

ALIANSI SERIKAT BURUH INDONESIA (SERBUNDO)



STATEMENT INDONESIAN TRADE UNIONS ALLIANCE (SERBUNDO) STOP EXPLOITATION OF PLANTATION AND INDUSTRIAL LABOR STOP A LARGE-SCALE PLANTATION EXPANSION

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The existence of large-scale palm oil industry in Indonesia has profited the country. The palm oil industry has contributed USD 21 billion or about IDR 205 trillion to Indonesia's national income (Indonesian Ministry of Commerce, 2012). That number will surely be larger if we include the products that use palm oil such as cosmetics, processed food products and biodiesel. The high production of palm oil in Indonesia has made Indonesia one of the biggest exporters of palm oil in the world.

Palm oil expansion in Indonesia has reached up to 11.5 million hectares (Sawit Watch 2013). The government's reasoning to continue to open plantation business are that it provides people welfare and jobs. But in reality plantation labors are being exploited. An estimated 70% of labors in the plantation are day labors or *buruh harian lepas* (Sawit Watch 2012). This work status makes labors vulnerable to arbitrariness and uncertainty of their work condition. Some research have indicated that there is forced labor in palm oil plantations. Laborers experience poor treatment, low wages, high piece rates, unfair punishment and sanctions; they are also not provided with decent working tools and safety equipment as well as limited access to clean water, health care and school infrastructure. Child labor is still often found in plantations. Due to the immense workload, high piece rate targets as well as the existence of sanctions for laborers, they are forced to involve their children, wives and their family to help their work.

The condition of palm oil laborers is worsened by the limited freedom to unionize. Laborers who try to establish unions are faced with intimidation, displacement, wage cuts and even fired.

In addition to the labor issue, land conflict from land grabbing of people and farmer's land is also an issue. Just this year 118 land conflicts have been recorded between farmers and palm oil plantation companies. Those cases occur in 98 cities in 22 provinces di Indonesia. 92 thousand people out of 315 communities have become victims of natural resources and agrarian conflict.

These conditions are also felt by industrial labors in North Sumatera, where low wages, outsourcing, contract labors and arbitrary firing can also be found.

On November 11 - 14 , 2013, the Roundtable Sustainable Palm Oil (RSPO) will hold their annual 11th meeting in Medan. In their Principles & Criteria (P&C), the RSPO has principles on decent wages, working conditions, contract labors that abide to national law, the freedom to establish and become a member of a trade union, the right to gather and express collective opinions, disallowing child labor, and the prevention of sexual harassment as well as other forms of violence against women. In the P&C 2013 preamble, it was stated that the RSPO and their members admit, support and are committed to follow the Universal Declaration on Human Rights and the International Labor Organization's Declaration on the Principle and Fundamental Rights in the Work Place. However, labor conditions in palm oil plantations have not changed. Even the testimonies of laborers have indicated that the RSPO's P&C are burdening to laborers.

As a certification body to palm oil plantation companies, RSPO have failed to resolve any violation done by RSPO member plantation companies. As a result, all forms of violation in plantations still happen today, such as the employment of labors without transparent contracts, the repression of trade unions, arbitrary firing, violence against women and child labor, etc. The RSPO have never reprimanded any company nor organization that have treated plantation laborers poorly. Moreover, the RSPO certification has become a tool to legitimate environmental and human rights violations in palm oil plantations.

Based on the conditions above, to ensure the protection, honor and the fulfillment of the rights of plantation and industrial laborers, as well as farmers and local communities, the Indonesian Trade Union Alliance or known as SERBUNDO, demand the **11th RSPO General Annual Meeting** to:

1. Form a Labor Working Group in the RSPO and ensure laborers' representation in the working group;
2. Ensure fairness, transparency and impartiality in the RSPO grievance mechanism;
3. Include laborers and local communities in the certification process;
4. Revoke RSPO certification for plantations that violate the rights of laborers, farmers and local communities;
5. Obligate plantation companies to provide decent wages for laborers;
6. Obligate RSPO member plantation companies to eliminate outsourcing, day laborers, piece rate laborers and contract laborers in the positions of harvesters, sprayers and all works that use chemicals and are dangerous to health and work safety.
7. Obligate RSPO member plantation companies not to impede freedom of association.

Medan, November 11, 2013

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