

# INDONESIA

## A TRADE UNION FOCUS ON THE SDGs

#HLPF2017



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## ARE TRADE UNIONS AT THE TABLE?

The Indonesian government established a National SDG Coordination Team under the Indonesian Ministry of National Development Planning (BAPPENAS). Its role is to coordinate the SDG implementation process among the relevant actors.

Trade unions have been consulted on SDG implementation and invited to present their priorities to the government. However, while the government's policy is to incorporate the SDGs into its existing development plan, very few of the priority issues proposed by trade unions were taken on board.

The Indonesian government is reporting on national SDG implementation through various publications which are made publicly available online. As the implementation of the SDG objectives has been incorporated across the different (long, medium, and short-term) stages of the national development plan, financing will be allocated through the state budget annually.



### TRANSPARENCY

access to key documents on SDGs programming and/or implementation



### CONSULTATION

existence of an official multi-stakeholder platform on the SDGs



### SOCIAL DIALOGUE

dialogue among worker, employer and government representatives on SDG implementation



## IS THE (DECENT) WORK BEING DONE?

The Indonesian government has incorporated the SDGs into the current Long-Term Development Plan (RPJPN) 2005-2025, and the National Medium-Term Development Plan (RPJMN) 2015-2019. SDG objectives will also be mainstreamed into the 2025-2045 development plan which is currently being drafted. Indonesian trade unions have highlighted the need for the government to have a universal approach to the SDGs and targets to ensure overall progress.

With regards to **SDG 1 (eradicating poverty) target 1.1 (eradicating extreme poverty)** it is particularly concerning that 10.9% of people in employment in Indonesia lived under the poverty line in 2015; in 2014, 8.3% of the population lived in extreme poverty. In the same year, 36.4% of the population lived below the poverty line, although this number has been steadily decreasing. With regards to the UN Human Development Index (HDI), Indonesia's 2015 HDI of 0.689 puts it in the medium human development category, ranking 113<sup>th</sup> out of 188 countries and territories.

**SDG 5 (gender equality)** requires particular attention as gender inequalities are embedded in broader inequalities. Women are overrepresented in vulnerable employment, as illustrated by the fact that only 34.63% of Indonesian women are in formal employment and 41.23% are informally employed (2016 Indonesia Labour Survey). More details below.

With regards to **SDG 8 (decent work and economic growth)**, special attention must be paid to vulnerable workers (self-employed or independent, temporary or unpaid workers, and those performing informal labour in the household or for the family), who represent 58.35% of the workers in Indonesia. HDI rates for men and women also show that men and women do not enjoy the same level of human development (0.712 for men and 0.66 for women). In 2012, over 4 million children under 13 were engaged in child labour, half of which worked

in hazardous employment. Only 5.1% of registered companies have collective bargaining agreements and trade union density stands at a 6% of formal workers. Despite a decline in unemployment from 5.81% in 2016 to 5.5% in 2017, youth unemployment remains high, with youth accounting for over half of the unemployed population.

Despite Indonesia's Gini ratio index declining in from 0.408 in 2015 to 0.397 in 2016, the country remains one of the most unequal in the world, demonstrating the importance of prioritising **SDG 10 (reduced inequalities)**. As outlined above, there is an important gender component to these inequalities. Pronounced occupational segregation and women's limited prospects for career progression result in unequal vocational and income opportunities in the labour market. Due to precariousness and informality, many workers are trapped in a permanent state of transition. Again, women are hit particularly hard and regularly fluctuate from economic inactivity to low-paid factory work in home-based settings. Strengthening the position of these workers within global supply chains and improving their working conditions is key to reducing inequalities in the country.

There has been no involvement of trade unions or civil society in the design of the National Action Plan on climate change, which intends to fulfil **SDG 13 (climate action)**, and there is limited information on its implementation.

Challenges to the implementation of **SDG 16 (peace, justice and strong institutions)** persist. It is well documented that Indonesia does not provide sufficient protection to trade unionists and journalists. In 2016, the ILO sent a mission to Indonesia in response to a growing number of labour rights violations in the country; at the same time, there has been a decline of labour cases going to court. Indonesia freedom of the press, ranked it 127<sup>th</sup> out of 180 countries in 2017 and 74 cases of violations against journalists were reported in 2016 alone.

## WHERE TO NEXT?

### TRADE UNION RECIPE TO LEAVE NO ONE BEHIND

The Indonesian government must prioritise the following objectives: improve wages and social protection measures to eradicate poverty; ensure gender equality and women's position in the labour market and improve working and living conditions for workers to reduce inequalities; secure the freedom of association to promote peace, justice and strong institutions.

To ensure the effective implementation of these objectives, the Indonesian government should:

- Establish the implementation of the SDGs as a standalone national commitment, rather than simply aligning their implementation with the existing national development plan.
- Ensure budgetary allocations and financing for each of the selected SDG objectives.
- Publish regular updates on the progress towards the achievement of the SDGs.



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