

Monthly Wage Indicator Report - Indonesia
June 2011

# **About WageIndicator**

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

The data for this Monthly report June 2011 is volunteered by workers who are interviewed throughout Indonesia by a professional interview bureau. This so called offline Salary Survey is more or less identical to the online Salary Survey at Gajimu.com; the Wage Indicator website in Indonesia. The offline Salary Survey is also identical in all countries where Wage Indicator is present

(http://www.wageindicator.org/main/researchlab/wageindicatorquestionnaires). 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 and by have offline interviews.. By the end of 2010 Wage Indicator has operations in 55 countries world wide. See for the full list www.wageindicator.org or at any national Wage Indicator 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**

Most of Gajimu's survey respondents find their job very stressful. Four out of five of them frequently feel physically exhausted as a consequence of the working tasks they are in charge of. Furthermore, 73.12 per cent of the respondents usually find their job mentally exhausting. Indonesian capital and the most populated province in the country, Jakarta, appears as the region with the highest burnout symptom frequency that affects workers. Similarly, managers, clerical support workers and professionals seem to be the most stressing occupations. Contrasting what it may be expected, respondents generally express satisfaction with their job, working hours and family-work time combination.

#### 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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#### About the sample and results

The results exhibited in this report come from the Gajimu's offline salary survey taken between November and December 2010 in four different Indonesian provinces: Jakarta, Jawa Tengah and Timur (Central and Eastern Java) and Papua Barat (Western Java). During that period, 1,500 respondents answered the offline survey, but only 1,473 of them stated their working conditions. These respondents are mostly middle-aged labourers who work in the trade, transport and hospitality industry. Jakarta and Papua Barat concentrate 62 per cent of the observations. Most of the rest belong to Jawa Tengah and Jawa Timur.

Questions about income and work conditions, family organization, and overall life satisfaction were asked in the offline salary survey. The dataset gathered was then grouped by age, gender, region, educational level, industry and occupation. Needless to say is that the International Standard Classification of Education (ISCED) and the one-digit International Standard Classification of Occupations (ISCO), both ILO criteria, were selected to order the dataset by educational level and occupation, respectively. At the same time, the one-digit Statistical Classification of Economic Activities (NACE) was chosen to group the dataset by industry.

#### **National labour conditions**

Most of Gajimu's survey respondents find their job very stressful. In a scale that ranges from one (never) to five (daily), 80.39 per cent of the Indonesian respondents choose answers between three and the maximum level when they are asked about the frequency they feel burned-out due to their work (Table 1).

Similarly, 78.84 of them pick the same answers to express how often they find their job physically exhausting (Table 2). In fact, 20 per cent of the respondents state that their work tasks daily produce extreme fatigue in them. Following the same path and using the same scale, 73.12 per cent of the respondents answer from three to five to show how frequent they feel mentally exhausted by their jobs (Table 3). A fifth of these respondents consider that mental severe tiredness occurs on a daily basis.

-	Table 1 – How often do respondents find their job stressful?					
Frequency	Percentage of respondents					
Never	85	5.85%				
2	200	13.76%				
3	567	39.02%				
4	383	26.36%				
Daily	218	15.00%				
Total	1453	100.00%				

Table 2 – How often do respondents find their job physically Exhausting?heirstressful?				
Frequency	Number of answers Percentage of respondents			
Never	67	4.56%		
2	244	16.60%		
3	501	34.08%		
4	353	24.01%		
Daily	305	20.75%		
Total	1470	100.00%		

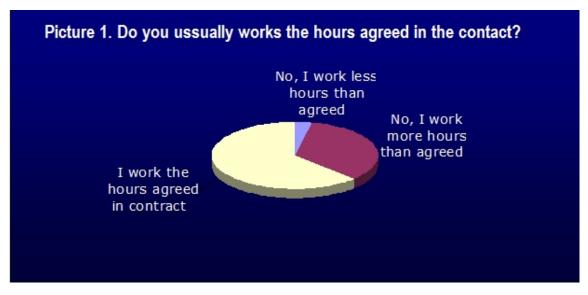
Table 3 – How often do respondents find their job mentally exhausting?				
Frequency	Number of answers	Percentage of respondents		
Never	116	8.23%		
2	263	18.65%		
3	487	34.54%		
4	339	24.04%		
Daily	205	14.54%		
Total	1410	100.00%		

It is clear that labour stress affects most of the workers who answered Gajimu's survey. In parallel, 52.66 percent of the respondents state that they usually work in unhealthy conditions, yet only 8.17 per cent affirm that this fact daily happens (Table 4). Dangerous work conditions don't seem to be a general problem as 69.3 per cent of the respondents say that they never or hardly ever have to work under those circumstances.

Table 4 – How often do respondents work in unhealthy & dangerous conditions?

Frequency	unhealthy conditions	dangerous conditions			
	Number of answers	Percentage of respondents	Number of answers	Percentage of respondents	
Never	334	23.11%	659	46.51%	
2	350	24.22%	323	22.79%	
3	440	30.45%	258	18.21%	
4	203	14.05%	115	8.12%	
Daily	118	8.17%	62	4.38%	
Total	1445	100.00%	1417	100.00%	

Even though the majority of the respondents assert that they don't work on shifts nor on irregular hours, there is a considerable percentage of them who stay extra-time at their workplace. According to the results, 34.34 per cent of the respondents work more hours than the ones agreed previously in the contract.

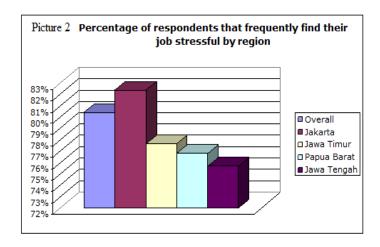


Source: Gajimu's survey

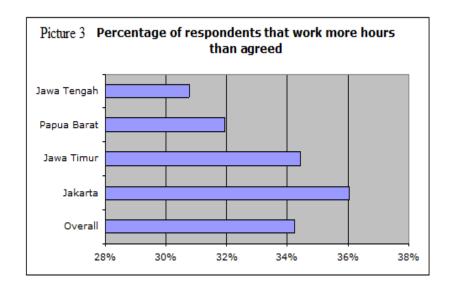
The general overview of Indonesian work conditions concludes with two striking results that come up from the survey. On the one hand, three out of four Indonesian respondents negotiate work conditions in collective agreement, and on the other hand, 78.42 per cent of them have permanent employment contracts.

# **Regional working scenarios**

Indonesian capital Jakarta appears as the region that gathers the highest percentage of respondents that quite often find their job stressful.

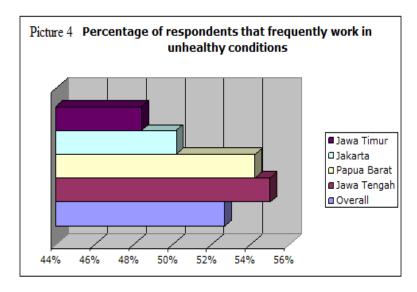


In the scale that ranges from one (never) to five (daily), 82.38 per cent choose answers between three and the top end, which draws an overview about the stress degree lived in the most populated city in the country. This proportion surpasses the 80.39 per cent national level, fact that doesn't surprise as the burn-out phenomenon is closely linked to overcrowded cities (picture 2).



Compared to the other regions, Jakarta also gathers the extra time work top percentage following with east java and other regions. Around, 36.05 per cent of them state that they work more hours than those agreed in the contract. Once again, Jakarta's proportion overcomes the average national one (Picture 3).

On the one hand, 80.5 per cent of the Jakarta respondents bend on the three highest level answers when they are asked about how often they find their jobs physically exhausting.



As well as physical tiredness, mental exhaust is a main component of the stress syndrome. In this item, Centre Java exhibits the most frequent perception of mental exhaust. Almost 80 per cent of this region's respondents choose answers between three and five to declare their mental tiredness derived from work (Picture 4).

A similar percentage is asserted by Centre Java respondents when they are asked about how often they feel that their job causes them physical exhaust. This region respondents also assure that they quite often work in unhealthy conditions: in fact, 55 per cent of them picked the top three answers to declare the frequency of the problem.

Each region negotiates labour conditions in collective agreement in similar proportion as the average national one. This means that between 74 and 76 per cent of each region's respondents assure that work scenarios are collectively agreed. A little wider is the regional percentage range of respondents that state to have a permanent employment contract: it goes from 73.98 to 79.93 per cent, being Jakarta and Jawa Timur the provinces with the highest and the lowest levels, respectively.

#### The link between the burnout phenomenon and occupations

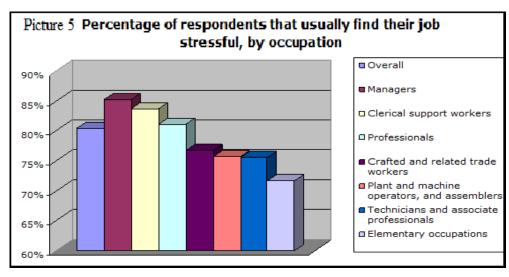
If the sample is sorted out by occupation, it is found that managers present the highest percentage of respondents who frequently find their jobs stressful. In the scale that goes from one to five, 85.23 per cent of the manager respondents choose answers between three and the maximum level. A sixth of this subgroup express that they daily feel stressed out by their work.

Respondents who integrate clerical support staff also state that they often find their job stressful. In fact, 83.7 per cent of them pick the top three frequent answers. Besides, 22.22 per cent of the clerical support workers who filled the survey assert that they feel their job is stressing (picture 5).

It seems that directive responsibility, along with the need of being well organised and the ability of dealing with customers, are significant factors that determine whether the job is stressing.

By contrast, only 71.62 per cent of the Indonesian elementary workers who responded the survey bend on the three most frequent answers.

There doesn't seem to be a link between the level of education and the stressing jobs. Rarely are clerical workers expected to have a university degree and, as it was already seen, their tasks are considerably stressing.



Source: Gajimu's survey

#### Stress and levels of satisfaction

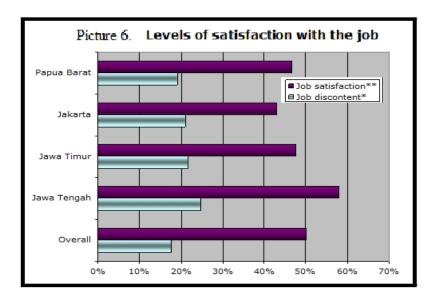
Although Indonesian respondents clearly state that they frequently feel burned out by work, most of them state to be happy with their jobs. More precisely, 50.19 per cent of the respondents assure to be at least satisfied with their work tasks. Similarly, 51.62 per cent of them express satisfaction with the working hours. Nevertheless, only 37.44 per cent feel satisfied with the time they share between work and family; 26.47 express discontent in this matter and 36.1 per cent show indifference.

Table 5 - Levels of Satisfaction With Their Job & Working Hours					
Level of satisfaction	With Their Jobs	With Their Working Hours			
	Numbers	Frequency	Numbers	Frequency	
Highly dissatisfied	271	6.18%	311	7.18%	
Dissatisfied	504	11.49%	527	12.17%	
Indiferent	1410	32.14%	1258	29.04%	
Satisfied	1503	34.26%	1571	36.27%	
Highly satisfied	699	15.93%	665	15.35%	
Total	4387	100.00%	4332	100.00%	

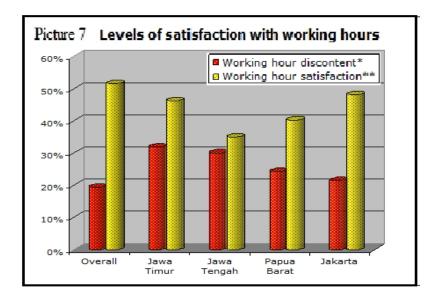
Table 6 – Levels of satisfaction with their work-family time combination				
Level of satisfaction	Numbers Frequency			
Highly dissatisfied	299	10.03%		
Dissatisfied	490	16.44%		
Indiferent	1076	36.10%		
Satisfied	770	25.83%		
Highly satisfied	346	11.61%		
Total	2981	100.00%		

Source: Gajimu's survey

Analysing satisfaction levels regionally, it is found low percentages of job dissatisfaction in Jakarta, although it is the region with the highest proportion of respondents that usually find their job stressful. Discontent barely surpasses 26 per cent of the respondents in the question about the time distribution between work and family. Job and working hour dissatisfaction just overcome 20 per cent in the most populated province. The rest of the regions also present discontent levels 19 and 31 per cent, which are lower than the satisfaction levels in every case.

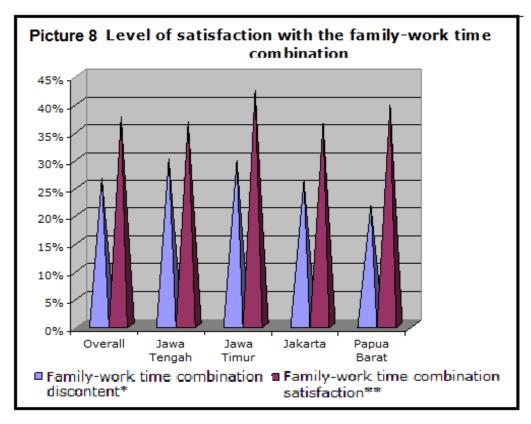


\* It includes simple and highly dissatisfied answers \*\* It includes simple and highly satisfied answers Source: Gajimu's survey



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The residual percentage corresponds to the indifferent respondents. It may be seen in the following figures and in Table 9.



- \* It includes simple and highly dissatisfied answers
- \*\* It includes simple and highly satisfied answers

After sorting the sample by occupation, frequent burnout symptoms don't seem to be determinant in satisfaction levels. A great percentage of managers, clerks and professionals respondents -the three top-stressing occupations- assure to be satisfied with their work tasks and working hours. Yet stress might influence clerical support workers' family-work time satisfaction. Clerks are not pleased with the family-work time combination as 34.23 per cent of them show discontent whereas only 29.23 per cent are satisfied (the residual 36.54 per cent express indifference). The other occupation where discontent is larger than satisfaction in this item is the one that gathers the elementary workers: 32.86 per cent of them show dissatisfaction in relation to the family work time distribution, whereas 28.57 claim to be happy with it.

Expressions of satisfaction with their jobs, working hours and family-work time combination overcome discontent demonstrations in the rest of the occupations, as it may be seen in Table 8.

Table 7 – Levels of satisfaction by occupation***						
	Job discontent*	Job satisfaction**	Working hour discontent*	Working hour satisfaction**	Family-work time combination discontent*	Family-work time combination satisfaction**
Managers	15.77%	51.25%	18.79%	51.77%	24.36%	42.18%
Professionals	15.81%	53.71%	18.97%	52.79%	23.12%	39.28%
Technicians and associate professionals	17.62%	50.60%	21.89%	50.96%	27.43%	36.71%
Clerical support workers	21.73%	43.70%	20.20%	50.12%	34.23%	29.23%
Crafted and related trade workers	23.36%	44.86%	19.16%	49.53%	30.07%	33.99%
Plant and machine operators, and assemblers	13.71%	52.96%	16.48%	55.22%	29.07%	40.70%
Elementary occupations	22.25%	45.95%	14.71%	52.65%	32.86%	28.57%

<sup>\*</sup> It includes simple and highly dissatisfied answers

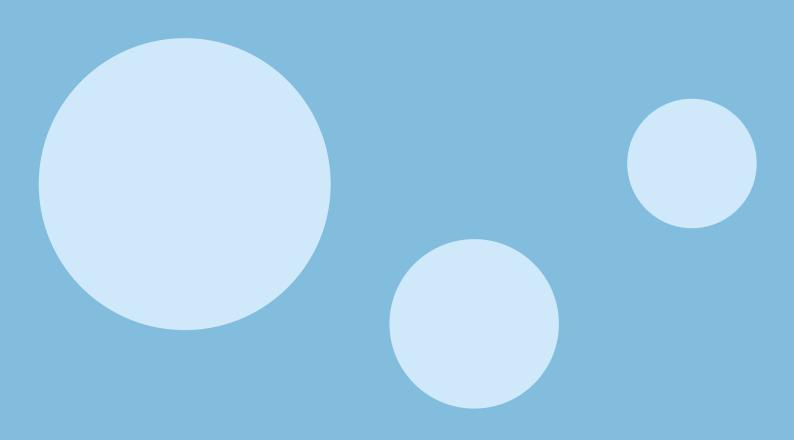
<sup>\*\*</sup> It includes simple and highly satisfied answers

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