

**Research on Working & Living Conditions of Women  
in Export Processing Zones (EPZ)  
and Sweatshops in Indonesia  
Report  
Sudwind and UCM Jakarta  
13 July 2004**

**INTRODUCTION**

This research was conducted between April and July 2004 as a follow up to the last research in 2002, with a focus on advanced monitoring of the working and living conditions of Indonesian female workers in Export Processing Zones (EPZ) and sweatshop factories.

This research took place in six factories in Jakarta and Tangerang (Banten Province): PT. Detta Marina Cimanggis - East Jakarta, PT. Dwi Sukses - Pasar Kemis Tangerang, PT. Panarup - Sangiang Tangerang, and three other factories (PT. Goldindo Menawan, PT. Harapan Busana Apparel, and PT. Rismar Daewoo Apparel) in Cakung Export Processing Zone - North Jakarta.

While doing surveys in PT. Goldindo Menawan and PT. Rismar Daewoo, we were having difficulty to locate workers who were willing to be interviewed and filling in the questioner. We finally found some workers who were willing to be interviewed orally, but they refused to document their answers in the questioner because they were afraid. According to some reports, the companies lately warned their employees "Do not talk with outsider about the factory' conditions if you do not want the factory to be closed" or "Be careful, do not mess-up or the factory will be closed". Workers interpreted these words as "do not refuse overtime, or do not demand anything to the company", and accepted everything as their fate.

Workers' fear was also caused by many previous cases of closed factory in Cakung EPZ and run-away investors without paying their responsibility to the workers. These cases happened in PT. Jaya Toys, PT. Northbay, PT. Girindo, PT. Trenton, PT. Global Family, PT. Metro, PT. Elaine, PT. Durindo, PT. Sambo Indonusa, PT. Victoria, PT. Inkoprima, and many more.

With this reason, there was a change in the initial plan from survey only two factories in EPZ (PT. Goldindo Menawan and PT. Rismar Daewoo Apparel) to three factories by adding PT. Harapan Busana Apparel, which produces Germany products with Karstadt brand and also supplies things to PT. Rismar Daewoo Apparel.

**RESEARCH METHOD**

The research was done by interviewing workers. The questions consisted of closed and open questions. To achieve an optimum answer, we have added more columns for closed questions so they

can be filled in with more explanation on the respondents' condition. Interviewers were free to ask further questions. From the characteristic aspect, this research combined both quantitative and qualitative research methods to get a complete description about the Indonesian female workers' condition in factories producing products with Germany brands.

This research involved 32 respondents, which were divided into 3 groups:

1. 19 respondents for working condition research, with following details:

- PT. Detta Marina 2 respondents
- PT. Dwi Sukses 3 respondents
- PT. Panarub 3 respondents
- PT. Goldindo Menawan 4 respondents
- PT. Harapan Busana Apparel 4 respondents
- PT. Rismar Daewoo Apparel 3 respondents

2. 10 respondents for living condition research, with following details:

- PT. Detta Marina 2 respondents
- PT. Dwi Sukses 2 respondents
- PT. Panarub 2 respondents
- PT. Goldindo Menawan 1 respondents
- PT. Harapan Busana Apparel 2 respondents
- PT. Rismar Daewoo Apparel 1 respondents

3. 3 respondents for EPZ female workers' profile from PT. Goldindo Menawan, PT. Harapan Busana Apparel, and PT. Rismar Daewoo Apparel.

## **RESEARCH RESULT**

### **I. Working Condition**

#### **A. General Condition of Factories**

##### **1. PT. Detta Marina**

PT. Detta Marina has been established since 1984 and was located in Jl. Raya Bogor KM. 26 Gandaria - Cimanggung East Jakarta. It produces garment products such as jackets, pants, and shirts with brands: Otto, O'Neil, Animal and Reebok. It employs 800 workers with composition of 700 female workers and 100 male workers. They do not have any labor union.

##### **2. PT. Dwi Sukses**

PT. Dwi Sukses has been established since 1994 and was located in Jl. Industri Raya Block AH. No. 3 Desa Pasir Rawi - Pasar Kemis Tangerang. It produces garment

products with brands: Nike, Lotto, Toyo and Mark & Spencer. It employs 3000 workers with composition of 80 percents female workers and 20 percents male workers. They join in the Textile, Cloth and Leather Trade Union (Serikat Pekerja Tekstil, Sandang dan Kulit - SP-TSK), which was affiliated with the All Indonesian Workers Union (Serikat Pekerja Seluruh Indonesia -SPSI). They used to have a Collective Labor Agreement (CLA) - which had already expired in 2002. Until today, the workers still have not received a copy of a new CLA.

### **3. PT. Panarub**

PT. Panarub has been established since 1984 and was located in Jl. Industri Mauk KM. 1 Desa Grendeng - Pasar Baru Tangerang. It produces shoes with brand Adidas. It employs 9000 workers, with composition of 70 percent female workers and 30 percent male workers. They have 2 labor unions: National Labor Union - Serikat Pekerja Nasional (SPN) and Sport shoes Workers Association (Persatuan Buruh Sepatu - PERBUPAS). The last CLA was created and signed on October 11, 2002.

### **4. PT. Goldindo Menawan**

PT. Goldindo Menawan has been established since 1992 and was located in Jl. Jawa inside Cakung EPZ - Cilincing, North Jakarta. It produces garment products with brand: Sara Lee, Medifom and Berlee. It employs 900 workers with composition of 75 percents female workers and 25 percents male workers. They join in the PT. Goldindo Labor Union (Serikat Pekerja PT. Goldindo - SPPG). They have a CLA, but the union members have never received a copy of the CLA and were not aware of when the CLA was made or ends.

### **5. PT. Harapan Busana Apparel**

PT. Harapan Busana Apparel has been established since 2000 and was located in Jl. Sumatera Blok D inside Cakung EPZ - Cilincing, North Jakarta. It produces garment products with brand: Karstadt, QVC Sears, JP Penny and Cato. It employs 900 workers with composition of 80 percents female workers and 20 percents male workers. They join All Indonesia Workers Union (Serikat Pekerja Seluruh Indonesia-SPSI), but do not have a CLA.

### **6. PT. Rismar Daewoo Apparel**

PT. Rismar Daewoo Apparel has been established since 1995 and was located in Jl. Sumatera inside Cakung EPZ - Cilincing, North Jakarta. It produces garment products with brands: Karstadt, Sears and Notation. It employs 900 workers with composition of 80 percents female workers and 20 percents male workers. They join All Indonesia Workers Union (Serikat Pekerja Seluruh

Indonesia - SPSI). The new leaders of the labor union were appointed by the factory owner. The union members do not know whether they already have a new CLA or not.

## **B. Interview Results**

### **1. Prohibition of Forced Labor**

- **Did your employer force you to do overtime?**

In this group, majority respondents answered that they were never forced to do overtime. In PT. Dwi Sukses, PT. Harapan Busana Apparel, PT. Panarub and PT. Goldindo Menawan, the workers will not get sanction if they refuse the offer to do overtime. Meanwhile in PT. Detta Marina and PT. Panarub, there were 2 different responses; one said that there was coercion, and the other said no.

As explained by PT. Panarub respondents, pregnant workers were asked to work overtime, only the sick one was permitted to avoid the overtime. Meanwhile, one respondent from PT. Detta Marina said that there was forced overtime for export purpose in the form of harsh words such as "If you refuse to work overtime, just leave" (Panarub) and "It's not you who decide!" We tried to get more information about that harsh manner by asking more questions, but the respondent kept her silent.

Respondent answers depended on their interpretation about coercion. Some workers felt forced to work overtime only if they were not permitted to pass up overtime. But most workers were willingly working overtime because they wanted it. This assumption was supported with data that showed workers need to work overtime due to their insufficient wages. We could see that the majority workers (17) said that there was no forced overtime, and only two workers said that there was forced overtime.

- **Was there any deduction in wage payment? And for what reason?**

17 respondents said that there was deduction in their wages for many reasons, such as: social insurance (Jamsostek), union due, and income tax. In PT. Panarub, there was an extra deduction for health insurance. One respondent from PT. Detta Marina said that his/her wage was cut for unclear reason. Only one respondent from PT. Detta Marina said that there was no deduction in his/her wage.

Respondents from PT. Dwi Sukses and PT. Harapan said that they would have lost their payments if they were absence without reasonable excuses. Respondents

from PT. Delta Marina said that they were never complaining about this matter (wage deduction without a clear explanation) because they were afraid to be fired.

- **Do security guards prevent you from freely entering and leaving the factory premises?**

15 respondents said that the security guards would prevent them from leaving the factory during the working hours in many reasons. In PT. Dwi Sukses and PT. Panarub, the workers have to get a permission from the Chief of Division and an agreement from the Human Resource Department and Chief of Division. Meanwhile, in PT. Goldindo Menawan and PT. Harapan Busana Apparel, they were checked by security guard from up to bottom to make sure that they did not steal any product or food (Harapan Busana Apparel). Two respondents from PT. Rismar, one from PT. Delta Marina, and one from PT. Goldindo Menawan said that they could leave or enter the factory freely.

Most respondents (15 respondents) said that they were not permitted by security guard to leave or enter the factory freely, and only four respondents said that they were free to leave or enter the factory.

## **2. Prohibition of Child Labor**

There were no workers under 17 years old as informed in the last research about the worker's minimum age. We also found no children under 15 years old working in the factory. The average age was above 17 years old, or a high-school graduate (Panarub).

However, we found some 18-years-old workers who worked for more than 40 hours. They were also working until midnight in PT. Goldindo, even though we did not find this case in the other factories. They were performing the same work as other workers, such as dispose thread, sew, and brush helper.

## **3. Prohibition of Discrimination in Employment**

- **Were there female workers at your factory who were sexually harassed/ abused?**

Most respondents (17 respondents) said that there was no sexual harassment to female workers. One respondent from PT. Dwi Sukses said that she has heard stories about female worker who was going to be raped, but until today there were no incidents on sexual harassment or sexual abuse to female workers. One respondent from PT. Delta Marina said that there

was a sexual harassment case, which a mechanic touched the butt of a female worker.

Even though the data show a small percentage of sexual harassment case, we still find these incidents to the female workers.

- **Were there any forms of discrimination against pregnant women? Describe them!**

4 respondents said that there was discrimination, 14 respondents said no discrimination, and 1 respondent did not answer. Most of them perceived discrimination, as: pregnant workers were given easier tasks, were allowed to sit while working, and were allowed to choose whether she wanted to work overtime or not. While respondents from PT. Harapan said that pregnant workers had to sew until her pregnancy leave came.

It seems that the differences in answers were merely caused by different understanding about the meaning of discrimination amongst the respondents. If we see from a pregnant worker's perspective, they get the benefit from these actions. On the contrary, from a non-pregnant worker's perspective they saw these actions as a form of discrimination between a pregnant worker and a non-pregnant worker. In this case, the discrimination was meant to protect the pregnant workers.

- **Do you know of women workers who do not get their menstruation leave?**

To see whether female workers were given menstruation leave or not, we have to understand how the menstruation leave was given. According to Law No. 1 / 1951, female workers who were going to take their menstruation leave had to report to their superior, and during the menstruation leave they still receive their wages. From that article, we could see that workers do not have to fulfill any requirement to get their menstruation leave. However, the received data has shown that there was a different opinion amongst workers about the menstruation leave - just like what happened in PT. Panarub. Respondents said that workers who were sick because of menstruation were only allowed to leave the factory after they get a recommendation letter from the polyclinic. One respondent said that workers will not get a menstruation leave unless they were truly sick. Another respondent said that there was no menstruation leave in PT. Panarub.

From the above explanation, we can conclude that PT. Panarub workers did not get menstruation leave.

However, two respondents from PT. Panarub said that the menstruation leave was given out only after the workers have followed a difficult procedure.

In PT. Dwi Sukses, 3 respondents said that they could get menstruation leave by asking for a permission from chief of Division. But for workers who do not take their menstruation leave will get substitution money as much as 44.000 Rupiahs per month.

Meanwhile, PT. Harapan respondents said that while they receive substitution money for menstrual leave, they will also lose their money for their absence. In this case, we can see that the employer was trying to make workers lose their menstruation leave money by creating false excuses. In PT. Rismar and PT. Goldindo, workers will receive substitution money as much as 44.000 Rupiahs per month.

Only in PT. Delta Marina, there were no menstruation leave.

- **Were men better paid than women for the same job?**

Most respondents said that male and female workers get equal wage. However, respondents in PT. Harapan said that only male workers will get medical cost substitution when they were sick.

- **Were workers prevented from performing their religious practices?**

Most workers were free to perform their religious practices. However, for workers in PT. Dwi Sukses, the time they use to perform their religious practices during overtime work will not be counted as overtime hours.

One respondent from PT. Panarub said that they only have 10 minutes to do Moslem pray. The supervisor will complain when the workers pass the time limit. It was important to see this matter contextually. If the company does not provide sufficient medium needed for religious rituals, such as: ablution water (wudhu - The moslem should wash their selves before pray) and place to pray; limited time could be a problem. The comparison between the number of facility and user must balance.

#### **4. Freedom of Association and The Right to Collective Bargaining**

- **Was there any union repression in your factory?**

It seems that the workers have different opinions among themselves. In PT. Dwi Sukses, two respondents said that their trade union had received pressure from the company in a form of intervention or taking

control, as much as transferring the trade union leaders to other company. One respondent claimed that there was no pressure against trade union.

Two respondents in PT. Rismar Daewoo said that their trade union did not experience any form of intervention from the company. However, according to the received information, 200 workers including trade union leaders were fired in 2003 for efficiency reason. After trade union leader was fired, the company established a new trade union with new leaders elected by the company. One respondent said that he/she was not aware about this matter.

All respondents from PT. Panarub, PT. Harapan and PT. Goldindo said that their trade union did not experience any pressure or intervention from the company.

From all surveyed factories, only one factory (PT. Detta Marina) did not have a trade union.

- **Does the factory management allow union meetings during working hours?**

Respondents from PT. Panarub, PT. Rismar Daewoo, PT. Goldindo and PT. Dwi Sukses said that their trade union was allowed to have union meetings during the working hours (after 10.00 AM). While, PT. Harapan respondents said that their trade union was only allowed to have union meetings during break time or after working hours.

- **Does the factory management abide by the CLA?**

PT. Detta Marina and PT. Harapan did not have CLA. The management of PT. Detta Marina made its own rules. Meanwhile, PT. Rismar Daewoo and PT. Goldindo respondents do not know anything about the CLA because their trade union leaders have never informed their members about it.

One respondent in PT. Dwi Sukses thought that the company did not apply the CLA very well and claimed that she did not know the content of the CLA. But other respondents said that the CLA has been well applied from the evidence that the workers get lunch money, transportation money, and menstruation leave. Most workers have different opinions about this matter because the CLA was not distributed to the workers. PT. Panarub respondents said that the company failed to apply the CLA. For example: the menstruation leave was written on the CLA, but was not given to the workers.

Through in depth questions, more information about PT. Panarub violation against the CLA was obtained, such as menstruation leave and annual



leave. Trade union has fought for the violation; even they carried out a demonstration to force the company to obey the CLA. But until now the company has kept ignoring their demand.

- **Did the military or police interfere in cases of labour conflicts?**

Most respondents said that the police came when demonstration happened, but their presence was only to secure the situation. One respondent from PT. Detta Marina said that police came to solve a theft case. However, data showed no police or military intervention in solving labor conflicts.

### 5. Living Wages

- **Do you regularly get properly documented payslips?**

Most respondents said that they receive payment slip once in two weeks (PT. Dwi Sukses, PT. Rismar Daewoo, PT. Goldindo and of PT. Expectation) or once in a month (PT. Panarub). But in PT. Detta Marina, workers rarely received a complete payment slip.

Most workers also claimed that the payment slip was clear and easy to understand, because there was no abbreviation - especially in PT. Dwi Sukses.

- **Was your wage less than the official minimum wage?**

Respondents from PT. Dwi Sukses, PT. Rismar Daewoo, PT. Goldindo and of PT. Expectation said that their wages met the regional minimum wage standard. PT. Panarub workers actually received higher wages than the regional minimum wage. However, PT. Detta Marina workers claimed that they received lower wage than the regional minimum wage.

- **How much was your monthly basic wage**

**Table 1: Basic Wage per Month**

Factory Name	Respondent I	Respondent II	Respondent III	Respondent IV
Detta Marina	Rp. 500.000,-.	Rp. 500.000,-.		
Dwi Sukses	Rp. 660.000,-	Rp. 660.000,-	Rp. 660.000,-	
Panarub	Rp. 672.000	Rp. 800.000	Rp. 800.000	
Goldindo	Rp. 671.250,-	Rp. 671.250,-	Rp. 671.250,-	Higher than regional minimum wage
Harapan	Rp.	Rp.	Rp.	Rp.

	672.000,-	672.000,-	671.250,-	671.250,-
Rismar Daewoo	Rp. 674.550,-	Rp. 670.000,-	Same as the regional minimum wage	

As comparison, the minimum wage according to the Government (valid since January 2004) was:  
 Jakarta equal to Rp. 671.250, - / months  
 Tangerang Rp. 660.000, - / months.

- **How much was your total monthly wage including bonuses, benefits etc.?**

Depending on their year of service and different amount of target money, the monthly workers received different wages from one to another. However, they should receive equal menstruation leave substitution money and transportation money. According to the respondents; bonus, allowance and others were already included in their monthly wage payment.

**Table 2: Total wage per Month**

<b>Factory name:</b>	<b>Respondent I</b>	<b>Respondent II</b>	<b>Respondent III</b>	<b>Respondent IV</b>
Detta Marina	Rp. 600.000,-	Rp. 700.000,-		
Dwi Sukses Panarub	Rp. 718.000,- Rp.913.000,-	Rp.800.000,- . Rp. 918.000,-,	Rp. 1.100.000,- Rp. 1.122.900,-	
Goldindo	Rp. 800.000,-	Rp. 900.000,-	Rp. 850.000,-	-
Harapan	Rp.800.000-	Rp. 1.000.000,-	Rp. 1.000.000,-	Rp. 1.000.000,-
Rismar Daewoo	Rp. 1.000.000,-	-	Rp. 1.200.000,-	

- **Was your total monthly wage enough to meet your basic needs including some discretionary income?**

Most respondents said that the wages were only last to pay for their minimum life requirements, and probably a few money was left for saving. For married workers, their needs were easier to be fulfilled with the help of their husband income, and many could buy electronic products by credit (PT. Dwi Sukses). PT. Detta Marina respondents said that their wage was not enough even to fulfill their basic needs.

Through sharp observation, the above explanation shows a reality that a worker wage was definitely not

enough to fulfill his/her daily needs. But because of the local culture that teaches the workers to submit to their fate, they can not truly understand why their wages were not enough.

- **How much should a living wage be in order to meet your basic needs including some discretionary income?**  
All respondents said that the estimated income to fulfill their basic needs and other needs was:

**Table 3: Wage that could fulfill daily needs**

Factory Name	Respondent I	Respondent II	Respondent III	Respondent IV
Detta Marina	Rp. 1.000.000	Rp. 1.000.000	-	-
Dwi Sukses	Rp. 1.500.000	Rp. 2.000.000	Rp. 2.000.000	-
Panarub	Rp. 1.100.000	Rp. 1.300.000	Rp. 1.500.000	-
Goldindo	Rp. 1.000.000 as basic wage	Rp. 1.000.000	Rp. 1.000.000	Rp. 850.000
Harapan	Rp. 1.000.000 as basic wage	Rp. 1.000.000 as basic wage	Rp. 1.000.000 Without overtime.	Rp. 1.000.000 Without overtime
Rismar Daewoo	Rp. 1.000.000 as basic wage	-	-	

- **Was your overtime pay according to the legal prescription?**

Most respondents said that their overtime payment had already followed the legal prescription. For the 1<sup>st</sup> overtime hour, they get paid 1,5 x wage per-hour, and for the 2<sup>nd</sup> overtime hour they get paid 2 x wage per hour. Only PT. Detta Marina workers did not know about this legal prescription.

The above description shows that majority of the workers have already known about the law.

## 6. Working Hours

- **How long do you normally work per week (including overtime)?**

**Table 4: Working Hour per Week**

Factories Name	Respondent I	Respondent II	Respondent III	Respondent IV
Detta Marina	60 hours	66 hours		
Dwi Sukses	40 hours	50 hours	50 hours	
Panarub	53 hours	53 hours	64 hours	
Goldindo	40 hours	40 hours	40 hours	40 hours

Harapan	61 hours	61 hours	58 hours	58 hours
Rismar Daewoo	61 hours	50 hours	50 hours	-

Working hour according to Act No. 1 year 1951 and Act No. 13 year 2003 were 40 hours a week, with maximum of 14 overtime hours. This means that the total working-hours in a week including overtime were 54 hours. Compared to the table above, all factories have basically already broken the law.

- **Were you required to work on holidays?**

Most respondents in Goldindo, Rismar and Harapan said that sometimes they were ordered to work on Sunday or on national holidays. The common reason was to meet target or for export reason. Respondents from PT. Panarub said that they were not asked to work overtime on Sunday or national holidays because buyer (ADIDAS) and the union did not permit that. One respondent from PT. Delta Marina said that she was never asked to work overtime on holidays.

This shows that workers were still often asked to work on holidays.

- **Do you regularly have one day off per week?**

Respondents from PT. Dwi Sukses said that workers received 2 days off per week (Saturday and Sunday) when the factory did not have an order. Respondents from PT. Panarub, Harapan, Goldindo and Rismar received one day off on Sunday.

- **How much leisure time was left for you / your family?**

Respondents said that it took 1, 5 - 2 hours in the morning to finish their house work before they went to the factory. In the afternoon, workers who did not work overtime had leisure time on 16.00. But for workers who worked overtime, they had leisure time on either 18.00 or 21.00. Respondents from PT. Rismar Daewoo said that she only met her family in Idul Fitri (Moslem Holy Day). Respondents from PT. Harapan said that they only had leisure time on Sunday.

- **Why do you work overtime?**

Respondents had several reasons to work overtime, such as: to obtain higher income, to save some money, to help their parents, or to pay for their siblings education expenses.

The above description shows that the respondents put their hope to work overtime to get more income, besides their inadequate basic wage.

Most respondents felt disappointed and were complaining if they did not work overtime, because they believed that the overtime payment could cover up for their basic wage.

## 7. Health and Safety

- **Was there sufficient medical care in your factory?**

Respondents from PT. Dwi Sukses and Panarub said that they had sufficient medical facility in their factory, such as a polyclinic with stand-by doctor and nurses on every working day. Respondents from PT. Rismar said that they had polyclinic with stand-by nurse, but the doctor only come once in a month or 2 months. In PT. Goldindo, they had a polyclinic. Respondents from PT. Harapan said that they had no sufficient medical facility, and it was not easy to get permission to go to the hospital. In PT. Detta Marina, if work accident happened, the victim would be taken to the hospital directly.

- **Name the Occupational Health and Safety tools/measures in your factory!**

In PT. Dwi Sukses, occupational health and safety tools, such as mask, hand gloves, and boots, were provided. OHS tools in PT. Panarub were mask, hand gloves, helmet, protection suit, eyeglasses, ear protection, and first aid box.

In PT. Rismar, they had fire extinguisher and medicine cabinet. In PT. Harapan, they had fire extinguisher and medicine cabinet - that only filled with medicine when the buyers come. In PT. Goldindo, they had fire extinguisher and masker. In PT. Detta Marina, they only had hydrant.

The description shows that the last four factories did not consider workers health and safety to be important.

- **How many toilets were there? Were they clean?**

Most respondents said that the toilet was clean enough. According to the standard of health, the factory should provide 1 toilet for every 15 workers. Below table shows the comparison between the number of toilets and workers in the surveyed factories:

**Table 5: Number of toilets and comparison according to standard of health**

Factory Name	Number of Toilets	Number of toilets factory should have
Detta Marina	20	53
Dwi Sukses	20 for 500 workers	33

Panarub	50 for 1000 workers	67
Goldindo	20 (other respondents said 25, 35 and 20 for each department).	60
Harapan	40 for female workers	60
Rismar Daewoo	20 (other said 40 and 50 but not all of it function)	60

The table shows that none of the surveyed factories meet the standard of health from the sanitation aspect.

- **Do you get healthy food in your canteen?**

2 respondents from PT. Dwi Sukses and PT. Delta Marina said that they got healthy foods from the canteen, such as vegetables and dishes. 2 respondents from PT. Dwi Sukses said that they got healthy foods from the canteen, but the other one said that the canteen prepared the food in a perfunctorily manner. These situations happened many times in Indonesia factories where the canteens did not pay attention to their food nutrition and hygiene.

PT. Panarub, Rismar, Harapan, and Goldindo did not provide canteen, therefore the workers had to buy their own lunch. PT. Goldindo workers received Rp. 1.900, - / day for their meal money.

- **How many health and safety training courses do you participate per year?**

Respondents from PT. Dwi Sukses said that they had never participated in OHS training. The training was only meant for the representative OHS officer from each line. Each line represented by 2 workers. 2 respondents from PT. Panarub said that they had already participated in three OHS training since they worked there. The training consisted of riot and fire trainings. Other respondents informed that the OHS training was only held once a year.

The OHS training was held once a year in PT. Rismar, Harapan and Goldindo. PT. Delta Marina respondents said that there was no OHS training held in their factory.

- **Do you suffer from physical or verbal abuse by the management?**

2 respondents said that they had been verbally abused by the supervisor because they were working too slow or making a mistake. PT. Dwi Sukses and PT. Panarub respondents claimed that there was no fierce supervisor. However, according to PT. Panarub

respondents, rude words were used by the supervisor such as: "Satan, stupid, dog, useless, garbage, and paid without working". PT. Detta Marina and Goldindo respondents said that there was no physical or verbal abuse from the supervisor. PT. Rismar respondents said that there was verbal abuse in form of rude words such as "Stupid". PT. Harapan respondents said that there was no physical abuse from supervisor, but the supervisor usually was shouting loudly for about a half hour during a meeting.

- **Were you covered by the social security system of the government? If yes, by which package?**

2 respondents from PT. Dwi Sukses said that they were covered by the Jamsostek program in the form of pension security insurance. But 1 respondent said that she was not covered by the Jamsostek program because she was still contracted. However, the Indonesian Labor Minister no. Kep-150/1999 article 2 said that contracted workers have to be covered with Jamsostek program for occupational injuries security system, life insurance program and pension security program by the employer. And the health security program if the company afford it."

Respondents from PT. Panarub said that they were covered with the Jamsostek program for pension security program, occupational injuries security system, and health security program.

PT. Goldindo, Rismar and Harapan respondents said that they were covered with the Jamsostek program for pension security program, occupational injuries security system, and health security program.

PT. Detta Marina respondents said that they were not covered with any social insurance program arranged by the law.

This means that PT. Dwi Sukses has already broken the law for not covering its contracted workers in the Jamsostek program. PT. Detta Marina also has broken the Law No. 3 /1992 about Labour Social Insurance.

## **8. Legally Binding Employment Relationship**

- **Did you sign a written contract of employment?**

2 respondents from PT. Dwi Sukses did not have written contract because they were permanent workers. Before they were accepted as permanent workers, they were trained for 3 months. But 1 respondent said that she had written contract with seal as the agreement proof.

2 respondents from PT. Panarub said that they had written contract before they became permanent

workers. But 1 respondent did not have a job contract. PT. Goldindo respondents did not have written job contract (and got a 3 months training). 1 respondent from PT. Harapan did not have written job contract, but the other respondent said that she only signed a written contract the first time she accepted. Respondents from PT. Rismar and PT. Delta Marina said that the company hold the contract and they did not get the copy.

Above description shows that most respondents do not hold their job contracts. Through advanced questions, PT. Delta Marina respondent informs us that she did not know or read the content of the contract before she signed it.

Without having and knowing the content of their job contract, workers cannot control their rights and duty. If there was a dispute between employer and employee, the workers would have difficulty to handle their problem according to the agreement they had signed before.

- **Were you included in the social security system?**

Below is a table showing workers' right for social insurance benefits that is ruled by the Law and has to be fulfilled by the employer.

**Table 6: Covered workers' Labor Social Insurance in surveyed factories**

Factory Name	JKK	JHT	JK	JPK	None
<u>Program Name</u>					
Delta Marina Dwi Sukses		V (2 resp.)			V V
Panarub	V	V	V	V	
Goldindo	V	V	V	V	
Harapan	V	V	V		
Rismar Daewoo	V	V	V		

The data shows that respondents from PT. Delta Marina did not get their rights for social insurance benefits.

One respondent from PT Dwi Sukses stated that she has been registered at Social Insurance. While two respondents stated that they have a right on social insurance but only pension insurance.

The respondents from PT. Panarub and PT. Goldindo enjoyed full benefit of the social insurance stipulated by law. The respondents from PT. Harapan and PT. Rismar Daewoo got the benefit of social insurance obliged by the law.



According to Worker Social Insurance Act number 3/1992, the company obliges to include their workers in three social insurance programs that are pension, work accident, and death. If the company failed to do so and it means that the company did not fulfill its obligation and had took worker rights on social insurance.

Therefore, this study showed that PT. Dwi Sukses and PT. Detta Marina has violated Act number 3/1992.

- **Does your company employ workers on a contractual basis who do not fall under the social security system?**

Respondents from PT. Dwi Sukses, PT. Detta Marina and PT. Panarub said that contracted workers were not covered by the Social Insurance program. But contracted workers in PT. Panarub could use the health facility from the company's polyclinic. The data shows that the company employed contracted workers to avoid their responsibility to provide their workers with social insurance.

Respondents from PT. Rismar said that contracted workers should be covered by the Jamsostek program since they were accepted.

There were no contracted workers in PT. Goldindo Menawan and PT. Harapan.

- **Do you know if there were false apprenticeship schemes?**

There were no apprentice workers in surveyed factories, only students who worked as volunteers to obtain work experience in PT. Dwi Sukses.

#### **9. Integration into Internal Monitoring of Management**

- **Do you know the manager in your factory that's responsible for the Code of Labour Practice?**

Each 2 respondents from PT. Goldindo Menawan and PT. Panarub said that the companies had a manager who was responsible for the code of labor practice.

All respondents from PT. Dwi Sukses answered no for this question, but with different explanations. Some said that they did not know about this matter, while others said that they would report their problems to the union (SPSI) or the Human Resources Department.

Respondents from PT. Harapan, PT. Rismar Daewoo and PT. Detta Marina and 2 respondents from PT. Goldindo also did not know about this matter.

The data indicated that there were no special managers who handled the code of conduct practice in

PT. Dwi Sukses, PT. Harapan, PT. Rismar Daewoo and PT. Detta Marina.

- **Do you know of any code promotion steps of the management? Describe them!**

Respondents from PT. Dwi Sukses, PT. Harapan, PT. Rismar Daewoo and PT. Detta Marina said that the company had never mentioned anything about the code to them. Respondents from PT. Dwi Sukses explained that the code was pasted on the wall. One respondent said that she did not know anything about this matter.

Respondents from PT. Panarub said that the company had already informed them about the code. It was explained on the field, and the ethic code was attached on the board with contents of prohibition of child labor, contracted workers, workers' duty, supervisor-subordinate relation, quality, wage and order.

3 respondents from PT. Goldindo said that they did not know the code, 1 respondent said that there was labor ethic code socialization.

- **Did workers participate in the establishment of / follow-up to a corrective plan?**

Respondents from PT Panarub said that they were not participating in the establishment of / follow-up to a corrective plan because they already had an organization which took care of it. 1 respondent from PT. Dwi Sukses said that she did not know anything about this matter. 1 respondent from PT. Panarub said that she had already discussed this ethic code matter with the labour union.

Respondents from PT. Harapan, PT. Rismar Daewoo, PT. Goldindo (3 respondents) and PT. Detta Marina said that they were not invited to participate in the establishment of / follow-up to a corrective plan about the code. But 1 respondent from PT. Goldindo said that she was participating in it.

- **Did you experience any code-related improvement of labour conditions?**

Respondents from PT. Dwi Sukses (2), PT. Goldindo (1) and PT. Detta Marina (1) said that there were no changes. Respondents from PT. Dwi Sukses (1) and PT. Rismar Daewoo (1) did not know about this matter.

Respondents from PT. Harapan said that there were no changes. In 2002, the workers used to get lunch and transport money, but now they do not get that anymore.

Respondents from PT. Panarub said that there were changes. For example: about the environment, working procedure, prohibition of child labor (above 17 years old) - since PT. Panarub used to employ children under age in the past.

1 respondent from PT. Goldindo said there were changes. The other two respondents did not answer.

### C. Conclusion

From the available data, we could conclude that the working conditions in the investigated factories are:

1. The data shows that workers are still experiencing forced overtime, even though in a smaller amount (2 from 17 respondents).
2. Wage deductions permitted by law are Jamsostek and union dues. There is also deduction for health insurance in PT. Panarub, and for absence reason in PT. Dwi Sukses and PT. Harapan.
3. 15 of 19 respondents said that the security guards were preventing them from leaving or entering the factory freely.
4. Surveyed factories do not employ child labor.
5. There is no discrimination in wage payment between male workers and female workers.
6. There is no discrimination that has negative effect on pregnant workers.
7. Sexual harassment against female workers still happens, especially in PT. Detta Marina.
8. In general, menstrual leave is substituted with money. This happens in PT. Dwi Sukses, PT. Harapan, PT. Goldindo and PT. Rismar. Meanwhile, in PT. Panarub and PT. Detta Marina, workers do not get menstrual leave. But in Panarub, worker could ask for recommendation from polyclinic.
9. Workers are free to perform their religious ritual. However, for workers in PT. Dwi Sukses performing their religious ritual during overtime hour, their overtime hour used to perform religious ritual will not be counted as wage.
10. Most respondents said that trade unions are able to call meetings during working hour. Except in PT. Dwi Sukses, intervention against trade union still happened in a form of union leaders transferred to other factory.
11. Most trade unions do not have CLA or failed to distribute copies to their members. This happens in PT. Dwi Sukses, PT. Rismar Daewoo and PT. Goldindo Menawan.
12. There were no military or police intervention during labor conflict settlement between employee and

workers. The police was only securing the situation or when there was a criminal case (such as robbing in PT. Detta Marina).

13. Most basic wage has already met the regional minimum wage, even in PT. Panarub workers get higher wage than minimum. Only PT. Detta Marina workers receive wage below the regional minimum wage.
14. According to the law, workers only allowed to work for a maximum of 54 hours per-week. However, most respondents are working beyond 54 working hours (except for PT. Goldindo workers, since they only work for 40 hours per week because they did not get overtime order.)
15. Sufficient occupational health and safety tools were not provided by all monitored factories.
16. Lots of monitored factories did not provide canteen.
17. Most workers do not have job contract. If they have job contract, the company will keep it.
18. Contracted workers were not included in Social Insurance program. This issue was against Labour Minister Decision No. 150 / 1999.
19. There is no special handling for the code of labour practice in some factories. Some workers are not aware about the code and think it is useless. Only PT. Panarub and PT. Goldindo Menawan have special personnel to handle code of labour practice.