



The Fair Work Monitor

The 2026 Fair Work Monitor results amongst palm oil workers on the plantation, Siak & Pelalawan, Indonesia

Any questions or interested in working together?

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How do palm oil workers assess their working conditions, employment security, and opportunities to have their voices heard in the workplace?

This question is central to the 2026 worker survey conducted by CNV Internationalaal in collaboration with the Siak Pelalawan Landscape Programme (SPLP), which is co-facilitated by Proforest and Daemeter.

This report focuses on the **342 respondents** who work on **palm oil plantations and mills**. They shared their experiences regarding wages, employment conditions, health and safety and overall well-being.

The findings reveal significant **gaps in wages, labour rights, and working conditions**, gaps that are not evenly distributed. Casual workers and women are consistently worse off across almost every dimension covered in this survey, and the effects reach into their homes, their health, and their families. The findings provide trade unions with worker-driven evidence to support social dialogue, collective bargaining, and advocacy for better working and living conditions in the palm oil sector and provide companies with clear insights with regards to the labour challenges at stake.

Overview of the project

The Siak Pelalawan Landscape Programme (SPLP) in Riau Province focuses on strengthening social dialogue in the palm oil sector through Lembaga Kerja Sama (LKS) Bipartite structures, Gender Committees, and Collective Bargaining Agreements (CBAs). LKS Bipartite is a company-level forum for communication and consultation between management and workers on industrial relations matters. Social dialogue refers to processes of negotiation, consultation, and information exchange between employers, workers (and their representatives), and other stakeholders on issues of shared interest. The programme supports this through training, technical assistance, tools, and peer learning.

Reported improvements include gradual progress in welfare (e.g. more regular food provision and transport support for workers), safety (e.g. increased Personal Protective Equipment (PPE) use and better emergency response such as ambulances), housing (e.g. improved accommodation, cleaner water, and more reliable electricity), and workplace relations (e.g. more structured CBA negotiation schedules, movement toward voluntary overtime, and more consultation on job transfers).

Context of the sector and worker conditions

The programme operates in a context of labour challenges in the palm oil sector in Indonesia, including risks of forced and child labour, casual work without proper contracts, unpaid overtime, and wages below minimum standards. Occupational health and safety risks remain significant, particularly for women workers. Union representation and formal dialogue mechanisms are often limited, CBAs remain limited, and cases of harassment are reported.

Purpose of the Survey

The Fair Work Monitor survey was conducted to establish a baseline of labour conditions in SPLP programme areas and to provide evidence for social dialogue between workers, unions, and companies.

The objective is to identify key labour risks and conditions and to inform coalition members of SPLP and to initiate discussions in LKS Bipartite, Gender Committees, and CBA processes. The findings support dialogue, negotiation, and follow-up on wages, working conditions, safety, gender equality, and worker voice.

The survey also supports the strengthening and scaling of social dialogue platforms, including their regularisation and institutionalisation, and enables baseline–endline comparison to assess progress over time. Importantly, while the programme already reports early improvements across key areas, the survey provides an independent baseline to validate these changes, identify remaining gaps, and guide next steps for further strengthening of worker conditions and social dialogue systems.



Methodology

The Fair Work Monitor (FWM) is a worker-led survey methodology developed by CNV Internationaal to collect information directly from workers on wages, working conditions, and wellbeing. This report presents the results of the 2026 Fair Work Monitor in the Indonesian palm oil sector. Data collection took place in Siak and Pelalawan, two key palm oil producing districts in Riau Province. Workers from 15 plantation companies (**all part of the SPLP-project**) participated, covering a range of job types and employment arrangements.

The **questionnaire** combined standard Fair Work Monitor indicators with local consultation. Before data collection, it was reviewed with facilitators and trade union leaders to ensure relevance and clarity for the local context. A total of **15 facilitators** were trained to support data collection. The training covered the objectives of the Fair Work Monitor, survey methodology, ethical considerations, and the use of KoboToolbox, a digital data collection platform. Facilitators were selected based on their familiarity with local communities and plantation working conditions.

During January and February 2026, facilitators **supported** workers in completing the survey. Participation was voluntary and anonymous. Completed questionnaires were uploaded digitally and subjected to quality checks before analysis. Responses were reviewed for completeness, consistency, and potential errors, with additional validation by the CNV Internationaal research team.

The timing of data collection should be taken into account, as it took place during a **transition period** in wage adjustments. Reported wages may partly reflect earlier wage levels, as some respondents were still transitioning to updated minimum wage adjustments. However, differences between worker groups remain robust. **Kebutuhan Hidup Layak (KHL)** is the government-determined standard representing the minimum monthly cost required for a single worker to maintain a decent standard of physical and social living. Therefore we will refer to **KHL as a living wage standard** in this survey. KHL comparisons are unlikely to be driven by timing effects alone, as prices continued to rise after the October–November 2025 benchmark period.

After the analysis, findings were presented to **trade union** representatives and facilitators for reflection and discussion. These sessions supported interpretation of results and helped ensure alignment with workers' experiences. This combination of survey data, validation, and stakeholder reflection strengthens the reliability and relevance of the findings.

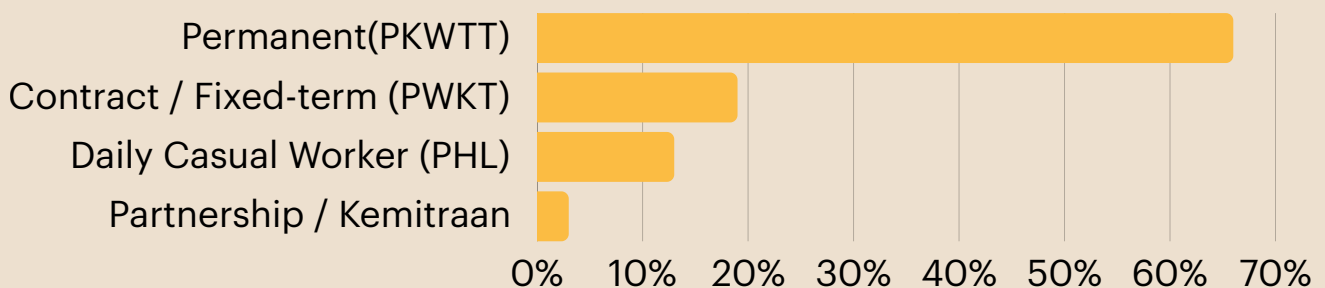
Key Findings

Worker Characteristics in the Survey

The findings in this factsheet are based on responses from 342 workers employed on palm oil plantations. Most respondents work in Pelalawan District (58%), while the remaining 42% are based in Siak District. The survey reaches both male (74%) and female (26%) workers and includes workers from different age groups. Most respondents are between 30 and 49 years old (66%), while 25% are aged 18–29 and 9% are older than 50.

The majority of workers are employed on a permanent basis (66%). Temporary contract workers account for 19% of respondents, while 13% are employed as casual workers and 3% through partnership arrangements (kemitraan). Most workers (85%) report having a written employment contract. Among those with a contract, the vast majority are directly employed by the main company. Workers without a written contract are predominantly casual workers (79%), and women are also disproportionately represented in this group.

Employment status of surveyed workers



The largest group of respondents works in maintenance activities (22%), followed by harvesting (16%). Smaller groups are employed in machine operator roles (11%), administration (10%), supervisory roles (9%), technicians (8%), transportation (6%), land preparation (5%), planting (5%), pruning (5%), security (5%) and loading (5%).

These occupational patterns reflect **different** employment arrangements across tasks: land preparation (50%), planting (47%), pruning (35%), and maintenance (43%) rely **heavily** on **casual workers**, while harvesting is predominantly carried out by permanent workers (71%), with only a small share performed by casual workers (7%). Supervisory (94%), machine operator (89%), technician (76%) and administrative (77%) roles are almost entirely held by permanent workers, while security roles (62%) are most often filled by temporary contracts.

Wages

Plantation and mill workers' basic wages remain below the level needed for a decent standard of living. Based on the survey, workers report a median basic wage of Rp3.700.000 per month (approximately €180). This refers to basic salary only and does not include premiums (premi), overtime payments, bonuses, benefits, or other forms of additional compensation. The median means that half of plantation workers earn less and half earn more.

This level is close to the sectoral minimum wages for 2025 in Pelalawan (Rp3.633.034) and Siak (Rp3.712.011), suggesting that minimum wage standards strongly shape wage levels in the sector. However, many workers still report earning below the minimum wage with their basic salary and 27% of workers report that their basic salary is more than Rp. 100.000 below their sectoral minimum wage.

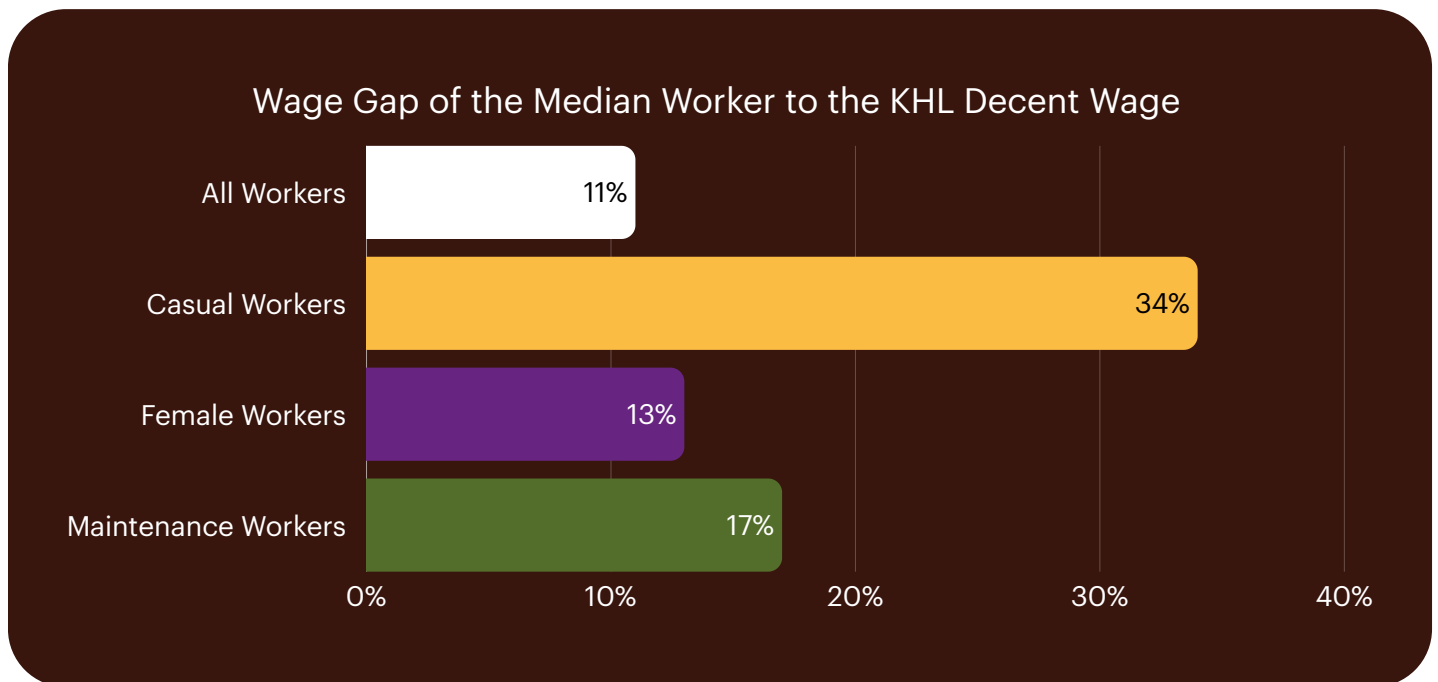
The Kebutuhan Hidup Layak (KHL) for Riau Province, set by the National Economic Council and Statistics Indonesia (BPS), is Rp4.158.948 per month for 2026. The KHL is a standard for decent living needs, covering basic expenses such as food, housing, transport, education, and healthcare. Compared to this benchmark, the median workers earns 89% of this KHL living wage, resulting in a living wage gap of 11%. Closing this gap would require a wage increase for the median worker of 12.4% or Rp. 458.948.

	Rupiah	Euro's
KHL Living Wage	4.158.948	202.78
Sectoral Minimum Wage (2025)	3.633.034 (Pelalawan) & 3.712.012 (Siak)	177.79 & 180.95
Median Basic wage SPLP	3.700.000	180.40

However, the depth of this gap differs across worker groups and is strongly shaped by how work is organised in practice. Figures below show median wage gaps relative to the KHL, meaning the percentage shortfall of the median worker's basic wage compared to the KHL benchmark. The largest wage gaps are among casual workers (34%), followed by temporary contract workers (13%) and permanent workers (11%). By job type, for example maintenance workers face a larger gap (17%) than harvesting workers (11%), and women face larger gaps (13%) than men (11%). These patterns show wage gaps are consistently higher in more precarious forms of work.

These differences reflect an intersectional pattern in which gender, employment type, and job type interact in shaping wage outcomes. Casual workers, women, and maintenance roles often overlap and are more likely to experience larger wage gaps.

In contrast, harvesting work is more often carried out by permanent and male workers, who tend to face smaller gaps. Age and education have a smaller influence: younger and older workers, and those with lower education, show slightly larger gaps, but these effects are weaker than the intersecting effects of gender, employment status, and occupation.



As seen, basic wages alone are not sufficient to reach the KHL level, making overtime and other extra payments essential for many plantation workers. Since 65% report working overtime, this also reflects a structural issue: many depend on extra hours to reach a basic standard of living, and those most in need often have the least access.

Access to overtime is unevenly distributed. It is lower among casual workers (7%), women (41%), and maintenance workers (32%), but higher among permanent workers (76%), men (73%), and machine operators (97%), who also tend to have smaller wage gaps. Even so, these groups still rely on overtime to make ends meet.

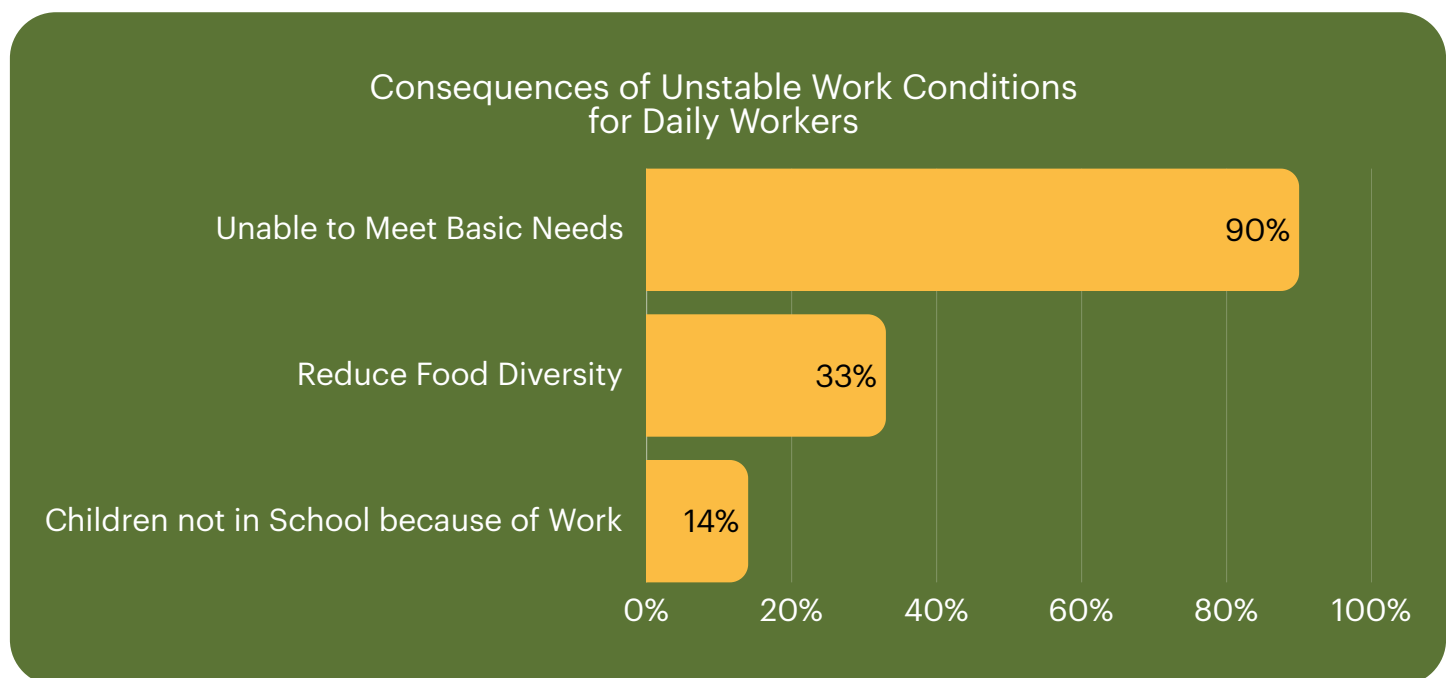
This shows a double inequality: in both basic wages and access to additional income. It highlights that the issue is not only low wages, but also unequal access to opportunities to supplement income within the current organisation of work.

Impacts of Low Wages on Daily Life

Low basic wages do not only show up in wage gaps, but also in concrete effects on daily life. Overall, 24% of workers report that their basic wage is not enough to meet even basic needs.

When this happens, workers are forced to make difficult adjustments in their households. Among those who cannot meet basic needs, 46% reduce food diversity, for example by relying mainly on rice and cutting back on more varied nutrition. In addition, 24% of those who reduce food diversity report that their children are not in school because of work-related financial pressure.

These effects are not evenly distributed across the workforce. They closely reflect the employment and wage patterns described in the previous section, showing that differences in wages and contract types translate directly into differences in living conditions. Casual workers are most affected: 90% report that their basic wage is not sufficient to meet basic needs. Among them, 33% reduce food diversity, 21% cut back on other essential expenditures such as healthcare, and 14% report that their children are not in school because of financial constraints.



Health-related costs create additional pressure. Among workers who report an illness, 63% reduce other essential expenditures to cover medical costs, and 56% reduce food diversity. This shows how health shocks quickly translate into difficult trade-offs within already limited household budgets.

Overall, low wages directly affect food security, education, and health. Workers are forced into difficult choices between basic needs, showing that insufficient wages are not only an income issue, but a broader wellbeing concern affecting both daily lives and longer-term opportunities.



Working Conditions and Social Rights in the Workplace

Overall, working conditions on these plantations and mills show a clear pattern: the most serious violations are largely absent, but more everyday rights, around leave, worker voice, and awareness of workplace protections, leave room for improvement.

The most severe indicators of forced labour are largely absent among respondents. Almost all (97%) report being free to leave their job, and none report having personal documents withheld. While only 5% report being required to work beyond legal hours, it is worth noting that even at low incidence, such violations are serious and should not be dismissed.

Turning to formal employment entitlements, overtime pay is reported by the large majority of respondents (92%). Yet when it comes to leave, the picture is more mixed: paid annual leave is available to 65% with a standard of just 12 days, and paternity leave reaches a similar share, both relatively modest provisions.

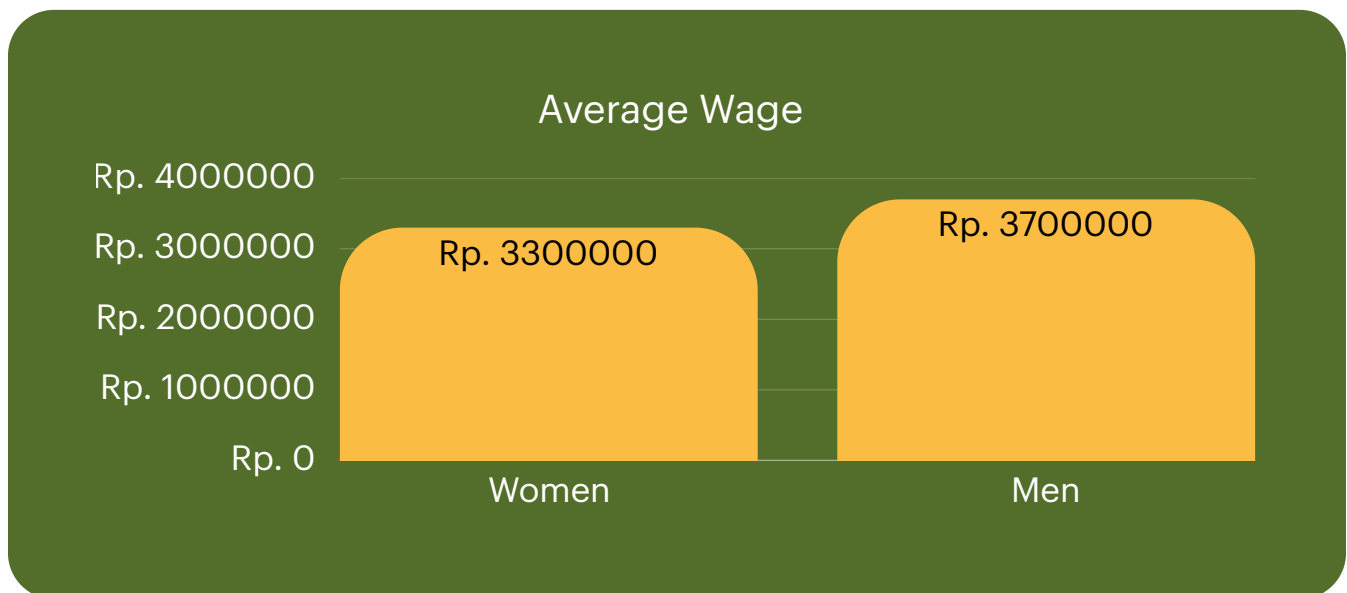
Worker involvement in day-to-day decisions is also uneven, and this unevenness is not equally distributed. Overall, job transfers are decided unilaterally by management for 38% of respondents, and 25% report company restrictions unrelated to safety. Among casual workers, however, these figures are notably higher: 60% report that job transfers are decided unilaterally, and 28% report restrictions unrelated to safety. Casual workers also stand out on overtime pay, with only 33% reporting they receive it, compared to the overall figure of 92%.

A final concern is awareness of anti-discrimination protections. While 74% of respondents report access to a harassment reporting mechanism, only 49% knows whether anti-discrimination training exists at all, and among casual workers this drops to just 7%. Protections that workers are unaware of offer little protection in practice.



Gender Equality, Pay and Workplace Conditions

The workforce is predominantly male, with 74% men and 26% women. When asked about equal pay, most workers (76%) believe that men and women are paid equally, while 14% disagree and 10% do not know. However, wage data shows a clear gender gap in practice. Average reported monthly pay is lower for women (3.3 million rupiah, approximately €160) than for men (3.7 million rupiah, approximately €180), and differences also appear within the same job types, such as pruning (2.7 million vs 3.5 million) and maintenance (3.0 million vs 3.2 million).



Beyond wages, the survey also asked female workers about the availability of key workplace provisions and protections. Breastfeeding facilities are reported as available by 55% of female workers, while 14% report that they are not available and 16% say they are only partially available. Access to childcare is more widely reported, with 73% stating that adequate childcare is available, although 20% report no access. Paid menstrual leave is reported by 66% of women (only when they are sick), while 25% report that it is not available. In addition, 7% of female workers report having experienced gender-based harassment.

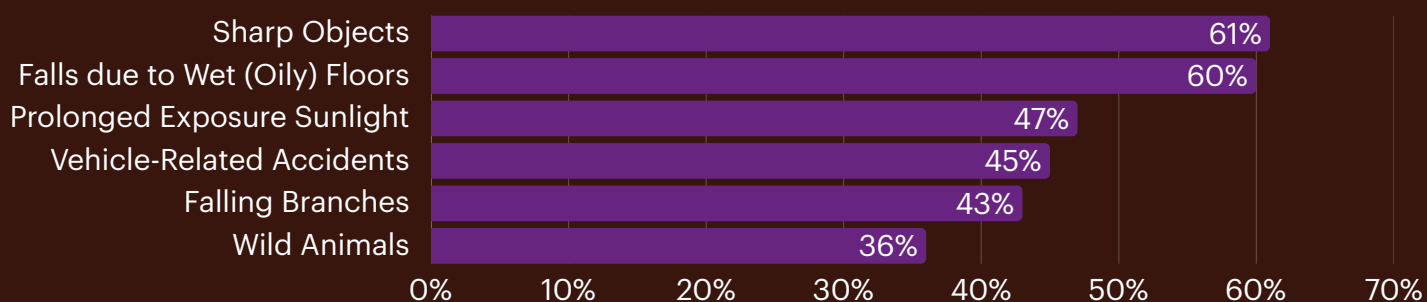
These issues are interconnected. In workplaces where women report lower pay equality, there is also more reported gender-based harassment (9%). In the same workplaces, access to paid menstrual leave is lower (58% report no access), and adequate child care is less often available (42% report no availability). This suggests that lower pay for women tends to go together with weaker workplace protections and a less supportive working environment.

Improving gender equality requires action on both wages and workplace conditions. Equal pay, access to key protections, and prevention of harassment need to be addressed together, as they are clearly interconnected in practice.

Health and Safety Risks

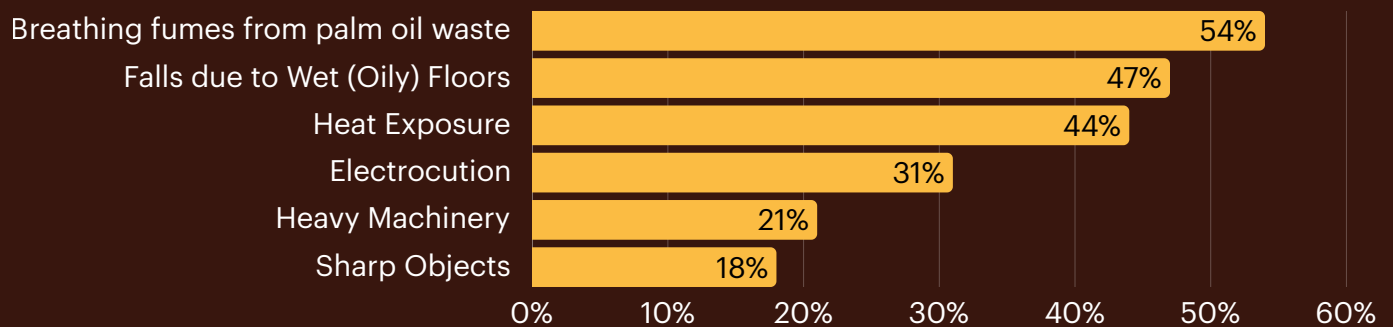
Plantation work remains hazardous despite the existence of health and safety procedures. Workers in the plantation report a wide range of risks in their daily work, most commonly sharp objects (61%), falls due to wet or oily surfaces (60%), prolonged exposure to sunlight (47%), vehicle-related accidents (45%), falling branches (43%), and wild animals (36%). These figures reflect workers' own perceptions of the dangers they face on the job.

Plantation: Perceived Risks on Accidents



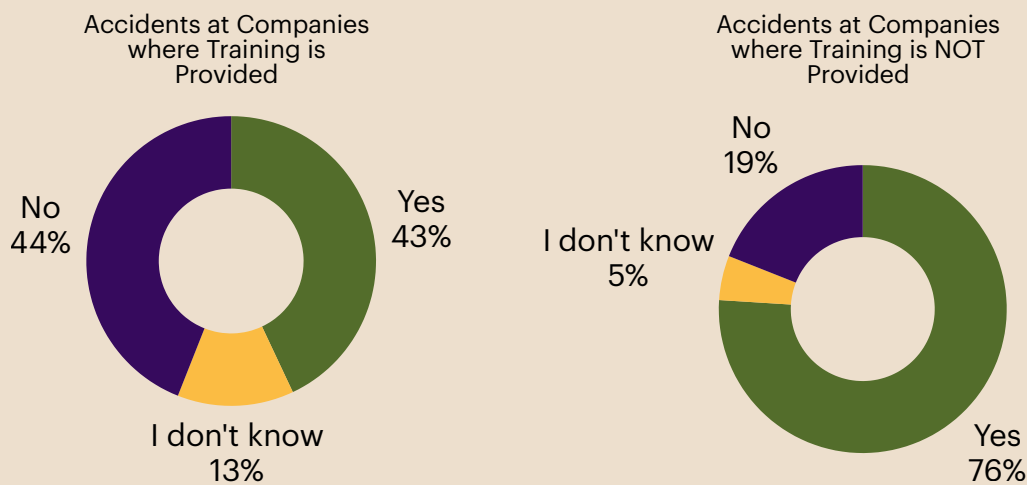
Mill workers report a somewhat different risk profile, with breathing fumes from palm oil waste (54%) and falls due to wet or oily floors (47%) as the most frequently mentioned risks, followed by heat exposure (44%), electrocution (31%), heavy machinery (21%), and sharp objects (18%). These figures reflect workers' own perceptions of the dangers they face on the job, which vary across plantation and mill environments.

Mills: Perceived Risks on Accidents



These risks are not merely perceived risks. They are reflected in actual accident patterns. More than half of plantation workers (54%) and a third of mill workers (36%) report being aware of workplace accidents in their workplace. The most common accidents involve falling palm material (37%), followed by tool-related injuries (23%), slips, trips and falls (17%), and falls from heights or vehicles (11%). Together, these findings show that workplace risks remain a casual reality for many workers.

The findings also show a clear link between training, safety knowledge, and workplace accidents. In workplaces without occupational safety and health (OSH) training, 76% of workers report workplace accidents, compared to 43% where training is provided. Training is strongly associated with safety knowledge. At companies where training is provided 100% of workers report being aware of health and safety procedures, but this drops to 63% among those without training. Workers without such knowledge are also more likely to report accidents (72%) than those who are familiar with procedures (46%). Overall, the results suggest that training builds safety knowledge, which in turn helps reduce accidents.



When accidents occur, most workers report access to basic safety and protection measures, including health facilities within five kilometres (94%), and coverage through BPJS Health Insurance (96%). BPJS Kesehatan (Badan Penyelenggara Jaminan Sosial Kesehatan) is Indonesia's mandatory national health insurance scheme, which employers are legally required to register formal workers under.

However, these protections are not equally available across the workforce. This inequality is also visible in training access. Women are less likely to receive safety training (61% versus 70% for men) and report slightly lower protection overall. Casual workers are also significantly more disadvantaged, both in outcomes and in prevention: they report lower access to safety training (only 14%) and lower access to safety knowledge. At the same time, they are much more likely to pay for protective equipment themselves or through wage deductions (53%) and are less likely to be covered by BPJS Health Insurance (26% uninsured).

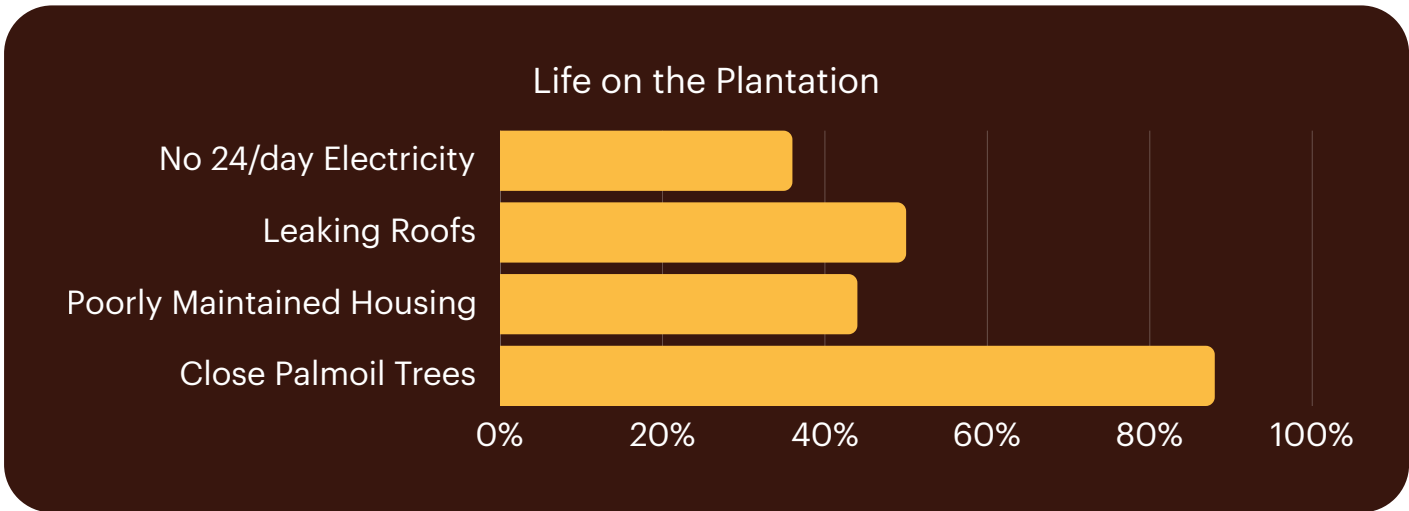
The findings show that training and safety knowledge matter. Workers with training are more likely to know safety procedures, and those who know them experience fewer accidents. But accident rates remain high even among knowledgeable workers. This suggests that awareness is necessary, but not enough on its own. OSH training remains important for regulatory compliance, but should be practical and context-specific, and it cannot compensate for unsafe working environments, which also require direct improvements.

Health, Safety and Life on the Plantation

Most plantation workers live directly on the plantation, with 93% residing on-site and 98% living in company-provided housing. This means that work and daily life are closely intertwined, and housing conditions are a central part of workers’ overall wellbeing.

However, living conditions show several important shortcomings. Around 36% of workers report no 24-hour electricity, 50% report leaking roofs, and 44% describe their housing as being in that poor condition that is poses as a clear risk. In addition, 21% live close to chemicals and 88% live close to palm oil trees (which can increase exposure to specific palmoil tree hazards), indicating limited separation between living space and production activities. Nearly a quarter of workers (24%) also report having no play area for children.

Overall, while most workers live in company-provided housing, the conditions often fall short of basic standards of comfort, safety, and separation from workplace hazards.



SPLP Companies and the National Palm Oil Sector

Indonesia's palm oil sector employs approximately 16 million people across the supply chain and is characterised by a mix of permanent, temporary, and casual employment arrangements. When comparing SPLP survey data collected in SPLP companies with available national labour statistics (BPS–Statistics Indonesia, Badan Pusat Statistik) and evidence from large-scale plantations, SPLP companies seem to show stronger formal labour structures than the wider palm oil sector, although important gaps remain. These comparisons should be interpreted with caution because national statistics may not fully be accurate or directly applicable to SPLP contexts, but they still provide useful indicative insight into overall sector-level conditions.

Where SPLP performs better

SSPLP companies appear to have a higher share of permanent contracts (66%) than is typical nationally. Across Indonesia's palm oil sector, around 9.7 million people are directly employed, including 5.2 million independent and scheme smallholders (58%) and 4.5 million corporate employees (42%), although not all corporate employees hold permanent contracts. Minimum wage compliance is generally in line with sectoral wage levels in Riau (IDR 3.7–4.2 million). Formal labour systems, such as grievance mechanisms, worker–management dialogue structures, and personal protective equipment (PPE) provision, also seem to be somewhat more consistently in place. No indicators of forced labour were identified in the assessed companies, in contrast to some national indicators.

Where gaps remain

Despite these strengths, access to secure employment remains uneven, particularly for women (53% permanent contracts) and non-union members (31%). While minimum wages are generally respected, income adequacy remains a concern, especially for casual workers, as wages do not always meet living needs. Overtime access is also highly unequal (77% of permanent workers versus 7% of casual workers). Health and safety risks persist, with 54% of workers reporting workplace accidents despite the presence of OSH systems. Housing conditions also remain an area of concern, particularly regarding sanitation, housing quality, and access to basic services.

Overall Picture

SPLP companies demonstrate progress compared to the wider palm oil sector, particularly in employment security, wage compliance, and the development of formal labour systems. At the same time, structural inequalities remain, especially affecting casual workers, women, and non-union members in terms of job security, income stability, access to overtime, safety, and living conditions.



Conclusions and Calls for Change

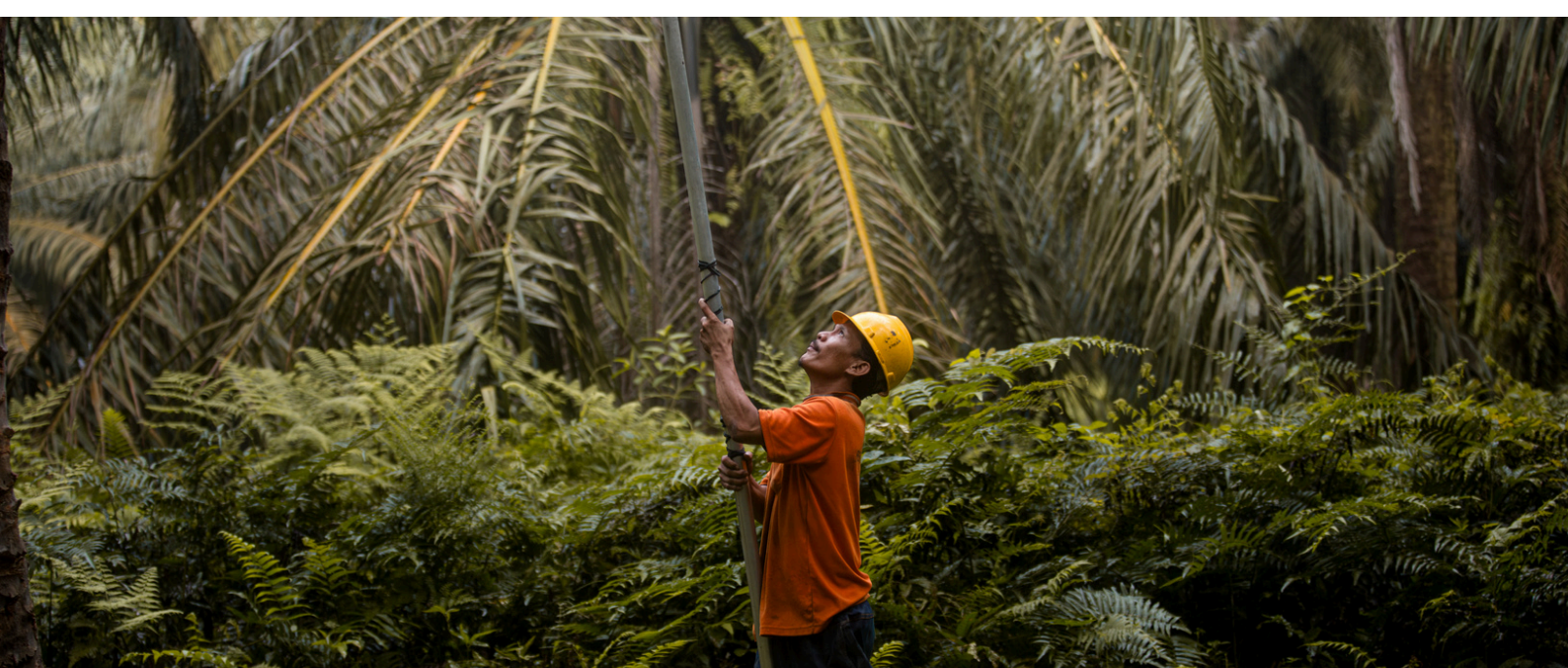
Taken together, the findings from this survey present a consistent picture of persistent gaps in wages, working conditions, rights, safety, and housing that affect workers' daily lives. At the same time, there are positive elements across the companies in the programme, including a higher share of workers in permanent employment and no indications of forced labour, suggesting progress in core compliance areas within the SPLP context.

Main problem

The most critical issue emerging from the findings is the continued reliance on casual employment (even though it is higher than the national average) and their extremely vulnerable position. This form of work is associated with greater insecurity and more limited access to stable income and opportunities compared to more permanent employment arrangements.

Conclusion

Alongside employment insecurity, the findings show a broader set of interconnected challenges. Wages seem to remain below the KHL living wage standard. Access to key rights and protections is uneven, including limited leave provisions and incomplete awareness of anti-discrimination and harassment policies. Occupational safety risks remain part of daily work, while housing conditions for many workers fall below basic standards of safety and comfort.



Suggestions for improvement:

1. Transition casual workers into more stable temporary and permanent employment
2. Ensure equal treatment of casual, temporary and permanent workers in terms of working conditions, access to benefits, and opportunities.
3. Develop a wage improvement plan to progressively close the gap with the KHL Living wage benchmark.
4. Ensure mandatory Occupational Safety and Health (OSH) training for all workers.
5. Improve housing, sanitation, and worker welfare facilities.

