

# Income Discontent Contrasts Life Satisfaction

1

January 2011

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***Monthly Wage Indicator Report – Indonesia  
January 2011***

## About WageIndicator

*This monthly WageIndicator report is based on the national dataset of WageIndicator - Indonesia.*

*The data is volunteered by visitors of the national websites of Wage Indicator when they fill in the online salary survey. This survey is more or less identical in all countries where Wage Indicator is present. Respondents declare their gross and net income in their national currencies. Next to wages, the self-reporting online questionnaire asks about individual characteristics (e.g. male/female, age, level of education, living with a partner and children), a person's work environment (e.g. type of job, level of responsibility, wages) and other employment-related topics.*

*The independent non-profit Wage Indicator Foundation aims for transparency of the labour market by sharing and comparing data through its network of national websites. By the end of 2010 Wage Indicator has operations in 55 countries world wide. See for the full list [www.wageindicator.org](http://www.wageindicator.org) or at any national WageIndicator website, the drop down menu at the bottom of the home page.*

*Wage Indicator Foundation was established in the Netherlands in 2003. It is based in Amsterdam. It has regional offices in Ahmedabad, Bratislava, Buenos Aires, Cape Town/Maputo and Minsk. Its headquarters and postal address are:*

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## Executive Summary

*After collecting more than 5,200 responses during the first three quarters of 2010, Gajimu's<sup>1</sup> survey found that, even though most of the users claim to be displeased with their income, they parallelly express satisfaction with their lives. One of the reasons that may explain this life satisfaction is the relative happiness that the respondents show regarding their health and jobs. However, nearly a quarter of the users manifest job discontent, which might be related to scarce leisure time and regularly evening work.*

### Standard by:



-Bruno Perinelli is a B.A. in Economics and a capital market specialist. Since 2007, he has been analysing the worldwide labour market for the WageIndicator Foundation. Several articles about minimum wage and labour conditions were published in prestigious newspapers. He has also studied the income distribution and the determinants of wages in Argentina.



- Victor A. Beker is Project Leader for Latin America of the WageIndicator Foundation. He is a Professor in Economics, Director of the Center for Research on the New Economy at the University of Belgrano, Argentina, and former Director of Economic Statistics at Argentina's Statistics Bureau. He has been invited to teach as visiting professor at the University of Salamanca, Spain, and has been visiting researcher at the New York University and the London School of Economics. He has been hired by UNIDO as expert in Information Systems. He is the author of several books and numerous research papers. He has been awarded several prizes for his scientific production in Economics.

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<sup>1</sup> [www.gajimu.com](http://www.gajimu.com) is the national WageIndicator website in Indonesia

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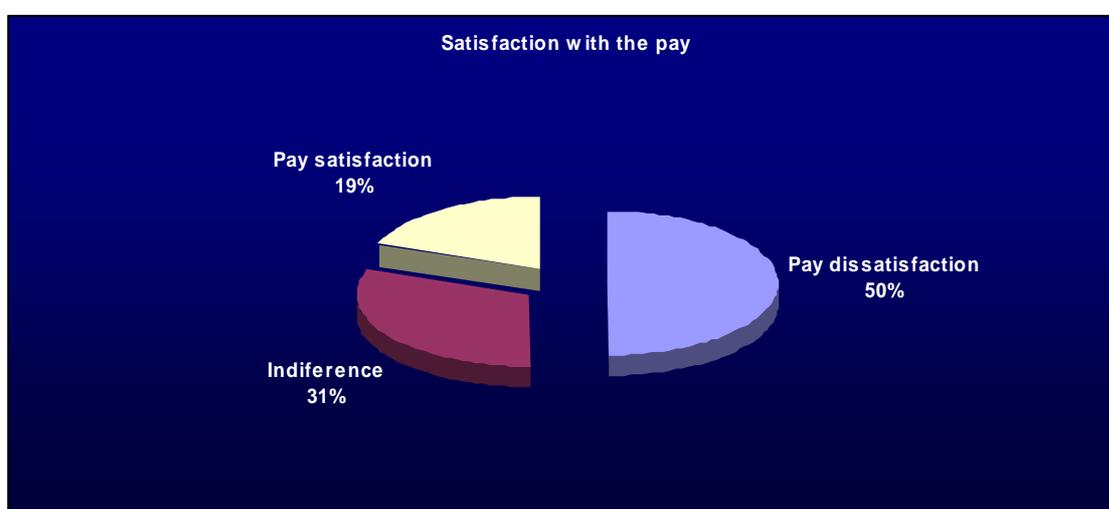
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According to Gajimu's survey, 50 per cent of the Indonesian respondents claim dissatisfaction regarding their earnings. Specifically, 29 per cent showed highly dissatisfaction with their income and 21 per cent of the respondents expressed simple disagreement on this matter. By contrast, 19 per cent of the respondents are satisfied with their wages; a third of them showed total satisfaction in relation to their income. The residual 30 per cent expressed indifference regarding their pay.

**Graph 1 Pay Satisfaction**



Nearly 5,200 users filled [www.gajimu.com](http://www.gajimu.com) salary survey during the first nine months of 2010. Among other matters, they responded questions about income conditions and levels of satisfaction with their lives and jobs. The results that came up from processing their answers were used in this report.

In line with the previous statement, only 22 per cent of the respondents revealed satisfaction with their household income whereas 28 per cent of them indicate strong disagreement in this matter and 22 per cent, simple dissatisfaction.

Allowances and bonuses might mitigate the earning discontent, especially if they can be exchanged for basic goods, like food or clothing. However, only 1 per cent of the respondents get vouchers or discounted goods or services; 5 per cent of the respondents got public transport allowances in their last wage earned and a tiny 3 per cent received holiday allowance last year.

## Fulfilling Life

Despite the income dissatisfaction, most of the respondents claim to have a fulfilling life (see Table 1). In a scale that goes from one to ten, 65 per cent of them stand on the five highest levels of satisfaction. Out of this subgroup, 8 per cent chose the levels nine and ten. Half of the surveyed workers who are not pleased with their lives expressed weak degrees of dissatisfaction as they chose the number five of the scale. Only 4 per cent of the respondents showed high discontent regarding their lives as-a-whole.

One of the reasons that may explain the life satisfaction is the relative happiness of the respondents in relation to their health. Even though only 3 per cent is insured, 53 per cent of the Indonesian respondents are happy with their health, half of whom claim to be absolutely delighted.

Job's relative satisfaction might be another reason (see Table 2). One out of two Indonesian respondents is pleased with his/her job. Only 22 per cent showed the opposite feelings and the residual 28 per cent showed indifference. The positive answer may be linked to the high levels of satisfaction that the respondents expressed regarding their working hours and their relationship with their colleagues at work.

On the one hand, [www.gajimu.com](http://www.gajimu.com) survey revealed that half of the respondents are happy with their working hours. This result may relate to the fact that –according to the survey- only 11 per cent of the respondents regularly work more hours than the ones agreed by contract. The other half of the respondents equally distribute their answers between indifference and dissatisfaction in relation to their working hours.

On the other hand, two thirds of the respondents are pleased with the relationship with their colleagues at work. By contrast, only 10 per cent of them expressed discontent and the remaining 23 per cent claim indifference in this matter.

Relatively scarce leisure time and regularly evening work are other aspects that appear in the survey. Only a third of the respondents declare to be happy with their free time and 32 per cent of the respondents declare they have to work regularly in the evenings.

**Table 1 – Satisfaction with Life as-a-whole**

	<b>Frequency</b>	<b>Percentage</b>	<b>Accumulated percentage</b>
1 - Highly Dissatisfied	64	4%	4%
2	33	2%	6%
3	77	5%	11%
4	88	6%	17%
5	262	18%	35%
6	250	18%	53%
7	403	27%	80%
8	224	15%	95%
9	45	3%	98%
10 - Strongly Satisfied	31	2%	100%
<b>Total</b>	<b>1477</b>	<b>100%</b>	

**Table 2 – Satisfaction with Job**

	<b>Frequency</b>	<b>Percentage</b>	<b>Accumulated percentage</b>
Highly dissatisfied	91	11%	11%
2	101	12%	23%
3	270	30%	53%
4	217	25%	78%
Highly satisfied	188	22%	100%
<b>Total</b>	<b>867</b>	<b>100%</b>	



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