MONITORING MINIMUM WAGE AND LABOUR LAW COMPLIANCE IN THE INDONESIAN GARMENT INDUSTRY

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Labour Market Transparency at A Global Scale
WAGEINDICATOR - GAJIMU GARMENT

01

PLATFORM TO COMMUNICATE
WageIndicator provide a platform where workers and employers can communicate with general public regarding their working conditions, and stakeholders can monitor current situation and measures taken to improve the situation.

02

INDIVIDUAL PERFORMANCES ON FACTORY PAGE
These factory pages show individual factory performances against 46 labour compliance measures, and presented in highly visited gajimu.com/garment.

03

SUPPORTING TOOLS
Tools to find out to what extent factories comply with the labour law, and eventually guide them to achieve harmonious and effective industrial relations.
### Address

PT. Saedong Indonesia 1

Address:
Jl. Rawan Industrial Estate
Nampakil, Kain - 42189

Business:
Kapal Bunga
Banjar
Indonesia
50244-402118

Manufacturer of palace materials - Goss

### Line of Business

Waves Selection

### Compliance with Labour Law

#### Compliance with waves of this factory

- Wave 2 (Initial wave)

#### Employment Security

The employer provides written employment contracts

<table>
<thead>
<tr>
<th>Wave</th>
<th>Compliant</th>
<th>Non-compliant</th>
<th>Compliance Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wave 2</td>
<td>96%</td>
<td>4%</td>
<td>96%</td>
</tr>
</tbody>
</table>

Average compliance rate of all surveyed factories: 89%

The duration of fixed term contract including renewals does not exceed 36 months

<table>
<thead>
<tr>
<th>Wave</th>
<th>Compliant</th>
<th>Non-compliant</th>
<th>Compliance Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wave 2</td>
<td>100%</td>
<td>0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Average compliance rate of all surveyed factories: 96%
DATA COLLECTION

WHERE WAGEINDICATOR GET THE DATA?

**WHAT**
DecentWorkCheck Survey – 8 clusters, 49 compliance measures

**WHEN**
Period: July 2017 – April 2019

**WHO**
Garment, Textile, Footwear Industries in Indonesia

**WHERE**
Focusing in 5 Provinces, 15 regions in Java Island, Indonesia

**HOW**
- Minimum of 30 workers per factory, sample distribution based on gender (male/female) and employment contract (permanent/fixed-term) in the factory
- Workers interviewed using an app
- Face to Face interview - Target factories and regions accordingly to Trade Union (TU) databases, interviewer from TU are selected and trained to do the data collection
- Online survey on gajimu.com/garment
## Compliances per cluster - highest and lowest

<table>
<thead>
<tr>
<th>Compliance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Written employment contract</td>
<td>100%</td>
</tr>
<tr>
<td>Employer does not hire contract workers for...</td>
<td>80%</td>
</tr>
<tr>
<td>Working hours are less than 54 hours per week</td>
<td>100%</td>
</tr>
<tr>
<td>Employer does not force to work more than 54...</td>
<td>100%</td>
</tr>
<tr>
<td>Employer pays wages on a regular basis</td>
<td>100%</td>
</tr>
<tr>
<td>Employer pays employees a minimum wage</td>
<td>100%</td>
</tr>
<tr>
<td>Employer provides 13 weeks of maternity leave</td>
<td>100%</td>
</tr>
<tr>
<td>Employer provides mothers nursing breaks</td>
<td>70%</td>
</tr>
<tr>
<td>Employer provides fire extinguisher</td>
<td>100%</td>
</tr>
<tr>
<td>Employer provides on-site medical facilities</td>
<td>100%</td>
</tr>
<tr>
<td>Employer provides for occupational injury</td>
<td>100%</td>
</tr>
<tr>
<td>Employer provides for old age pension rights</td>
<td>90%</td>
</tr>
<tr>
<td>In factory no labor of children under 15 years</td>
<td>100%</td>
</tr>
<tr>
<td>In factory women and men are paid equal for...</td>
<td>100%</td>
</tr>
<tr>
<td>Employer allows workers to join a trade union</td>
<td>100%</td>
</tr>
<tr>
<td>Employer allows workers to hold a strike</td>
<td>80%</td>
</tr>
</tbody>
</table>

Source: WageIndicator.org
WHAT WE ACCOMPLISH WITH WAGEINDICATOR SURVEY AND FACTORY PAGES?

1. Decent Work Check Survey
   More than 4,968 surveys collected and 115 factories’ data available online

2. Survey Data Verification
   Employers and trade unions may verify the data by providing comments, clarifications, explanations of the survey results

3. Factory Pages
   More workers aware at their basic rights according to the Labour Law

   Improvement in social dialogue – 17 factories agreed to improve (social dialogue report available online), New Collective Bargaining Agreement (CBA) are set

5. Working Condition Monitoring System
   Effective monitoring of working conditions by workers, employers, brands, and buyers

OTHER ACCOMPLISHMENT

- Unions are trained to use the apps and conduct the surveys on their own
- Trade unions use the survey as a tool to recruit new members – 1 new TU established

HOW WAGEINDICATOR DATA IS USED TO IMPROVE WORKING CONDITION
**IMPACTS MADE**

### Increasing worker’s awareness on their rights
- Online – 4,968 workers participated to fill in the survey
- Offline – 695,383 visitors visit Gajimu garment sites (Indonesian and English)

### Impact on Trade Union
- 35 interviewers from trade union has been trained to conduct the survey using digital tools and documented its data in these past 2 years
- Opportunities to recruit new member

### Improvement on working condition is agreed in 17 factories surveyed
- Contract workers have been appointed as permanent workers
- Workers are gradually registered to Social Security Scheme (BPJS Healthcare and BPJS Employment)
- Health and Safety training are done regularly
- Employer provide lactation corner for nursing mothers
- Gender Based Violence (GBV) clauses are being added in Collective Bargaining Agreement
- To prevent sexual harassment, employer separate female and male workers pathways when entering and returning the facilities
- Overtime pay and/or premium for night work that was not available before will now be given to workers
- Women involvement in Collective Bargaining Agreement negotiations
- Employer provide equal opportunities for women workers to get promotion
- Avoiding underage workers by improving information data entry on workers who applied for work

### Online – 4,968 workers participated to fill in the survey
### Offline – 695,383 visitors visit Gajimu garment sites (Indonesian and English)
This project is possible thanks to our WageIndicator International and National team and the support of C&A Foundation.

To learn further about WageIndicator, visit: wageindicator.org
Surveys and Factory Pages in Indonesia, visit: gajimu.com/garment

THANK YOU