes	§77 & 78 of the Manpower Act, 2003; §26 of the Regulation on Wages (GR 36 of 2021)	●
	Does the law restrict maximum working hours including overtime to 56 hours per week?	Yes	§77 & 78 of the Manpower Act, 2003; §26 of the Regulation on Wages (GR 36 of 2021)	●
	Does the law require a weekly rest of at least 24 hours?	Yes	§79(2) & 80 of the Manpower Act, 2003; Government Regulation (GR 35 of 2021)	●
	Does the law require paid public holidays?	Yes	§85 of the Manpower Act, 2003; Joint Decree No. 281 of 2021 and No. 1 of 2021	●
3. Employment Security	Does the law require at least three working weeks of paid annual leave?	No	§79 & 84 of the Manpower Act, 2003; Government Regulation (GR 35 of 2021)	●
	Does the law require written employment contracts or at least written employment particulars?	Yes	§01(14-15), 50-55, 63 & 66 of the Manpower Act, 2003; Government Regulation (GR 35 of 2021)	●
	Does the law restrict the hiring of fixed-term contract workers?	Yes	Manpower Act, 2003; Government Regulation (GR 35 of 2021)	●
	Does the law limit the length of probation period including renewals to a maximum of 3 months?	Yes	§13, 58 & 60 of the Manpower Act, 2003; Government Regulation (GR 35 of 2021)	●
	Does the law require a 30-day notice before contract termination?	No	§61, 151, 151A & 154A of the Manpower Act, 2003; Government Regulation (GR 35 of 2021)	●
4. Family Responsibilities	Does the law require severance pay at the rate of at least 2 weeks of wages for every year of service?	Yes	§01, 156-172 of the Manpower Act, 2003; Government Regulation (GR 35 of 2021)	●
	Does the law require parental leave for parents?	No	No applicable legal provisions could be located	●
	Does the law require at least one week of paid paternity leave for fathers?	No	§93(2c & 4e) of the Manpower Act, 2003	●
	Does the law require flexible work arrangements for workers with family responsibilities?	No	No applicable legal provisions could be located	●
5. Maternity at Work	Does the law require paid nursing breaks?	Yes	§83 & 100 of the Manpower Act, 2003	●
	Does the law prohibit inquiring about pregnancy during recruitment?	No	No applicable legal prohibitions could be located	●
	Does the law require paid maternity leave of at least 14 weeks?	No	§1(3) 82, and 93 of the Manpower Act, 2003	●
	Does the law require cash maternity benefit be at least 67% of a worker's former wage?	Yes	§1(3) and 82 of the Manpower Act, 2003	●
	Does the law require maternity benefit be paid through contributory social insurance or universal benefits system?	No	§1(3) and 82 of the Manpower Act, 2003	●
6. Safe Work	Does the law protect workers from dismissals during or on account of pregnancy?	Yes	§53(1a) of the Manpower Act, 2003	●
	Does the law require provision of free personal protective equipment to workers from employer?	Yes	§86(2) of the Manpower Act, 2003; §9, 12 & 14 of Work Safety Law 1970	●
	Does the law require the employer to train workers on health and safety issues?	Yes	§87(1) of the Manpower Act, 2003	●
	Does the law restrict work that is prejudicial to the health of the mother or the child?	Yes	§76(2), 86 & 87 of the Manpower Act, 2003; Manpower and Transmigration Minister Decree (No. 224/2003)	●
	Does the law provide for employment injury benefit?	Yes	§29-34 of the National Social Security System Act (Law No. 40 of 2004); Government Regulation (GR 44 of 2015)	●
7. Social Security	Does the law provide for an old age pension?	Yes	§6, 9 & 42 of Social Security Law, Act No.40/2004; GR 45 of 2015	●
	Does the law provide for a dependants/survivors' pension?	Yes	Social Security Organizing Agency Act (Law No. 24/2011); GR 44 of 2015	●
	Does the law provide for unemployment benefit?	No	§46A-46E of Social Security Law, Act No.40/2004; GR 37 of 2021	●
	Does the law require paid sick leave for the first 6 months of sickness?	No	§81 and 93(3) of the Manpower Act, 2003	●
	Does the law provide for invalidity benefit?	Yes	Social Security Law, Act No.40/2004; ISSA Country Profile for Indonesia	●
8. Fair Treatment	Does the law require equal remuneration for work of equal value?	No	§28D (2) of the Indonesian Constitution 1945; §6 of the Manpower Act, 2003	●
	Does the law prohibit sexual harassment in employment?	No	§154A (1g) of the Manpower Act, 2003; §281 & 285 of the Penal Code 1982; 2011 Guidelines	●
	Does the law prohibit discrimination in employment matters? <sup>10</sup>	Yes	§5, 6 & 27 of the Indonesian Constitution 1945; §4(b), 6, 7, 12(3), 32 & 153 of the Manpower Act, 2003	●
	Does the law allow women to do the same jobs as men?	Yes	§27(2) & 28D(2) of the Indonesian Constitution 1945; §31 of the Manpower Act, 2003	●
	Does the law guarantee basic labour protections for gig economy workers?	Yes	Social Security Law, Act No.40/2004; ISSA Country Profile for Indonesia	●
9. Child and Forced Labour	Does the law prohibit employment of children?	Yes	§68-73 of the Manpower Act, 2003	●
	Does the law set employment entry age equal to or higher than the compulsory schooling age?	Yes	§48 of the Law on Child Protection, 2002; §6 and 34 of the Act on the National Education System, 2003	●
	Does the law prohibit the employment of children in hazardous work under the age of 18 years?	Yes	§74 & 76 of the Manpower Act, 2003; Ministerial Decree No. 235 of 2003	●
10. Trade Union	Does the law prohibit forced labour?	Yes	§74 of the Manpower Act, 2003; §1-6 and 17 of the Law on Trafficking in Persons, 2007	●
	Does the law allow workers to form and join unions of their own choice?	No	§28E (3), Indonesian Constitution 1945; §01 & 104, Manpower Act, 2003; §14 & 29 of the Trade Union Act, 2000	●
	Does the law allow workers to bargain collectively with employers through their representative unions?	No	§119 of the Manpower Act, 2003	●
	Does the law provide for the right to strike?	No	§01(23), 137-145 of the Manpower Act, 2003; Ministerial Decree No. 232 of 2003; USDOS CRHRP 2021	●
	Does the law prohibit employers from terminating employment contracts of striking workers?	No	§144 & 186 of the Manpower Act 2003	●

## Covid 19 and Labour Market in Indonesia\*

Total Covid Cases	6.14 Million
Total Covid Deaths	156,865
Partial Vaccinated	75.0%
Fully Vaccinated	63.0%

Wage Subsidies	✓
Social Security Contributions (deferrals/waivers)	✗
Paid Sick Leave	✗
Add. Unemployment Benefits	✗

Protection from Dismissals	✗
Telework/flexible work	✗
Improved Health Access	✓
Training (activation measures)	✓

<sup>9</sup> The Index has 10 indicators and 46 evaluation criteria or questions.

<sup>10</sup> The prohibited grounds for discrimination are "race, colour, sex, religion, political opinion, national extraction or social origin, age, disability and trade union membership". A score of 1 is assigned only if a country has prohibited discrimination on at least 7 of the above 10 grounds.

<sup>11</sup> A country's score on LRI's Trade Union indicator must also be read together SDG indicator 8.8.2 which measures the level of national compliance with labour rights (freedom of association and collective bargaining) based on ILO textual sources and national legislation. It has a range from 0 to 10, with 0 being the best possible score (indicating higher levels of compliance with FACB rights) and 10 the worst (indicating lower levels of compliance with FACB rights). The score of Indonesia on SDG 8.8.2 is 17 (2020)

The Index uses Observations/Direct Requests from ILO CEACR and the US Department of State's Country Reports on Human Rights Practices (US DOS CRHRP) to measure a country's compliance on the Trade Union indicator.

<sup>12</sup> In order to measure the trend in country's legislative performance over the last edition of the Labour Rights Index (2020), the legislative table indicates improvement or worsening of labour rights in country through the following colours.

- Score increase
- Score decrease
- Score adjustment
- No change