# Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

# The Right to Work as a Human Right.

The right to work is promulgated in the ICESCR, particularly in articles 6, 7 and 8. The ICESCR does not only establish the legal recognition for the right to work as a human right, but it also provides the breadth of the concept for the right to work itself, which contains not only the obligation for States to guarantee the access to employment for everyone, but it also specifies the right of every person to just and favorable conditions of work as follows:

- Fair wages and equal remuneration for work of equal value without distinction of any kind;
- A decent living for the workers and their families;
- Safe and healthy working conditions;
- Equal opportunity in promotion, based on seniority and competence;
- Rest, leisure and reasonable limitation of working hours and periodic holidays with pay, as well as remuneration for public holidays.

Furthermore, in addition to the individual dimension of the right to work, the ICESCR also provides the collective right of workers to form and join trade unions of their choice.

In the General Comment No.18, the Committee on Economic, Social and Cultural Rights (CESCR), as with other rights under the ICESCR, elaborates the basic elements of the right to work, which comprises of some availability, accessibility, acceptability and quality.

#### General Comment No. 18 on the Article 6 of the ICESCR.

#### Paragraph 12:

The exercise of work in all its forms and at all levels requires the existence of the following interdependent and essential elements, implementation of which will depend on the conditions present in each State party: (a) *Availability*. States parties must have specialized services to assist and support individuals in order to enable them to identify and find available employment;

(b) Accessibility. The labour market must be open to everyone under the jurisdiction

of States parties. Accessibility comprises three dimensions:

- Non-discriminatory;
- Physical accessibility, with regard to paragraph 22 of general comment No. 5 on persons with disabilities;
- Accessibility includes the right to seek, obtain and impart information on the means of gaining access to employment through the establishment of data networks on the employment market at the local, regional, national and international levels;

(c) notably the right of the worker to just and favorable conditions of work, in particular to safe working conditions, the right to form trade unions and the right freely to choose and accept work.

In Indonesia, the right to work is enshrined in the 1945 Constitution, particularly in Articles 27 paragraph (2) and 28 paragraph (1). In addition to the recognition of the right to work under the Law No. 11/2005 on the Ratification of the ICESCR, as well as the ratification of various ILO conventions, Indonesia has a domestic Manpower Act No.13/2003, providing legal basis for the protection of most of the decent work elements.

Despite the legal recognition for the right to work, it is estimated that 60 percent of employed people are in vulnerable employment and one in three are 'low pay'. Trends indicate that the formal economy is being informalized and compliance with minimum wage rates is low.<sup>1</sup>

With regard to collective dimension of the right to work, Indonesia shows a declining trend in trade union number and density. ILO noted that the rate of union density was only around 12 percent of all employees in 2009.<sup>2</sup> Moreover, in addition to Trade Union, labor inspectors also play an important role in ensuring the compliance of employers in fulfilling workers' rights at workplace, however, the number of these inspectors is still low and insufficient compared to the number of companies in Indonesia.

### The National Targets on Economic Growth, Productive Employment and Decent Work.

The global SDGs aims to achieve 12 targets with regard to economic growth, productive employment and decent work. The following is a table showing the national targets and indicators found suitable by the Gol, with regard to the RPJMN 2015-2019.

Global Targets	National Targets	National Indicators	
<ul> <li>8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least</li> <li>7 per cent gross domestic product growth per annum in the least developed countries.</li> </ul>	<ol> <li>Annual growth rate of real GDP per capita.</li> </ol>	a. GDP per capita of IDR. 72.217 in 2019.	
8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high- value added and labour-intensive sectors.	<ol> <li>Gradual changes of the employment structures from low productivity sectors/sub- sectors to high productivity sectors/sub-sectors.</li> </ol>	NA	
8.3 Promote development- oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.	<ol> <li>Increased number of formal workers;</li> <li>Increased access to micro and small scales businesses to develop skills, guidance, business capital, and technology development.</li> </ol>	<ul> <li>a. 51% formal workers in 2019.</li> <li>b. Increased access to financial services for small and micro scales businesses to 25% in 2019.</li> </ul>	

<sup>&</sup>lt;sup>1</sup> UNPDF

<sup>&</sup>lt;sup>2</sup> ILO, Decent Work Country Profile: Indonesia, 2011.

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Global Targets	National Targets	National Indicators
8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.	<ol> <li>Improvement of sustainable consumption and production.</li> </ol>	NA
8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	<ol> <li>Creation of 10 millions of employment opportunities for the period of 5 years.</li> <li>The availability of a wage policy as a legal umbrella.</li> <li>Decreased of open unemployment rate to 4-5% in 2019</li> </ol>	<ul> <li>a. Employment opportunities ratio for productive workforce (age 15 years old and above), disaggregated by sex, age, and disability status;</li> <li>b. Wage comparison between workers within the same job roles, disaggregated by sex, age and disability status;</li> <li>c. Open unemployment rate, disaggregated by sex and age.</li> </ul>
8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training.	<ol> <li>Increased skills among vulnerable workers to be able to enter the employment market.</li> </ol>	a. Percentage of young people (15-24 years) who are not in school or employment.
8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.	<ol> <li>Strengthened child protection system, including the effort to protect children from violence, exploitation, abandonment and other mistreatments.</li> </ol>	a. Percentage and number of children between the age of 5- 17 years engaged in child labour, disaggregated by sex and age.
8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	<ol> <li>The creation of safe and healthy workplaces</li> <li>The creation of harmonic industrial relations among unions and employers.</li> </ol>	a. Frequency level of fatal and non-fatal work-related accidents, disagregated by sex and migrant status.

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Global Targets	National Targets	National Indicators
8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.	<ol> <li>Increased contribution to GDP from tourism sector and the number of foreign and domestic tourists.</li> </ol>	<ul> <li>a. 8% contribution from tourism sector to GDP by 2019;</li> <li>b. 20 million foreign tourists by 2019;</li> <li>c. 275 million visits from domestic tourists by 2019</li> <li>d. 240 billion of foreign currency income by 2019;</li> <li>e. Number of employment in tourism sector (in comparison with the percentage of total employments and employment growth, segregated by sex).</li> </ul>
8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.	<ol> <li>Expanded access to financial capital and services by strengthening financial services.</li> </ol>	a. Average distance to financial institutions (banks), in kilometers.
8.a Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries.	<ol> <li>Increased roles of Indonesia in south to south and triangular cooperations.</li> </ol>	NA
8.b By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization.	<ol> <li>Increased coverage of basic services and the access to productive economy for the poor; and increased memberships of the National Social Security Program for workers.</li> </ol>	<ul> <li>a. 100% memberships of Health Insurance program by 2019;</li> <li>b. 62,5 million memberships of the National Social Security Program for workers by 2019;</li> <li>c. 3,5 million of formal workers by 2019.</li> </ul>

# Gap Analyses.

According to data from the National Statistic Agency, out of more than 118 million workers in 2016, there are only around 50 million among them employed in the formal sector.<sup>3</sup> Unfortunately, despite the fact that more than half of workers in Indonesia are employed informally, the legal protection for informal workers is deemed inadequate. Informal workers, especially those who are working as

<sup>&</sup>lt;sup>3</sup> See, BPS, Penduduk 15 Tahun Ke Atas Menurut Status Pekerjaan Utama 1986 - 2016, available at: <u>https://www.bps.go.id/linkTabelStatis/view/id/971</u>

domestic or home workers are commonly underpaid and facing unreasonable working hours, without being provided with health benefit nor employment security.

Therefore, in order to fully protect the right of informal workers to enjoy decent work, it is important for the government to provide a stronger legal framework to protect informal workers from exploitation.

Exploitation against children in labor force should also be tackled vigorously. Therefore it is important for the GoI to closely monitor the worst forms of child labor, particularly in the areas of agriculture, industry and services where millions of children have been used as labors.

Furthermore, in order to strengthen the national compliance of labor rights, it is important for the Gol to fully protect the freedom of association and to prohibit the practice of union busting, as trade unions are an important element in balancing the power between employers and workers. Moreover, in addition to trade unions, the role of Labor Inspectors is also important in improving the national compliance. Currently, there is only 0,6 inspector per 100 companies, this number is clearly far from being sufficient, as the Indonesian Labor Inspectorate can only conduct inspection of labor rights compliance in only 5 to 10 percent of registered companies annually. Therefore, it is necessary for the government to increase the number of Labor Inspectors as part of its effort to protect labor rights and the implementation of decent work in the country.

## Human Rights Based Approach for the National Targets on Goal 8.

In light of the above gap analyses, we suggest the following additional indicators to strengthen the national development strategy to improve the access to health for all Indonesians.

Global Targets	National Targets	National Indicators	Suggested HRBA Indicators
8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	<ol> <li>Creation of 10 millions of employement opportunities for the period of 5 years.</li> <li>The availability of a wage policy as a legal umbrella.</li> <li>Decreased of open unemployment rate to 4-5% in 2019</li> </ol>	<ul> <li>a. Employment opportunities ratio for productive workforce (age 15 years old and above), disagregated by sex, age, and disability status;</li> <li>b. Wage comparison between workers within the same job roles, disagregated by sex, age and disability status;</li> <li>c. Open unemployment rate, disagregated by sex and age.</li> </ul>	<ul> <li>The availability of policies protecting informal workers of their rights to enjoy fair wages and safe and healthy workplaces;</li> <li>Availability of legislation / policies that protect domestic workers' rights.</li> </ul>

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Global Targets	National Targets	National Indicators	Suggested HRBA Indicators	
8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.	1. Strengthened child protection system, including the effort to protect children from violence, exploitation, abandonment and other mistreatments.	a. Percentage and number of children between the age of 5- 17 years engaged in child labour, disagregated by sex and age.	- Include desegregation by worst forms of child labour. (in line with UNICEF suggested indicator)	
8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	<ol> <li>The creation of safe and healthy workplaces</li> <li>The creation of harmonic industrial relations among unions and employers.</li> </ol>	a. Frequency level of fatal and non-fatal work-related accidents, disagregated by sex and migrant status.	<ul> <li>Include the global indicator 8.8.2.: "Increase in national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status."</li> <li>Increase number of labor inspectors.</li> </ul>	
<ul> <li>Data Sources:</li> <li>National Legislative Program (Prolegnas);</li> <li>Data of ILO;</li> <li>Data of the Ministry of Manpower;</li> <li>Data of UNICEF;</li> <li>Data of Indonesian Child Protection Commission (KPAI).</li> </ul>				

# The Roles of the UN Country System.

The UN Country system in Indonesia is committed to play a strong role to assist the Gol to achieve SDGs with three main modalities namely policy advocacy and advisory, capacity building and knowledge sharing.

With regard to economic growth, productive employment and decent work, the International Labor Organization (ILO) would be an important partner for the GoI to implement its plan to achieve the SDG 8 targets, since the ILO in Indonesia is focusing on building an integrated development that links rights at work and social dialogue with employment policies and social protection.