

COVID 19: WORKER-DRIVEN MONITORING AND EVIDENCE-BASED SOCIAL DIALOGUE IN INDONESIAN GARMENT FACTORIES

● ● WageIndicator

● ● Gajimu.com



February 2022



INTRODUCTION

Between May 2020 and August 2021, the Data Academy gathered data on the impact of COVID-19 gathered from trade unionists in 194 Indonesian garment factories. The data describes both the COVID impact on the factory floor, such as Occupational Safety and Health, wages, working hours and temporary factory closures. Furthermore, it examines purchasing practices, like reduced orders and delayed payments, and support from buyers. While the findings cover a whole range of subjects, this paper focuses on the impact the COVID crisis has had especially for women workers, occupational health and safety during the pandemic and the impact on the business. The complete data can be found [here](#).

This data arises out of the cooperation between WageIndicator/Gajimu.com, Trade Union Rights Centre (TURC) and Mondiaal FNV pertaining to the Data Academy. Central to this approach is 'worker-driven monitoring' and strengthening unions for an 'evidence-based approach to social dialogue'. The Data Academy trains trade union officials to collect data from co-workers on working conditions in their factories and to use this data to negotiate with employers for better working conditions.

An example of how data helps trade unions to achieve better working conditions is included in this paper. However, the data is also highly relevant for other stakeholders, such as multi-stakeholder initiatives, business associations and research institutes. Indeed, it can provide insights for all with an interest in the impact of the COVID crisis on garment workers and factories in Indonesia, which is why we decided to publish these findings. Furthermore, individual brands sourcing in Indonesia can use the data at Gajimu.org to gain more insight into conditions at their supplier/suppliers.

METHODOLOGY

In the midst of the Corona crisis, this survey was initiated to map the impact of the COVID-19 pandemic on workers and on companies' business continuity. Interviewers trained by the Data academy contacted trade union representatives and managers at factories.

The total sample covers 194 out of a total of approximately 2,350 garment factories in Indonesia¹. Data has been collected in three stages, the first stage took place between May and July 2020, the second between November 2020 and January 2021 and the third between July and August 2021. A fourth stage is planned for the end of 2022. 79 factories have been surveyed in all three stages and can be compared over time. In a total of 57 factories managers agreed to an interview. All factories are situated in the provinces of Jakarta, Banten, West Java, Central Java and Yogyakarta. The factories were selected by the trade unions and have a trade union presence. More information about the methodology can be found [here on the website of Gajimu](#).

IMPACT ON WORKERS

According to the Central Statistics Agency, in the textile, apparel, leather, and footwear sector, 748,699 workers lost their jobs between January and December 2020 in Indonesia. Around 70% of them were re-employed². During the crisis, 35 surveyed factories had temporarily shut down when we carried out our first stage of surveys, and 79 factories cut workers' wages. Factories initially reduced temporary staffing levels and subsequently permanent staffing levels in addition. Workers were furloughed, and in many cases did not receive full wages, sometimes not receiving any wage at all. Trade unionists report that only 55% of the factories surveyed in the second stage paid the legally mandatory severance pay to workers who were dismissed.

Our figures also show a gendered impact of COVID. We do not have comparable data prior to the COVID crisis, but between May 2020 and January 2021 on average, 16% of women workers lost their jobs. Between the second and third stages employment numbers went up again slightly. The number of male workers increased during the crisis as well as their total share. In the first survey stage, men made up 22% of the workforce, while in the third stage they made up 30% of the workforce. **This shows that women were hit hardest during the Corona crisis in terms of employment, as more women lost their jobs.**

¹ "Direktori Industri Manufaktur 2020" BPS

²<https://www.bps.go.id/indicator/9/1217/1/proporsi-tenaga-kerja-pada-sektor-industri-manufaktur.html>

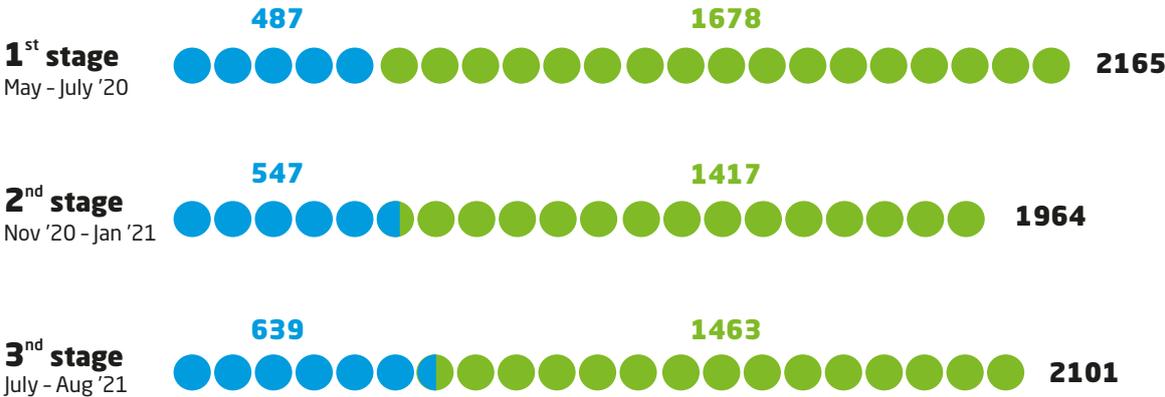
Impact on women workers Stages 1, 2 and 3



+ 31 %

Increase
stage 1 – 3

**Jobs available
for men**



**Jobs available
for women**

Decrease
stage 1 – 3

- 13 %



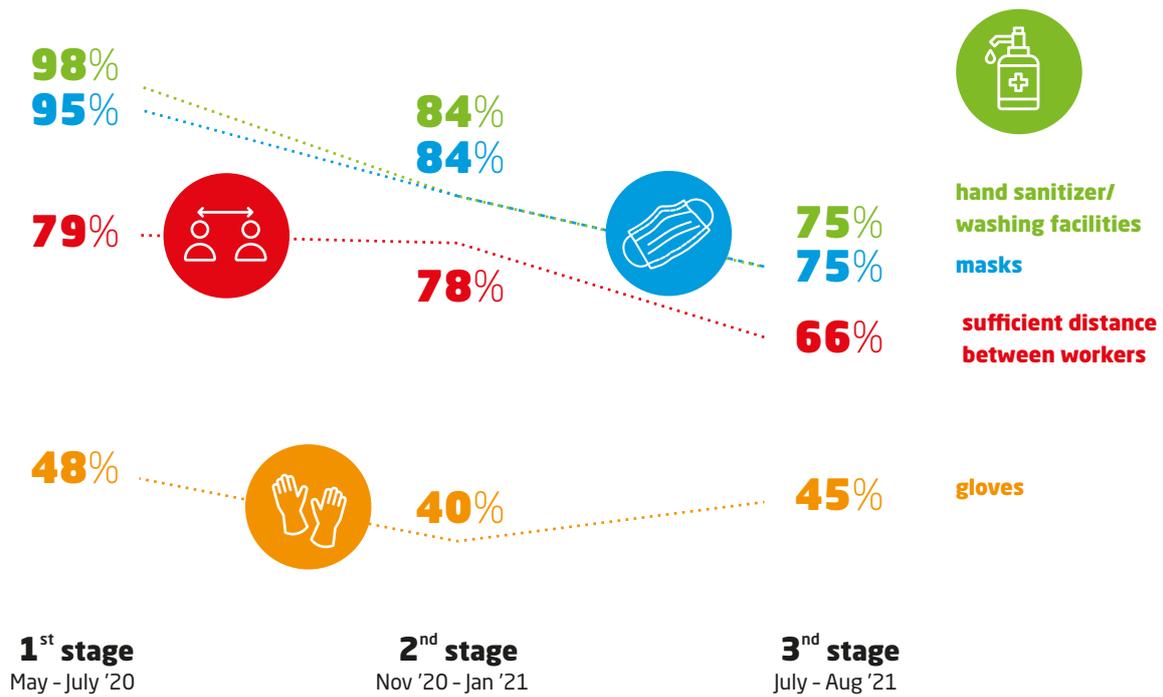
(79 factories) men / women / total amount workers

OCCUPATIONAL SAFETY AND HEALTH MEASURES IN THE FACTORY

Workplaces can be a source of infection by the Coronavirus and thus protective measures are important for workers' safety and health when factories operate during a pandemic. By the summer of 2021,

all factories surveyed had taken preventive measures, by providing washing facilities, Personal Protective Equipment (PPE, such as gloves and facemasks) and by making provisions for social distancing. **However, the implementation of all separate protective measures has decreased over time.**

Does the Company provide a safe workplace?

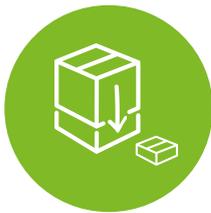


IMPACT ON BUSINESS

In the course of the research, a total of 57 factories agreed to be interviewed on the impact the COVID crisis has had on their business. The greatest majority, 55 factories, said that orders have decreased, 21 of which said that the reduction is significant.

Most factories had experienced disruptions in supplies and production, and had concerns about their financial situation. The majority of factories have faced pressure from buyers who delayed payments, cancelled orders or asked for discounts.

Impact on business Stages 2 (Nov '20 - Jan '21) and 3 (July - Aug '21) - (57 factories)



Decreased orders

96%



Delayed payment terms from buyer

66%



Cancelled orders from buyer

72%



Buyer asked for discount

45%

Some buyers have tried to support factories during the corona crisis, as promoted in the ILO call to action in the global garment industry³. Almost half of the

factories report actions by buyers toward this aim. Better payment terms are reported most, other actions are rare.

Buyers' support to factories Stages 2 (Nov '20 - Jan '21) and 3 (July - Aug '21)

Did buyers take any supportive action for the company?



³https://www.ilo.org/global/topics/coronavirus/WCMS_742371/lang--en/index.htm

SOCIAL DIALOGUE: HOW THE DATA HAS BEEN USED TO IMPROVE WORKING CONDITIONS

The Data Academy trains Indonesian trade union officials to use data to conduct dialogues with employers. Of the 79 factories, 28 factories had regular bilateral meetings in between the three stages. One of the topics raised during these meetings was Occupational Safety and Health. As noted above, there is a trend that over time employers provided less Personal Protective Equipment (PPE) to protect workers from a COVID infection. The provision of PPEs has been a topic in many of the social dialogue meetings, and with results. Out of the 28 factories, 23 factories provided masks in the second stage and 24 did so in the 3rd stage. Three factories applied social distancing after meetings with the union/unions. The case study '**Social distancing and paid/unpaid furlough**' describes how evidence-based advocacy is used by trade unions to engage in social dialogue with employers and to achieve safer workplaces.

CASE STUDY: SOCIAL DISTANCING AND PAID/UNPAID FURLOUGH

Golden garment is a garment factory in the North of Jakarta that employed around 300 workers as of April 2020. Over forty percent of them were women, and around half of the workers are members of the union: Kamiparho KSBSI. Since 2016 there has been a CBA between Golden Garment and the trade union.

In April 2020, during the COVID pandemic, the management of Golden Garment wanted to furlough workers without pay. During the course of negotiations the union demanded full pay for these workers. They based their demand on data from the Gajimu.com database that showed that other factories did pay furloughed workers half or full salaries during the crisis. The trade union also requested social distancing at the factory and substantiated their request with photos of good practices on social distancing in other garment factories. After two meetings, the union and the management agreed on a payment of one-third of the wages for furloughed workers and the management agreed to place barriers between the workers, so as to protect them from being infected with COVID-19.

ABOUT THE ORGANISATIONS

WAGEINDICATOR FOUNDATION

The WageIndicator Foundation started in 2001 to contribute to a more transparent labour market for workers and employers. It collects, compares and shares labour market information through online & face-to-face surveys and desk research. It serves as an online library for wage information, labour law and career advice. The WageIndicator Foundation is assisted by world-renowned universities, trade unions and employers' organisations and currently operates in 196 countries. For more information please visit:

WageIndicator.org.

GAJIMU

Gajimu - part of WageIndicator Foundation - is a non-profit organisation, which aims to contribute to a more transparent labour market. Gajimu collects, shares and compares wages, labour law, and labour market information through its online & offline surveys and data collection specifically in Indonesia. The Gajimu website serves as an online library for wage information, labour law and career advice and has reached millions of web visitors. See www.gajimu.com

TRADE UNION RIGHT CENTRE (TURC)

Trade Union Right Centre (TURC) is a Non-Government Organisation based in Jakarta. In order to realise the organisation's vision and mission, TURC takes on the role of Centre for Labour Studies and Advocacy, to support the role of trade unions in fighting for labour rights and welfare for workers and their families.

See: Turc.or.id

MONDIAAL FNV

Mondiaal FNV is a trade union solidarity support organisation affiliated to the largest employees' organisation in the Netherlands: the FNV. Mondiaal FNV is highly experienced in strengthening labour organisations in Africa, Asia, Latin America, and the MENA region to campaign for decent work, engage in constructive social dialogue and improve labour conditions in high-risk value chains.

An extensive network of global, regional, national and local partner organisations allows for high leverage alliance building and maximum impact on the ground. See: Mondiaalfnv.nl

THE DATA ACADEMY PROGRAMME

In the Data Academy programme, trade union officials are trained to collect data from co-workers on working conditions in their factories and to use this data to negotiate with employers for better working conditions.

The Data Academy programme is supported by Laudes Foundation and the Dutch Ministry of Foreign Affairs.

