

HOW THE WOMEN RESPONDED TO THE CHALLENGES THROUGH FPAR

Through the Labour FPAR, the young FPAR researcher worked with a local labour union and women workers in the palm oil plantation. Through attending workshops on labour laws and human rights, 21 women workers in the plantation became confident to share their problems in the forum, and built their capacity to document labour rights violations in their worksites. New women leaders started to organise and recruit members in the union to advocate for their labour rights. They have more capacity and the confidence to join the mediation meeting and welfare meeting to speak out about the poor working conditions of women workers. They also became more active in planning and striking with the union to demand a living wage and better working conditions.

Recommendations

To the Indonesian Government:

- Ensure that companies respect and oblige to the international labour and human rights standards and effectively implement the national labour law to protect the rights of the palm oil plantation workers;
- Ensure that the workers receive at least the minimum wage without other conditional provisions, including the daily target system;
- Ensure social security for all workers whether permanent or contractual workers; and
- Withhold from granting investment subsidies to the corporations that undermine labour rights of the Indonesian workers.

To the Ministry of Manpower:

- Conduct regular labour inspection in the palm oil plantations to ensure the labour rights standards are implemented properly.

To the companies:

- Ensure that the workers are involved in decision-making of the policies in the workplace with the company management;
- Provide minimum living wage, quality healthcare services for workers clinic, access to clean and quality water and sanitation;
- Reinstate the workers whose contracts were terminated because of their strike actions;
- Enforce the Labour Union Act No. 21/2000 and stop intimidating unions and the workers for exercising their rights to unionise, collective bargaining and strike.

To Roundtable on Sustainable Palm Oil (RPSP0)

- Take action on Wilmar Group and its suppliers for violating the RSPO principles and criteria.



Forum on Women, Law and Development
**Feminist Participatory
Action Research (FPAR)**
APWLD Labour
Programme

Socio-economic impact of large scale palm oil plantation on women workers in Central Kalimantan **INDONESIA**

Palangkaraya and Human
Rights Studies (PROGRESS)

THE SITUATION OF HUMAN RIGHTS VIOLATIONS IN PALM OIL PLANTATION IN CENTRAL KALIMANTAN

Indonesia is the largest palm oil producer in the world. As palm oil is widely used in approximately 50 per cent of consumers' products such as food and household items, the demand has led to an exponential growth of palm oil plantation business in Central Kalimantan of Indonesia. It is estimated that 85 per cent of the land in Central Kalimantan is utilised for private business such as palm oil plantation, coal and gold mining, and logging. In addition to the environmental destruction caused by such extractive industries, the impact of palm oil plantation on human rights including land grabbing, violations of the indigenous peoples rights and workers' rights are already well documented.¹

In response to the urgent and pressing global call for sustainably produced palm oil, the Roundtable on Sustainable Palm Oil (RSPO) was formed in 2004 with the objective to promote the growth and use of sustainable palm oil products through credible global standards and engagement of stakeholders.² The RSPO members must comply with a set of environmental and social criteria in order to produce Certified Sustainable Palm Oil (CSPO), thus minimising the negative impact of palm oil cultivation on the environment and communities in palm oil-producing regions.

Wilmar Group is a member of RSPO, but the production companies in Indonesia producing and supplying palm oil to Wilmar Group are failing to adhere to the CSPO standards. Despite the violation of workers' rights taking place at the palm oil plantations supplying to the five biggest Palm Oil company groups: Wilmar Group, Darmex Group, Musim Mas Group, First Resources Group, and LDC Group, the Indonesian government decided to provide investment subsidies worth IDR 7.5 trillion (USD 560.1 million) to the five companies in January 2018 .

¹ Palm Oil Industry and Human Rights: A Case Study on Oil Palm Corporations in Central Kalimantan. Retrieved from <https://www.jus.uio.no/smr/english/about/id/docs/indonesia/report-palm-oil-industry-and-human-rights-2015.pdf>

² RSPO - The Roundtable on Sustainable Palm Oil. Retrieved from <http://supply-chain.unglobalcompact.org/site/article/106>



The Palangkaraya Ecological and Human Rights Studies (PROGRESS) is a non-profit organisation which focuses on research, campaign, and advocacy about ecological and human rights issues. PROGRESS aims to uphold the culture and wisdom of indigenous peoples as well as local communities and gender issues in Central Kalimantan.

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FEMINIST PARTICIPATORY ACTION RESEARCH (FPAR) OF THE PALANGKARAYA AND HUMAN RIGHTS STUDIES (PROGRESS)

PROGRESS led a Feminist Participatory Action Research (FPAR) from November 2017 - March 2019 in Central Kalimantan of Indonesia to investigate the social economic situation of women workers in the palm oil plantations in Parenggean village, East Kotawaringin regency. In order to gather evidence of labour rights violations of women workers in the palm oil plantations, PROGRESS partnered with a local palm oil workers trade union, Serikat Pekerja Kelapa Sawit (SEPASI), and worked with women workers from the supplier factory of Wilmar Group (the biggest palm oil plantation company in Central Kalimantan).

FPAR Findings: Women's labour rights violations in palm oil plantation in Central Kalimantan

Indonesia has policies and regulations to protect workers such as the Manpower Act No. 13/ 2003. The regulation clearly stipulated the minimum wages, defined working hours (seven hours per day for six days per week, or eight hours per day for five days per week), as well as other workers' normative rights. The Manpower Act also includes the rights to social assurance, for instance, every worker and his or her family is entitled to have national social security including the work injury protection, old age security, death benefits, and pension.

In reality, the workers' rights to minimum wages are undercut by the daily target system, while the workers work unpaid overtime to earn a minimum wage. The workers are usually employed informally as daily workers and deprived from social security benefits. Women field workers are paid less than their male counterparts, despite having similar workload or value of work.

Lack of minimum wage enforcement: Indonesia has different minimum wages for different provinces. Central Kalimantan provincial minimum wage (2018) is 2,550,000 IDR (187.5 USD) per month or 102,000 IDR (7.5 USD) daily for 25 working days/month. However, the minimum wage is not implemented properly in the palm oil industry in Indonesia. Instead of hiring permanent workers, the companies hire daily workers and pay them with a daily rate. The daily rate does not meet the provincial minimum wage of 2.55 million IDR (187.5 USD) per month, as the high daily target system in the plantation prevents the workers from receiving minimum wage. If the workers fail to meet daily target of their tasks, they get paid by piece rate instead of the daily rate. On average, workers in the plantation would receive a daily wage that would earn them around 900,000 - 2,000,000 IDR (66.18 - 147.05 USD) per month.

Unrealistically high workload from daily target system: The daily targets are applied to field workers such as pesticide sprayer, falloff fruit picker, fertiliser mixer, manuring, and others. For example, the sprayer pay rate is 16,960 IDR (1.24 USD) per hectare for one person. To reach the target rate, workers have to work with a group of six women with five groups to achieve a daily target of covering 30 - 35 hectare.

Usually, the workers do not reach the daily target within seven working hours due to the challenging landscape of high and low land with the 3-4 feet tall grass, and humid weather. Normally workers end up working overtime without being compensated for overtime work, and yet they earn less than the provincial minimum wage. If it rains, the workers are not allowed to work and would not get paid.

In the palm oil plantations, it is very common for the wives of the workers, sometimes with their children, to help their husbands to reach the target in order to earn more. This means that the labour of entire family is used while only one worker gets compensated.

Poor occupational health and safety:

Workers are required to use safety equipment such as helmet, mask, glove, apron and boots in the palm oil plantation for their health and safety. However, the company provides the safety equipment only once and workers need to buy themselves if the equipment is damaged. In one instance, a company provided the equipment on request from the workers, but deducted the equipment fee from the workers' income.

The safety equipment usually makes the workers uncomfortable and interferes with meeting the daily production target, as a result the workers have to choose to work without safety equipment despite high exposure to chemical fertilisers. This imposes additional harm to the women workers' reproductive health in particular. Since no clean water and toilets are arranged for the workers in the field, they have to use polluted water to clean their bodies after being exposed to pesticides, and after excreting in the field.

Substandard housing and living conditions:

All palm oil plantation workers live in the housing provided by the companies inside the plantation estate. There are two estates with 200 housing for 220 families in estate 1 and 120 housing for 130 families in estate 2. There is no clean water provided so the workers have to buy clean water for drinking and cooking while using the contaminated water for maintaining their hygiene and other household purposes. The workers only have access to electricity for 10 hours per day; only from 3 am to 6 am and from 3 pm to 10 pm while the residence of the management-level staff have 24-hour electricity.

Non-implementation of the Top-Up system:

The company promises to give 'Top Up' to fill up wage gap when workers' daily pay rate does not meet the provincial minimum wage due to the daily target system. However, the Top Up only applies under the condition of work performance where the workers work without absence for 25 days per month. Other conditional barriers also remain. For example, if the workers reach only 50 per cent of the daily target, their working day would only be counted as half a day, and would only count as one day when they achieve the daily target, even if it takes them two working days to meet the target. The Top Up would not apply to such cases. In another case, when the workers earn close to minimum wage, the companies would not provide Top Up saying the wage is enough.

Inadequate healthcare facilities:

According to PROGRESS' survey, the clinic and healthcare services provided by the company are inadequate for the workers to treat occupational illness. The company provided only one clinic with a midwife to serve healthcare of 1,200 workers with insufficient access to medicines. The company also has the policy to provide 370g of milk to women who work with pesticide and fertilisers every week to neutralise the poison that affects them. However, the company only provides low-quality milk or milk substitute once a month. Moreover, the company is required to provide a medical check-up once every six months to assess the workers' health from the impact of fertilisers and pesticide. In reality, the workers only receive the service once per one or two years. The workers also reported that they did not really know about their health condition since the health service provider just handed the medical check-up result to the workers without any explanation.

Union Busting :

While the right to association is a fundamental right entitled to all workers, the company has attempted to jeopardise the workers' unionising. In one case, the workers in a palm oil plantation and a supplier of Wilmar Group, have organised a series of protests to demand a living wage and better occupational health and safety. As a result, from October 2018 until February 2019 more than 40 workers, including two union leaders, were terminated without any clear reasons. The management also did not give them severance pay according to the Manpower Act No. 13/2003 Article 156.