



# **BPS** Strategic Data





#### BPS-STATISTICS INDONESIA STRATEGIC DATA

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#### PREFACE



Statistical data is now becoming an important and strategic part in policy development and decision making process at macro and micro level as well. Therefore, to welcome the 66<sup>th</sup> of Republic of Indonesia anniversary, BPS-RI dedicates a publication entitled BPS STRATEGIC DATA to the users as a participation of BPS in their work by providing data that are strategic to the public, especially data user and decision maker.

The data presented in this publication include data on inflation, economic growth, export-import, employment, industry, crop production, and poverty. To help users, each of the data presented is also equipped with a technical description attached at the end of this book.

The data presented in this publication may not be able to meet the wishes of data users and those care about the data and information both in terms of coverage and appearance. Therefore, suggestions and input that we desperately need to build improvement publishing this book in subsequent publications.

Hopefully this book can enlighten the nation.

Jakarta, August 2011 BPS-Statistics Indonesia,

maland.

Rusman Heriawan Chief Statistician

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#### Introduction 3

#### INTRODUCTION

This book contains strategic data from BPS-Statistics Indonesia (BPS), including practical description. The term 'strategic' means: (1) the data presented in this publication are considered 'critical' to national development; (2) the data can be utilized for various analyses; (3) the data can define, and even influence, the Indonesia's socio-economic condition; (4) the dissemination is expected by many parties.

The consumers of strategic data are widely varied, from government, academicians, private company, international users, to the general public. The broad range of data consumers leads to data characteristics that have many dimensions. There are basic data such as population, per capita consumption, sectoral value added, and Gross Domestic Product (GDP). The data of prices and its changes can be reflected in inflation rates. The data of international economic condition comprise of export-import and tourism. The data of primary agricultural production consist of paddy, maize, and soybean. Labor situations such as labor force, unemployment, main status, and main industry are included in data of labor. Accordingly, in connection with empirical experience, strategic data concerning those criteria are: inflation, economic growth, export-import, labor, forecasting of paddy and secondary food crop production, production growth of manufacturing industries, and poverty. These data are depicted in this book.

To facilitate the consumers, there is a description to each related data. Furthermore, those who want to get more detail explanation, it can be found in statistical notes. This part presents comprehensive-yet brief information to readers about concept, definition, methodology, data collection, reference, and data dissemination.

Due to its practicality, this book can be used as a medium for statistical dissemination of BPS' products for decision maker in government, legislatives, academicians, researchers, and students as an actualization of assuring public right on information. The more the demand for data can be fulfilled, the more the data consumers can hopefully support statistical activities conducted by BPS.

After the introduction, readers can observe the latest data about inflation. Inflation is an indicator which comprises the information about the changes of general price level of goods and services that are consumed by the public. Therefore, government, business, banks, parliament, and public are concern with this data.

Strategic data to the criteria are: inflation, economic growth, exportimport, labor, forecasting of paddy and secondary food crop production, production growth of manufacturing industries, and poverty.

#### 4 Introduction

In chapter III, data of GDP are presented. The data describe economic performance in term of its size. Moreover, the derivations of such data are economic growth, economic structure, the changes of price of entire goods/ services, and general expenditure, as well.

Furthermore, statistics of export and import is described in chapter IV to provide information about both volumes and values of foreign trade. The chapter also provides the data of commodity group, country of origin and destination, as well as the ports.

Chapter V provides data of labor including labor force, unemployent, the structure in main industry, and the distribution by province in Indonesia. Several indicators are also presented, such as Labor Force Participation Rate (LFPR), and Open Unemployment Rate (OUR). Considering the timetable of labor survey, the data covers the latest condition in Indonesia until February 2011.

In chapter VI, readers can obtain forecasting of paddy and secondary food crop production. Besides describing the harvest pattern, this chapter also provides harvested area, harvested yield, and productivity of the crops production during 2009–2011. The data can be utilized in planning and decision making to anticipate national food security.

Chapter VII provides data of production growth of manufacturing industry. The data includes the growth of production growth of large and medium manufacturing industry in monthly and quarterly periodicity, from 2006 to 1<sup>st</sup> Quarter of 2010.

Chapter VIII provides strategic data about poverty. Poverty is one of essential problems that many countries focus on it, especially in relation with government task to provide social welfare. The availability of accurate data is an important aspect to bolster the strategy of its alleviation. Poverty data are presented from 1998 until 2011, which are distinguished by urban and rural.



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#### Inflation 7

#### INFLATION

Inflation is an increment in the general level of price of goods and services, typically consumed by households. There are cases in which the price of goods and services is increasing, stable or even declining. The resultant of the price changing in a certain period of time (monthly) is called inflation (if the price goes up) and deflation (if it is the other way around).

Generally, a measure of price changing level is reflected in the Consumer Price Index (CPI). A rising percentage of CPI indicates inflation while its declining indicates deflation. Both inflation/deflation can be calculated by using certain formula.<sup>1</sup>

The aim of inflation composition is to obtain an indicator that can reflect the tendency of general price development. The aim of inflation composition is to obtain an indicator that can reflect the tendency of general price development. This indicator can be used as basic information for making decisions at micro or macro economy level and for fiscal and monetary policies. For example, on the micro level, the household/society can use the inflation rate to make adjustments to their daily expenditure, given the same level of income.

Another example, on the macro level, the inflation rate describes the stability condition of the monetary and economy level of a country. For corporate entities, the inflation rate is useful for budget planning and business contract.

Specifically, the inflation rate is used for:

- a) Wage indexation
- b) Contractual payment
- c) Project escalation
- d) Inflation targeting
- e) Budget indexation
- f) GDP deflator
- g) Proxy of cost of living
- Early indicator of interest rate, foreign currency and stock price index

<sup>1</sup> Formula:

$$INF_{t} = \left(\frac{CPI_{t} - CPI_{t.1}}{CPI_{t.1}}\right) \times 100$$

INF = inflation (or deflation) at month/year t CPI = Consumer Price Index

#### 8 Inflation

According to BPS' observation result in 66 major cities<sup>2</sup>, there was an inflation of 0.67 percent in July 2011 or there was an increase of CPI from 126.50 to 127.35 in July 2011. By applying the formula then the inflation rate calculated in July 2011 was (127.35-126.50)/126.50 x 100 = 0.67%. The inflation rate of calendar (January–July) 2011 was 1.74 percent (CPI for July 2011 is compared to CPI for December 2010). Meanwhile, the inflation rate of year on year, on the other hand, (CPI for July 2011 as against CPI for July 2010) was 4.61 percent. Periodically, CPI and inflation rate from January 2008 until June 2011 are presented in Table 2.1.

СРІ Inflation Month 2009 2010 2009 2008 2011 2008 2010 2011 January 158.26<sup>\*)</sup> 113.78 118.01 126.29 1.77 -0.07 0.84 0.89 February 159.29<sup>\*)</sup> 114.02 118.36 126.46 0.65 0.21 0.30 0.13 March 160.81\*) 114.27 118.19 126.05 0.95 0.22 -0.14 -0.32 161.73<sup>\*)</sup> 113.92 118.37 125.66 0.57 -0.31 -0.31 April 0.15 164.01<sup>\*)</sup> 113.97 118.71 125.81 1.41 0.04 0.29 0.12 May June 110.08 114.10 119.86 126.50 2.46 0.11 0.97 0.55 July 111.59 114.61 121.74 127.35 1.37 0.45 1.57 0.67 115.25 0.51 August 112.16 122.67 0.56 0.76 0.97 0.44 September 113.25 116.46 123.21 1.05 October 113.76 116.68 123.29 0.45 0.19 0.06 November 113.90 116.65 124.03 0.12 -0.03 0.60 -0.04 December 113.86 117.03 125.17 0.33 0.92

Table 2.1 National Inflation, 2008–2011 (2007=100)

\*) Base Year 2002 (2002=100)

The inflation rate of calendar year (January–July) 2011 was 1.74 percent, while it was 2.42 percent at the same time in 2010 (Table 2.2).

<sup>2</sup> Until May 2008, the price observations were conducted in 45 major cities.

The inflation rate of calendar (January–July) 2011 was 1.74 percent.

#### Table 2.2 The Comparison of Monthly Inflation, Calendar Year, Year on Year, 2009–2011

Inflation	2009	2010	2011
(1)	(2)	(3)	(4)
1. July	0.45	1.57	0.67
2. January–July (Calendar Year)	0.66	4.02	1.74
3. July $_{(year\ n)}$ on July $_{(year\ n-1)}$ (Year on Year)	2.71	6.22	4.61

#### National Inflation by Expenditure Groups

Year on year inflation rate (July 2011 over July 2010) was 4.61 percent. Goods and services in CPI are classified into seven groups as follows: Foodstuff (1.84 percent), Prepared Food, Beverages, Cigarette, and Tobacco (0.42 percent), Housing, Water, Electricity, Gas, and Fuel (0.19 percent), Clothing (0.62 percent), Health (0.27 percent), Education, Recreation, and Sport (0.97 percent) and Transportation, Communication, and Financial Services (0.17 percent).

Year on year inflation rate (July 2011 over July 2010) was 4.61 percent. The CPI and inflation rate by expenditure group can be seen in Table 2.3 in detail.

## Table 2.3 National Inflation July 2011 by Expenditure Group (2007=100)

		СРІ		- Inflation	Inflation	Inflation
Expenditure Group	July 2010	December 2010	July 2011	Rate of July 2011 <sup>1)</sup>	Rate of Calendar 2011 <sup>2)</sup>	Rate of Year on Year <sup>3)</sup>
(1)	(2)	(3)	(4)	(5)	(6)	(7)
General	121.74	125.17	127.35	0.67	1.74	4.61
1. Foodstuff	141.17	147.39	148.52	1.84	0.77	5.21
2. Prepared Food, Beverages, Cigarette, and Tobacco	129.32	132.59	135.98	0.42	2.56	5.15
3. Housing, Water, Electricity, Gas, and Fuel	116.66	119.79	122.36	0.19	2.15	4.89
4. Clothing	120.80	126.76	130.65	0.62	3.07	8.15
5. Health	114.73	115.86	119.50	0.27	3.14	4.16
6. Education, Recreation, and Sport	115.40	117.86	120.20	0.97	1.99	4.16
7. Transportation, Communication,	105.46	106.10	107.24	0.17	1.07	1.69
and Financial Services						

<sup>1)</sup> Change in percents CPI July 2011 to CPI of the previous month.

<sup>2)</sup> Change in percents CPI July 2011 to CPI in December 2010.

<sup>3)</sup> Change in percents CPI July 2011 to CPI in July 2010.

In July 2011, the share of inflation by expenditure group went as follows: the foodstuff inflated 0.41 percent; the prepared food, beverages, cigarette, and tobacco inflated 0.08 percent; the housing, water, electricity, gas, and fuel inflated 0.04 percent; the clothing inflated 0.04 percent; the health inflated 0.01 percent; the education, recreation, and sport inflated 0.06 percent, and the transportation, communication, and financial services inflated 0.03 percent (Table 2.4).

In July 2011, the clothing inflated 0.04 percent.

#### Table 2.4 The Share of National Inflation of July 2011 by Expenditure Group (percent)

Expenditure Group	The Share of Inflation (%)		
(1)	(2)		
General	0.67		
1. Foodstuff	0.41		
2. Prepared Food, Beverages, Cigarette, and Tobacco	0.08		
3. Housing, Water, Electricity, Gas, and Fuel	0.04		
4. Clothing	0.04		
5. Health	0.01		
6. Education, Recreation, and Sport	0.06		
7. Transportation, Communication, and Financial Services	0.03		





## **Economic Growth**

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#### Economic Growth 13

#### ECONOMIC GROWTH

Economic growth shows the growth of production of goods and services in a certain economic country for a certain period of time. Economic growth shows the growth of production of goods and services in a certain economic country for a certain period of time. The production is measured in value added which is produced by economic sectors of related country, that is totally known as Gross Domestic Product (GDP). Therefore, the economic growth is the same as GDP growth. If it is assumed as a cake, GDP will be the magnitude of that cake. The economic growth is similar to the enlargement of cake whose the measurement is calculated by the percentage of GDP increase at a certain year to the previous year<sup>1</sup>.

GDP is presented in two price concepts, current price and constant price. In addition, the calculation of economic growth uses the constant price concept of a certain base year to eliminate the price increasing factor. At this present, BPS uses the year 2000 as the base year.

Value added is also defined as a compensation of production factors such as labor, land, capital and entrepreneurship, which is utilized in producing goods and services. However, the economic growth calculated from GDP merely considers the domestic factors without taking into account of the ownership of production factor.

The statistical technique explanation provides more detailed and complete concepts and definitions. The followings are the GDP data and its derivative.

#### 1. Growth of GDP by Industrial Origin, 2007–Semester I-2011

During 2007–2010, Indonesian economy grew by 6.3 percent (2007), 6.0 percent (2008), 4.6 percent (2009) and 6.1 percent (2010) respectively. Meanwhile, in the first semester of 2011 in comparison to the second semester in 2010, it grew by 2.2 percent and it grew by 6,5 percent when compared to the first semester of 2010. These figures were derived from applying the formulation to GDP (2007–2010) and the first semester in 2011 at 2000 constant price (Table 3.1 and Table 3.2).

<sup>1</sup> Formulation of economic growth is as follow:

$$EG = \left(\frac{GDP_t - GDP_{t-1}}{GDP_{t-1}}\right) \times 100\%$$

EG= economic growthGDP= Gross Domestic Productt= certain yeart-1= previous year

#### 14 Economic Growth

During 2007–2010, transportation-communication sector was being the fastest movers, at 14.0 percent (2007), 16.6 percent (2008), 15.5 percent (2009) and 13.5 percent (2010). Even, the contribution of transportation-communication sector to total economic growth of Indonesia in year 2008 and 2009 was the largest one. Meanwhile, the the largest contribution to Indonesia economic growth in 2007, 2008, and 2010 was the trade, hotel, and restaurant sector. Manufacturing industry sector had been the second largest contribution to economic growth during this period.

The biggest source of growth at the first semester of 2011 came from trade, hotel, and restaurant sector noted 1.4 percent where the growth itself was around 8.7 percent (y-on-y). Manufacturing industry sector and transportation and communication sector gave growth contribution which were of 1.3 percent and 1.0 percent respectively. The two sectors had growth rate at 5.4 percent and 12.1 percent respectively. In this semester the growth rate of transportation and communication sectors is still the highest one in comparison to other sectors (Table 3.2).

The biggest source of growth at the first semester of 2011 came from trade, hotel, and restaurant sector.

	Growth				Source of Growth			
Industrial Origin	2007	2008	2009	2010	2007	2008	2009	2010
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. Agriculture, Livestock, Forestry, and Fishery	3.5	4.8	4.1	2.9	0.5	0.6	0.5	0.4
2. Mining and Quarrying	1.9	0.7	4.4	3.5	0.2	0.1	0.4	0.3
3. Manufacturing Industry	4.7	3.7	2.2	4.5	1.2	0.9	0.6	1.1
4. Electricity, Gas, and Water	10.3	10.9	14.3	5.3	0.1	0.1	0.1	0.0
5. Construction	8.5	7.5	7.1	7.0	0.5	0.4	0.4	0.4
6. Trade, Hotel, and Restaurant	8.9	6.9	1.3	8.7	1.4	1.1	0.2	1.4
7. Transportation and Communication	14.0	16.6	15.5	13.5	0.9	1.1	1.2	1.1
8. Finance, Real Estate, and Business Services	8.0	8.2	5.1	5.7	0.7	0.7	0.5	0.5
9. Services	6.4	6.2	6.4	6.0	0.6	0.5	0.6	0.5
GDP	6.3	6.0	4.6	6.1	6.3	6.0	4.6	6.1
GDP Without Oil and Gas	6.9	6.5	5.0	6.6	-	-	-	-

#### Table 3.1 Growth and Source of Growth of GDP by Industrial Origin, 2007–2010 (percent)



Table 3.2
Growth and Source of Growth of GDP by Industrial Origin, Semester I-2011
(percent)

Industrial Origin	Semester I-2011 to Semester II-2010	Semester I-2011 to Semester I-2010	Source of Growth y-on-y
(1)	(2)	(3)	(4)
1. Agriculture, Livestock, Forestry, and Fishery	6.9	3.7	0.5
2. Mining and Quarrying	-2.6	2.3	0.2
3. Manufacturing Industry	1.0	5.4	1.3
4. Electricity, Gas, and Water	1.0	4.1	0.0
5. Construction	-0.5	6.2	0.4
6. Trade, Hotel, and Restaurant	2.7	8.7	1.4
7. Transportation and Communication	2.7	12.1	1.0
8. Finance, Real Estate, and Business Services	3.8	7.1	0.6
9. Services	2.1	6.3	0.6
GDP	2.2	6.5	6.5
GDP Without Oil and Gas	2.5	7.0	-

In the first semester of 2011 GDP at 2000 constant price was 1,205.2 trillion rupiahs. The value of GDP at 2000 constant price in 2007 was 1,964.3 trillion rupiahs and increased in 2010 to become 2,310.7 trillion rupiahs. Meanwhile, in the first semester of 2011 GDP at 2000 constant price was 1,205.2 trillion rupiahs. The value of GDP at current prices in 2007 was 3,950.9 trillion rupiahs and used to increase to the following years becoming 6,422.9 trillion rupiahs in 2010, while in the first semester of 2011 GDP at current prices was 3,549.5 trillion rupiahs (Table 3.3).

#### 16 Economic Growth

#### Table 3.3 GDP at Current Market Prices and Constant Prices by Industrial Origin, 2007–Semester I-2011 (trillion rupiahs)

		At Curre	ent Marke	t Prices		At 2000 Constant Prices				
Industrial Origin	2007	2008	2009	2010	Smt I-2011	2007	2008	2009	2010	Smt I-2011
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1. Agriculture, Livestock, Forestry, and Fishery	541.9	716.7	857.2	985.1	549.4	271.5	284.6	295.9	304.4	160.3
2. Mining and Quarrying	440.6	541.3	591.9	716.4	418.0	171.3	172.5	180.2	186.4	93.2
3. Manufacturing Industry	1.068.7	1.376.4	1.477.7	1.594.3	858.0	538.1	557.8	569.8	595.3	307.4
4. Electricity, Gas, and Water	34.7	40.9	47.2	50.0	27.4	13.5	15.0	17.1	18.0	9.3
5. Construction	305.0	419.7	555.2	661.0	357.6	121.8	131.0	140.3	150.1	77.1
6. Trade, Hotel, and Restaurant	592.3	691.5	744.1	881.1	487.4	340.4	363.8	368.6	400.6	211.6
7. Transportation and Communication	264.3	312.2	352.4	417.5	230.9	142.3	165.9	191.6	217.4	116.5
8. Finance, Real Estate, and Business Services	305.2	368.1	404.0	462.8	259.3	183.7	198.8	208.8	220.6	116.3
9. Services	398.2	481.8	574.1	654.7	361.0	181.7	193.0	205.4	217.8	113.4
GDP	3.950.9	4.948.7	5.603.9	6.422.9	3.549.5	1.964.3	2.082.5	2.177.7	2.310.7	1.205.2
GDP Without Oil and Gas	3.534.4	4.427.6	5.139.0	5.924.0	3.250.4	1.821.8	1.939.6	2.035.9	2.169.5	1.135.7

#### 2. Structure of GDP by Industrial Origin 2007–Semester I-2011

Distribution of GDP by industrial origin at current price shows share of economic sector in that year. Three main sectors are agriculture sector, manufacturing-industry sector and trade, hotel, and restaurant sector have share more than fifty percent to the total of economic share, 55.8 percent in 2007, 56.3 percent (2008), 54.9 percent (2009), 53.9 percent (2010), and 53.4 percent in the first semester 2011. In 2010, manufacturing industry sector gave 24.8 percent contribution to total of economy, meanwhile, agriculture sector and trade, hotel, and restaurant sector contributed 15.3 percent and 10.3 percent; as well as in semester I of 2011 that composition has not shifted, manufacturing industry sector by 24.2 percent, agriculture sector by 15.5 percent and trade, hotel, and restaurant sector by 10.1 percent (Table 3.4). Agriculture sector, manufacturing industry sector and trade, hotel, and restaurant sector have share more than fifty percent to the total of economic share.

Industrial Origin	2007	2008	2009	2010	Smt   2011
(1)	(2)	(3)	(4)	(5)	(6)
1. Agriculture, Livestock, Forestry, and Fishery	13.7	14.5	15.3	15.3	15.5
2. Mining and Quarrying	11.2	10.9	10.6	11.2	11.8
3. Manufacturing Industry	27.0	27.8	26.4	24.8	24.2
4. Electricity, Gas, and Water	0.9	0.8	0.8	0.8	0.8
5. Construction	7.7	8.5	9.9	10.3	10.1
6. Trade, Hotel, and Restaurant	15.0	14.0	13.3	13.7	13.7
7. Transportation and Communication	6.7	6.3	6.3	6.5	6.5
8. Finance, Real Estate, and Business Services	7.7	7.4	7.2	7.2	7.3
9. Services	10.1	9.7	10.2	10.2	10.2
GDP	100.0	100.0	100.0	100.0	100.0
GDP Without Oil and Gas	89.5	89.5	91.7	92.2	91.6

Table 3.4 GDP Structure by Industrial Origin, 2007–Semester I-2011 (percent)

#### 3. Growth of GDP by Expenditure in 2007-Semester I-2011

In the period of 2007-Semester I-2011, Indonesia has always experienced positive economic growth. In the period of 2007–Semester I-2011, Indonesia has always experienced positive economic growth on all components of expenditure, except export and import of goods and services that performed negative growth in 2009.

In 2010, private consumption grew by 4.6 percent, government consumption expenditure grew by 0.3 percent, and gross fixed capital formation grew by 8.5 percent, whereas export and import of goods and services grew by much as 14.9 percent and 17.3 percent consecutively (Table 3.5).

#### 18 Economic Growth

The of Free and the sec	Growth Rate				Source of Growth			
Type of Expenditure	2007	2008	2009	2010	2007	2008	2009	2010
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. Private Consumption	5.0	5.3	4.9	4.6	2.9	3.1	2.8	2.6
2. Government Consumption	3.9	10.4	15.7	0.3	0.3	0.8	1.3	0.0
3. Gross Fixed Capital Formation	9.3	11.9	3.3	8.5	2.0	2.7	0.8	2.0
4. Export	8.5	9.5	-9.7	14.9	4.0	4.6	-4.8	6.4
5. Less: Import	9.1	10.0	-15.0	17.3	3.4	3.9	-6.0	5.6
GDP	6.3	6.0	4.6	6.1	6.3	6.0	4.6	6.1

#### Table 3.5 Growth and Source of Growth of GDP by Expenditure, 2007–2010 (percent)

The economic growth of Indonesia until semester I-2011 showed an improvement. The economy semester I-2011 compared to semester I-2010 (y-on-y) increased by 6.5 percent. The highest growth was recorded on import, export and gross fixed capital formation consecutively as follows: 15.8 percent, 14.9 percent and 8.3 percent. The largest source of growth on semester I-2011 came from export of goods and services, which was 6.6 percent (Table 3.6).

The largest source of growth on semester I-2011 came from export of goods and services.

Table 3.6
Growth and Source of Growth of GDP by Expenditure on Semester I-2011
(percent)

Type of Expenditure	Semester I-2011 to Semester II-2010	Semester I-2011 to Semester I-2010	Source of Growth (y-on-y)
(1)	(2)	(3)	(4)
1. Private Consumption	1.7	4.5	2.6
2. Government Consumption	-30.2	3.7	0.3
3. Gross Fixed Capital Formation	-0.8	8.3	1.9
4. Export	2.2	14.9	6.6
5. Less: Import	4.0	15.8	5.5
GDP	2.2	6.5	6.5



The second	At Current Market Price							At Constant 2000 Market Price				
Expenditure	of liture 2007 2008 20		2009	2010 Smt I-2011		2007	2007 2008		2010	Smt I-2011		
(1)	(2)	(4)	(5)	(5)	(6)	(7)	(9)	(10)	(10)	(11)		
1. Private Consumption	2 510.5	2 999.9	3 290.8	3 642.0	1 948.0	1 130.8	1 191.2	1 249.1	1 306.8	673.6		
2. Government Consumption	329.8	416.9	537.6	581.9	267.7	153.3	169.3	195.8	196.4	82.0		
3. GFCF	985.6	1 370.6	1 744.4	2 065.2	1 117.0	441.4	493.8	510.1	553.4	286.5		
4. a. Changes in Inventory	-1.1	5.8	-7.3	21.4	40.4	-0.2	2.2	-2.0	7.5	15.0		
b. Statistical Discrepancy	-33.6	103.1	-119	7.4	114.5	54.2	27.0	1.1	6.1	24.1		
5. Export	1 163.0	1 475.1	1 354.4	1 580.8	935.8	942.4	1 032.3	932.2	1 071.4	579.4		
6. Less: Import	1 003.3	1 422.9	1 197.1	1 475.8	874.2	757.6	833.3	708.5	830.9	455.4		
GDP	3 950.9	4 948.6	5 603.8	6 422.9	3 549.2	1 964.3	2 082.5	2 177.7	2 310.7	1205.2		

Table 3.7 GDP by Expenditure at Current and Constant 2000 Market Price in 2007–Semester I-2011 (trillion rupiahs)

Private consumption at current market price has constantly increased from year to year. Private consumption at current market price has constantly increased from year to year. In 2007, it was Rp2,510.7 trillion while in 2010 it was recorded as Rp3.642.0 trillion. It is quite in line with private consumption at constant price, which was Rp1,130.8 trillion in 2007 and reached Rp1,306.8 trillion in 2010. The value of private consumption in semester I-2011 was Rp1,948.0 trillion at current market price and Rp673.6 trillion at constant market price (Table 3.7).

#### 4. Structure of GDP by Expenditure, 2007–Semester I-2011

The distribution of GDP by expenditure shows that household consumption is still the major contributor to GDP. From 2007 to Semester I-2011, it is recorded consecutively as 63.5 percent, 60.6 percent, 58.7 percent, 56.7 percent and 54.9 percent in semester I-2011. Other component of GDP which has significant contribution to GDP is Gross Fixed Capital Formation (GFCF). The growth of GFCF was 25.0 percent in 2007 and increased 32.2 percent in 2010 and 31.5 percent in Semester I-2011.

#### 20 Economic Growth

Type of Expenditure	2006	2007	2008	2009	Semester I-2010
(1)	(2)	(3)	(4)	(5)	(6)
1. Private Consumption	63.5	60.6	58.7	56.7	54.9
2. Government Consumption	8.4	8.4	9.6	9.1	7.5
3. Gross Fixed Capital Formation	25.0	27.7	31.1	32.2	31.5
4. a. Changes in Inventory	0.0	0.1	-0.1	0.3	1.1
b. Statistical Discrepancy	-0.9	2.1	-2.0	0.1	3.2
5. Export	29.4	29.8	24.2	24.6	26.4
6. Less: Import	25.4	28.7	21.4	23	24.6
GDP	100.0	100.0	100.0	100.0	100.0

#### Table 3.8 Structure of GDP by Expenditure, 2007–Semester I-2011 (percent)

#### 5. GDP and Gross National Product (GNP) Per Capita, 2007–2010

GDP/GNP per capita is GDP/GNP (at current prices) divided by total population. In 2007–2010, GDP per capita continuously increased from Rp17.4 million (US\$1 922.0) in 2007, becoming Rp21.4 million (US\$2,245.2) in 2008, Rp23.9 million (US\$2,349.6) in 2009 and Rp27.0 million (US\$3,004.9) in 2010. Meanwhile, the value of GNP per capita also continuously increased during the period, which was Rp Rp16.7 million. Whereas (US\$1,843.1) in 2007 to Rp26.3 juta (US\$2,920.1 in 2010 (Table 3.9).

1 843.1

In 2007–2010, GDP per capita continuously increased.

			-,,	
Description	2007	2008	2009	2010
(1)	(2)	(3)	(4)	(5)
GDP Per capita at current prices				
<ul> <li>Value (million Rupiah)</li> </ul>	17.4	21.4	23.9	27.0
• Value (US\$)	1 922.2	2 245.2	2 349.6	3 004.9
GNP Per capita at current prices				
Value (million Rupiah)	16.7	20.7	23.1	26.3

2 165.5

2 267.3

2 920.1

#### Table 3.9 GDP and GNP Per Capita of Indonesia, 2007–2010



• Value (US\$)



## Merchandise Export and Import Statistics

http://www.bps.go.id

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#### MERCHANDISE EXPORT AND IMPORT STATISTICS

BPS-Statistics Indonesia periodically presents merchandise export-import statistics, excluding export and import services. The data are compiled based on custom declaration documents (PEB/PIB) filled by exporters and importers and verified by Customs Office. Indeed, the export-import statistics are by products of customs administration. The time lag of export-import data is quite short, it only takes one month between the data collection and the data dissemination.

Since January 2008, both merchandise export and import statistics were published on general trade system, which means customs bonded warehouse, free industrial zone and free commercial zone were recorded.

The export-import data are presented to provide information on the country's international trade performance to the world in terms of volume and value of merchandise goods. The data presented are volume (in kg), value (in US\$), including detail commodities (individual or group commodities), country of origin and destination, and port of loaded and unloaded.

For the government, the export-import statistics is important for formulating policies and monitoring economic performance. Besides that, this statistics is also used to calculate Gross Domestic Product (GDP) and Balance of Payment (BOP). For private and academicians, the export-import statistics is used for various analysis in economic and social research.

The compilation of export-import data conducted by BPS is already in accordance with United Nation recommendation. Based on the recommendation, BPS adopts the custom frontier as the statistical frontier. The custom frontier is used because the data source is the customs declaration documents from the Customs Office. This data collection method is also conducted in other countries such as in United States, Australia and ASEAN.

Related to demand from user, the export-import data are presented in various form:

 Export/Import by commodities, the commodities classification is based on Harmonized System (HS) codes in 2 up to 10 digits. Besides HS codes, other classification used are The System of International Trade Classification (SITC) in 3 and 5 digits, and International Standard Industrial Classification (ISIC) for exports and Broad Economic Categories (BEC) for imports.

Since January 2008, both merchandise export and import statistics were published on general trade system, which mean customs bonded warehouse, free industrial zone and free commercial zone are recorded.

#### 24 Merchandise Export and Import Statistics

- b. Export/Import by country of destination/origin.
- c. Export/Import by port of loading/unloading.
- d. Export/Import by commodity and country of destination/origin.
- e. Export/Import by commodity and port.
- f. Export/Import by province and commodity.

Based on the type of the data, the monthly export-import data are categorized into:

- Preliminary figures are released within one month after the end of reference month and published monthly.
   For example: the preliminary figures of July 2010 will be released on the first working day of September 2010.
- b. Final figures can be obtained within two months after the end of reference month.

For example: the final figures of July 2010 will be released on October 2010.

While annual data of export-import can be obtained within three months after the end of reference year. For example the export/import figures of 2010 can be obtained on March 2011.

The followings are some example of export-import statistics which is released every month by BPS.

In June 2011, the value of export increased by 0.71 percent compared to May 2011 (see Table 4.1a). The increase was due to the increase in nonoil export of 4.28 percent, and the decrease in oil export of 11,81 percent. Total export for the period of January-June (Semester I) 2011 is US\$98,644.0 million which consist of oil and gas export of US\$19,582.4 million and nonoil and gas export of US\$79,061.6 million. However, comparison to January-June 2010 period, there is an increase of 36.02 percent in total export. The oil export increased by 48.76 percent, while non-oil export increased by 33.20 percent during that period. Total export for the period of January-June Semester I 2011 is US\$98,644.0 million.

		FOB Value (N	Villion US\$)	Chan	% Shara ta		
Description	May 2011	June 2011 <sup>*)</sup>	Semester I-2010	Semester I-2011 <sup>*)</sup>	June 2011 <sup>*)</sup> to May 2011	Semester I-2011 <sup>*)</sup> to Semester I-2010	% Share to Total Export Semester I-2011 <sup>•)</sup>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total Exports	18 287.4	18 414.9	72 521.2	98 644.0	0.71	36.02	100.00
Oil and Gas	4 072.8	3 591.9	13 164.1	19 582.4	-11.81	48.76	19.85
- Crude Oils	1 140.4	1 010.2	4 557.0	6 289.0	-11.41	38.01	6.37
- Oil Product	307.9	331.3	2 116.5	2 562.2	7.59	21.06	2.60
- Gas	2 624.5	2 250.4	6 490.6	10 731.2	-14.26	65.33	10.88
Non-oil and Gas	14 214.6	14 823.0	59 357.1	79 061.6	4.28	33.20	80.15

Table 4.1.a Indonesia's Export, Semester I-2011 \*)

Note: \*)Preliminary Figure

Table 4.1.b Indonesia's Import, Semester I-2011 \*)

		CIF Value (N	Aillion US\$)		Chan	% Shara ta	
Description	May 2011	June 2011 <sup>*)</sup>	Semester I-2010	Semester I-2011 <sup>*)</sup>	June 2011 <sup>*)</sup> to May 2011	Semester I-2011 <sup>*)</sup> to Semester I-2010	% Share to Total Import Semester I-2011 <sup>•)</sup>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total Import	14 825.9	15 082.8	62 937.4	83 591.7	1.73	32.82	100.00
Oil and Gas	3 647.8	3 244.5	13 123.5	19 239.8	-11.06	46.61	23.02
- Crude Oils	893.5	716.9	4 223.4	4 883.8	-19.76	15.64	5.84
- Oil Product	2 610.4	2 399.8	8 551.4	13 650.9	-8.07	59.63	16.33
- Gas	143.9	127.8	348.7	705.1	-11.19	102.21	0.84
Non-oil and Gas	11 178.1	11 838.3	49 813.9	64 351.9	5.91	29.18	76.98

Note: \*)Preliminary Figure

Tables 4.1.b. presents that imports value of Indonesia during June 2011 increased by 1.73 percent compared to imports of May 2011, that was from US\$14,825.9 million to US\$15,082.8 million. It was mainly due to the increased in non-oil and gas imports of around 5.91 percent to US\$660.2 million, and the decline in oil and gas imports of 11.06 percent to US\$403.3 million. Furthermore the reduction of oil and gas imports was because of the decline of both crude oil imports and oil product imports which dropped by 19.76 percent and 8.07 percent to US\$176.6 million and US\$210.6 million respectively, as well as gas imports by 11.19 percent to US\$16.1 million.

Values of oil and gas and non-oil and gas exports-imports from June 2010 up to June 2011 were presented successively at tables 4.2.a and tables of 4.2.b. Data up to May 2011 is a fixed value, while to June 2011 is an interim value.
The highest increase of non-oil and gas export in June 2011 (compared to May 2011) was for Ores, slag and ash (HS 26) reaching US\$ 267.6 million, while the highest reduction was for animal and vegetable oils/fats (HS 15) which was US\$ 164.8 million.

Year	Month	FO	B Value (Million US	\$)	Pe fr	Percentage of Change from Previous Month			
		Oil and gas	Non-oil and gas	Total	Oil and gas	Non-oil and gas	Total		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
2010	June	1 901.5	10 428.6	12 330.1	-19.74	1.37	-2.58		
	July	1 881.4	10 605.5	12 486.9	-1.06	1.70	1.27		
	August	1 993.5	11 733.0	13 726.5	5.96	10.63	9.93		
	September	2 082.9	10 098.7	12 181.6	4.48	-13.93	-11.25		
	October	2 841.9	11 557.7	14 399.6	36.44	14.45	18.21		
	November	2 816.4	12 816.9	15 633.3	-0.90	10.89	8.57		
	December	3 259.3	13 570.6	16 829.9	15.73	5.88	7.65		
	Jan-Dec	28 039.6	129 739.5	157 779.1	47.43	33.08	35.42		
2011	January	2 615.0	11 991.2	14 606.2	-19.77	-11.64	-13.21		
	February	2 612.5	11 802.8	14 415.3	-0.10	-1.57	-1.31		
	March	3 061.9	13 304.1	16 366.0	17.20	12.72	13.53		
	April	3 628.3	12 925.9	16 554.2	18.50	-2.84	1.15		
	May	4 072.8	14 214.6	18 287.4	12.25	9.97	10.47		
	June <sup>*)</sup>	3 591.9	14 823.0	18 414.9	-11.81	4.28	0.71		

### Table 4.2.aValue of Export, June 2010–June 2011 \*)

Note: \*) Preliminary Figure

### Table 4.2.b Value of Import, June 2010-June 2011 \*)

Year	Month	СІ	F Value (Million US\$	)	Pe fro	Percentage of Change from Previous Month			
		Oil and gas	Non-oil and gas	Total	Oil and gas	Non-oil and gas	Total		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
2010	June	2 389.5	9 370.5	11 760.0	20.89	17.08	17.83		
	July	2 107.9	10 518.0	12 625.9	-11.78	12.25	7.36		
	August	2 206.8	9 964.8	12 171.6	4.69	-5.26	-3.6		
	September	2 000.2	7 653.9	9 654.1	-9.36	-23.19	-20.68		
	October	2 384.4	9 735.6	12 120.0	19.21	27.2	25.54		
	November	2 947.0	10 060.6	13 007.6	23.6	3.34	7.32		
	December	2 643.0	10 503.7	13 146.7	-10.32	4.4	1.07		
	Jan-Dec	27 412.7	108 250.6	135 663.3	-	-	-		
2011	January	2 971.8	9 586.9	12 558.7	12.44	-8.73	-4.47		
	February	2 544.7	9 205.2	11 749.9	-14.37	-3.98	-6.44		
	March	2 877.0	11 609.2	14 486.2	13.06	26.12	23.29		
	April	3 954.0	10 934.2	14 888.2	37.43	-5.81	2.78		
	May	3 647.8	11 178.1	14 825.9	-7.74	2.23	-0.42		
	June <sup>*)</sup>	3 244.5	11 838.3	15 082.8	-11.06	5.91	1.73		

Note: \*) Preliminary Figure

For the period of January-June 2011, exports of 10 major commodities (2 digits HS code) contributed 62.47 percent to non-oil and gas exports, while other commodities contributed 37.53 percent. Compared to the same period last year, the growth of these 10 major commodities rose by 35.59 percent on January-June 2011. The value of those 10 major commodities can be seen in Table 4.3.a.

### Table 4.3.a Non-oil and Gas Exports of Ten Major Commodities Semester I-2011 \*)

	_	FOB Value (	Changes of	% Share to Total Non			
Commodity Groups (HS)	May 2011	June 2011 <sup>*)</sup>	Semester I-2010	Semester I-2011 <sup>*)</sup>	June 2011 <sup>*)</sup> to May 2011 (Million US\$)	Oil and Gas Semester I-2011 <sup>*)</sup>	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1. Mineral fuels (27)	2 358.6	2 415.8	9 207.3	12 178.7	57.2	15.40	
2. Animal and vegetable oils/fats (15)	2 428.5	2 263.7	5 712.9	10 355.6	-164.8	13.10	
3. Rubber and article thereof (40)	1 323.5	1 207.5	4 341.2	7 593.1	-116.0	9.60	
<ol> <li>Electrical machinery and equipments (85)</li> </ol>	886.5	1 007.5	4 818.7	5 399.2	121.0	6.83	
5. Ores, slag and ash (26)	536.5	804.1	3 668.2	3 683.7	267.6	4.66	
<ol> <li>Machinery and mechanical appliances (84)</li> </ol>	418.4	417.2	2 373.3	2 481.4	-1.2	3.14	
7. Apparel and clothing, not knitted (62)	340.8	385.4	1 712.1	2 141.8	44.6	2.71	
8. Paper and paperboard (48)	365.3	371.4	2 029.7	2 111.2	6.1	2.67	
9. Copper (74)	331.2	289.8	1 573.3	2 105.5	-41.4	2.66	
10. Man-made staple fibres (55)	227.3	209.2	990.1	1 340.9	-18.1	1.70	
Total of 10 Major Commodities	9 216.6	9 371.6	36 426.8	49 391.1	155.0	62.47	
Other Commodities	4 998.0	5 451.4	22 930.3	29 670.5	453.4	37.53	
Total Non-oil and Gas Exports	14 214.6	14 823.0	59 357.1	79 061.6	608.4	100.00	

Note: \*)Preliminary Figure

From ten major commodities of Indonesia's non-oil and gas imports, four major commodities declined at June 2011 compared to May 2011. From ten major commodities of Indonesia's non-oil and gas imports, four major commodities declined at June 2011 compared to May 2011 that were organic chemicals by 6.78 percent to US\$42.4 million, cotton by 11.85 percent to US\$41.4 million, plastics and articles thereof by 6.52 percent to US\$39.8 million, and articles of iron and steel by 0.19 percent to US\$0.5 million. Meanwhile, six other goods faction experienced of increasing.

Four out of the six major commodities increased beyond US\$100,0 million that were Aircraft and its components by 120.51 percent to US\$180.4 million, Vehicles other than railway/tramway and parts and accessories thereof by 26.55 percent to US\$134.5 million, Machinery and mechanical appliances; by 6.18 percent to US\$118.2 million, and Electrical machinery and equipments by 8.03

percent to US\$116.4 million. Meanwhile, two major commodities increased below US\$100.0 million that were Cereals by 27.54 percent to US\$99.3 million, and Iron and steel by 3.76 percent to US\$29.6 million. The value of those ten major commodities can be seen in Table 4.3.b.

### Table 4.3.b Non-oil and Gas Import of Ten Major Commodities Semester I-2011<sup>\*)</sup>

		CIF Value (N	Changes of	% Share		
Commodity Groups (HS)	May 2011	June 2011*)	Semester I-2010	Semester I-2011 <sup>°)</sup>	June 2011*) to May 2011 (Million US\$)	Non-oil and Gas Import Semester I-2011 <sup>*)</sup>
(1)	(2)	(3)	(4)	(5)	(6)	(8)
1. Machinery and mechanical appliances; parts (84)	1 912.8	2 031.0	9 167.4	11 131.6	118.2	17.30
2. Electrically machinery and equipments (85)	1 449.5	1 565.9	7 017.7	8 562.8	116.4	13.31
3. Iron and steel (72)	787.6	817.2	3 006.0	4 125.0	29.6	6.41
4. Vehicles other than railway/tramway and parts and accessories thereof (87)	506.6	641.1	2 629.0	3 401.4	134.5	5.29
5. Organic chemical (29)	625.3	582.9	2 640.1	3 350.3	-42.4	5.21
6. Plastics and articles thereof (39)	610.0	570.2	2 215.0	3 350.0	-39.8	5.21
7. Cereals (10)	360.6	459.9	823.1	2 532.6	99.3	3.93
8. Cotton (52)	349.5	308.1	1 002.1	1 784.6	-41.4	2.77
9. Articles of iron and steel (73)	256.6	256.1	1 661.2	1 610.4	-0.5	2.50
10. Aircraft and its components (88)	149.7	330.1	1 382.9	1 353.9	180.4	2.10
Total of 10 Major Commodities	7 008.2	7 562.5	31 544.5	41 202.6	554.3	64.03
Other Commodities	4 169.9	4 275.8	18 269.4	23 149.3	105.9	35.97
Total Non-oil and Gas Import	11 178.1	11 838.3	49 813.9	64 351.9	660.2	100.00

Note: \*)Preliminary Figure

In June 2011, Indonesia's non-oil and gas exports to China, Japan, and United States reached US\$1,938.9 million, US\$1,628.3 million and US\$1,344.1 million respectively, and these three countries contributed 33.13 percent of total non-oil exports.

The highest increase non-oil and gas exports was to Singapore which increased by US\$205.6 million in June 2011, followed by China with the increase of US\$122.5 million, Japan by US\$112.7 million, Thailand by US\$64.8 million, Australia by US\$64.1 million, Germany by US\$40.1 million, Taiwan by US\$37.5 million, United States by US\$23.2 million and United Kingdom US\$2.5 million. While exports to South Korea decreased by US\$75.2 million,

Total exports to those twelve main countries increased by 6.69 percent. followed by Malaysia which fell by US\$20.2 million, and French by US\$6.0 million. Meanwhile exports to European Union (27 countries) in June 2011 reached US\$1,872.0 million. Overall, total exports to those twelve main countries increased by 6.69 percent.

During Januari-June 2011, Japan was still the main destination of Indonesia exports which reached US\$8,970.4 million (11.35 percent), followed by the China which reached US\$8,953.7 million (11.32 percent), and United States which reached US\$7,900.8 million (9.99 percent).

From total Indonesian non-oil and gas imports value in June 2011 that was US\$11,838.3 million, US\$2,373.6 million (20.05 percent) came from ASEAN, and US\$1,066.0 (9.00 percent) from EC's Countries. In term of countries of origin of major commodity, non-oil and gas imports value from China was the biggest that was US\$2,304.1 million or 19.46 percentage of entire Indonesian non-oil and gas imports, followed by Japan at US\$1.583.8 million (13.38 percent), Thailand by US\$906.9 million (7.66 percent), United States at US\$880.4 million (7.44 percent), Singapore at US\$815.0 million (6.88 percent), Republic of Korea at US\$591.9 million (5.00 percent), Australia at US\$504.8 million (4.26 percent), Malaysia at US\$458.4 million (3,87 percent), Germany at US\$306.1 million (2.59 percent), Taiwan at US\$298.3 million (2.52 percent). Furthermore, non-oil and gas imports value from United Kingdom is in the amount of US\$141.9 million (1.20 percent) and France which is of US\$110.1 million (0.93 percent). As a whole, twelve major countries above gave share equal to 77.24 percentage of total Indonesian non-oil and gas imports.

Meanwhile, from total Indonesian non-oil and gas imports value during semester I-2011 of US\$64,351.9 million, 77 percent came from twelve major countries including China with the value of US\$12,049.9 million or 18.73 percent, Japan with US\$8,657.7 million (13.45 percent), Thailand giving the share of 8.06 percent, Singapore 7.87 percent, United States 7.81 percent, Korea Republic 5.47 percent, Malaysia 4.24 percent, Australia 3.68 percent, Taiwan 2.93 percent, Germany 2.65 percent, France 1.24 percent, and United Kingdom 0.87 percent. Indonesian imports from ASEAN reached 22.59 percent and from EC's Countries 8.93 percent.

Compared to semester I-2010, the import value from twelve major countries of origin have increased by 24.81 percent. Compared to semester I-2010, the import value from twelve major countries of origin have increased by 24.81 percent. This increase was mainly shared by three main countries of origin, namely China by 33.24 percent or US\$3,005.9 million, Thailand and Japan by 41.71 percent (US\$1,526.2 million) and by 13.40 percent (US\$1,023.3 million) respectively.

		FOB Value (f	Change of	% Change to Total Non-oil			
Country of Destination	May 2011	June 2011*)	Semester Semester I-2010 I-2011 <sup>*)</sup>		May 2011 to May 2011 (Million US\$)	and gas Semester I-2011 <sup>*)</sup>	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
ASEAN	2 645.5	2 970.9	12 721.0	16 735.6	325.4	21.17	
1. Singapore	888.2	1 093.8	4 629.2	5 629.7	205.6	7.12	
2. Malaysia	896.7	876.5	3 515.7	4 962.5	-20.2	6.28	
3. Thailand	370.4	435.2	1 953.2	2 987.1	64.8	3.78	
Other ASEAN	490.2	565.4	2 622.9	3 156.3	75.2	3.99	
EUROPEAN UNION	2 019.8	1 872.0	7 637.8	10 553.9	-147.8	13.35	
4. Germany	295.8	335.9	1 387.5	1 747.9	40.1	2.21	
5. French	117.7	111.7	602.8	675.5	-6.0	0.85	
6. England	143.9	146.4	839.9	852.1	2.5	1.08	
Other European Uni	1 462.4	1 278.0	4 807.6	7 278.4	-184.4	9.21	
OTHER MAIN COUNTRIES	5 832.5	6 117.3	25 836.4	32 773.5	284.8	41.45	
7. China	1 816.4	1 938.9	6 051.3	8 953.7	122.5	11.32	
8. Japan	1 515.6	1 628.3	7 644.1	8 970.4	112.7	11.35	
9. United States	1 320.9	1 344.1	6 245.5	7 900.8	23.2	9.99	
10. Australia	201.6	265.7	1 003.5	1 167.1	64.1	1.48	
11. South Korea	644.4	569.2	3 337.1	3 751.1	-75.2	4.74	
12. Taiwan	333.6	371.1	1 554.9	2 030.4	37.5	2.57	
Total of 12 Countries	8 545.2	9 116.8	38 764.7	49 628.3	571.6	62.77	
Others	5 669.4	5 706.2	20 592.4	29 433.3	36.8	37.23	
Total Non-oil and Gas Exports	14 214.6	14 823.0	59 357.1	79 061.6	608.4	100.00	

### Tabel 4.4.a Non-oil and Gas Exports by Country of Destination Semester I-2011<sup>\*)</sup>

Note: \*)Preliminary Figure

### Tabel 4.4.b Indonesian Non-oil and Gas Imports by Country of Origin, Semester I-2011<sup>\*)</sup>

		CIF Value (N	Change of	% Change to Total Non-oil			
Country of Destination	May 2011	June 2011 <sup>*)</sup>	Semester I-2010	Semester Semester I-2010 I-2011 <sup>*)</sup>		and gas Semester I-2011 <sup>*)</sup>	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
ASEAN	2 399.9	2 373.6	11 495.2	14 538.8	-26.30	22.59	
1. Singapore	871.2	815.0	4 863.7	5 064.9	-56.20	7.87	
2. Malaysia	790.9	906.9	3 659.2	5 185.4	116.00	8.06	
3. Thailand	516.2	458.4	2 181.6	2 727.0	-57.80	4.24	
Other ASEAN	221.6	193.3	790.7	1 561.5	-28.30	2.43	
EUROPEAN UNION	1 033.7	1 066.0	4 397.7	5 751.2	32.30	8.93	
4. Germany	313.7	306.1	1 347.5	1 707.4	-7.60	2.65	
5. French	108.5	110.1	460.1	799.6	1.60	1.24	
6. England	101.0	141.9	487.0	560.0	40.90	0.87	
Other European Uni	510.5	507.9	2 103.1	2 684.2	-2.60	4.17	
OTHER MAIN COUNTRIES	5 869.7	6 163.3	26 700.1	33 505.3	293.60	52.07	
7. China	1 325.6	1 583.8	7 634.4	8 657.7	258.20	13.45	
8. Japan	2 284.2	2 304.1	9 044.0	12 049.9	19.90	18.73	
9. United States	944.0	880.4	4 207.1	5 025.0	-63.60	7.81	
10. Australia	591.3	591.9	2 599.4	3 522.5	0.60	5.47	
11. South Korea	356.8	504.8	1 848.6	2 367.2	148.00	3.68	
12. Taiwan	367.8	298.3	1 366.6	1 883.0	-69.50	2.93	
Total of 12 Countries	8 571.2	8 901.7	39 699.2	49 549.6	330.50	77.00	
Others	2 607.0	2 936.6	10 114.7	14 802.3	329.60	23.00	
Total Non-oil and Gas Import	11 178.2	11 838.3	49 813.9	64 351.9	660.10	100.00	

Note: \*)Preliminary Figure



# Employment

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### EMPLOYMENT

One of essential issues in employment, besides economically active population and labor structure, is unemployment issue. From economic point of view, unemployment is a market inability to absorb available labor supply. Limited job vacancies cannot sufficiently absorb job seekers regarding its number that is continuously increasing along with the increase of population. High unemployment creates not only economic problems, but also social problems, such as poverty and the potentials of social insecurity.

Data regarding labor force situation are core data which are not only able to describe social and economic condition, but also to describe social welfare in an area in a certain period. To obtain the data, Statistics-Indonesia (BPS) collects and presents population and labor force data, through various censuses and surveys, namely: Population Census (PC), Intercensal Population Survey (IPS), National Socio-Economic Survey (NSES), and National Labor Force Survey (NLFS). The latter one is a survey which was designed to collect labor force data with household approach.

NLFS has been conducted since 1976, and applied periodically since 1986. Until now, NLFS has several times of adjustment especially in enumeration period, methodology, and sample area coverage of household. From 1994 to 2001, NLFS was conducted yearly in August, except for 1995, because the data can be obtained from 1995 IPS. From 2002 to 2004, besides implemented yearly, NLFS was also conducted quarterly. From 2005 to 2010, NLFS was conducted every semester. The first semester was in February and the second Semester in August. In 2005, 2nd Semester field enumeration which supposed to be conducted in August delayed to November because in August-October of 2005 BPS conducted another urgent national survey.

Sakernas 2011 is conducted back on a quarterly basis which is: February (First Quarter), May (Second Quarter), August (Third Quarter), and November (Fourth Quarter). With the growing urgency of the demand of employment data in terms of continuity, currency, and increasing the accuracy of the data produced, then data collection through NLFS 2011 (Sakernas 2011) is conducted back on a quarterly basis which is: February (First Quarter), May (Second Quarter), August (Third Quarter), and November (Fourth Quarter), with the presentation of data is designed to provincial level. For Sakernas conducted in August 2011, besides the quarterly sample, it also contains an additional sample, intended to obtain an annual figure for the district level.

In conducting NLFS, BPS uses the reference of labor force concepts/ definitions from International Labor Organization (ILO), as can be read in

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"Surveys of Economically Active Population, Employment, Unemployment, and Underemployment: An ILO Manual on Concepts and Methods, ILO 1992".

International standard for short reference period is one day or one week. 'A week ago reference period' is mostly implemented in countries who conduct national labor force survey. According to technical argument, ILO recommended one hour criterion, which uses one hour concept/definition in a certain period to classify a person to be categorized as employed. With regard to those arguments, NLFS uses concept of "work for at least one hour continuously during a week ago" to categorize one as working, before dealing with the industrial classification, occupation status, and main employment status.

#### 1. Labor Force, Employment, and Unemployment

Labor is a resource for development activities. Its number and composition always change along with demographic process. In February 2011, the number of labor force who economically active reaches 119.4 million people or increased about 2.9 million people compared to August 2010 and increased about 3.4 million people compared to February 2010. Population who worked in February 2011 was 111.3 million people, increased by 3.1 million people (2.84 percent) compared to August 2010 and increased by 3.9 million people (3.61 percent) compared to previous year condition (February 2010).

Labor Force Participation Rate (LFPR) indicates working age population who is economically active in a country or a region. LFPR constitutes percentage of labor force number to working age population number. This indicator shows relative size of available labor supply to produce goods and services in an economic system. From February 2010 to February 2011, LFPRs increased by 2.13 percent, from 67.83 percent to 69.96 percent. This increase among others was attributable to better national socio-economic condition, which influenced production factors in Indonesia. The fluctuation of production factors condition influenced directly the fluctuation of labor demand and supply.

The growth of labor which is higher than the growth of job vacancy, will cause decreasing employment rate. Therefore, number of employed population does not always describe number of job opportunities. This is a consequence of common mismatch in labor market.

In February 2011, 93.20 percent of total labor force (119.4 million people) was working population. Population who worked in that month increased by 6.4 million people (6.11 percent) compared to August 2009, and increased by 6.8 million people (6.50 percent) compared to February 2009.

Number of unemployment was decreased by 475 thousand people (February 2010–February 2011). Open Unemployment Rate (OUR) in February 2011 was 6.80 percent, decreased by 0.61 percent compared to February 2010. Another important issue is unemployment. Unemployment concept includes: those who are looking for work; preparing for a business; not looking for work due to feeling hopeless to get a job (discouraged worker); and those who have a job already but not active yet. Unemployment with this concept is usually called open unemployment. Number of unemployed person in February 2011 were 8.1 millions people or decreased by 475 thousands people (5.53 percent) compared to February 2010 which were 8.59 millions people.

Indication of working age population in unemployment group is Open Unemployment Rate (OUR), where OUR is the percentage of unemployment to labor force. OUR in February 2011 was 6.80 percent, decreased by 0.61 percent compared to February 2010, which previously was 7.41 percent.

### Table 5.1 Population of 15 Year and Over by Activity, 2009–2011 (thousands)

A attaite	20	09	20	2010		
Activity	February	February August		August	February	
(1)	(2)	(3)	(4)	(5)	(6)	
Economically Active	113 744.41	113 833.28	115 998.06	116 527. 55	119 399.37	
Working	104 485.44	104 870.66	107 405.57	108 207.77	111 281.74	
	(91.86)	(92.13)	(92.59)	(92.86)	(93.20)	
Open Unemployment	9 258.96	8 962.62	8 592.49	8 319.78	8 117.63	
	(8.14)	(7.87)	(7.41)	(7.14)	(6.80)	
Not Economically Active	54 520.04	55 494.93	55 019.35	55 542.79	51 256.76	
Labor Force Participation Rate (%)	67.60	67.32	67.83	67.72	69.96	
Open Unemployment Rate (%)	8.14	7.87	7.41	7.14	6.80	
Less Than Normal Working Hour	31 363.29	31 569.93	32 802.94	33 269.34	34 194.26	
Underemployment	15 001.98	15 395.57	15 272.94	15 258.76	15 736.48	
Part Time Worker	16 361.31	16 174.36	17 530.00	18 010.58	18 457.79	

Notes: Number in brackets shows percentage

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### 2. Main Industry

According to main industry in February 2011, from 111.3 millions people who worked, most of them worked in Agriculture which were 42.5 million people (38.16 percent); followed by Trade Sector which were 23.2 million people (20.88 percent); and Social Service Sector which were 17.0 million people (15.30 percent).

During the last year, the highest increase of working people occurred in Social Service Sector which increased by 1.41 million people, followed by Trade Sector with 1.0 million people increase. The highest increase of working people occurred in Social Service Sector which increased by 1.4 million people.

### Table 5.2 Population of 15 Year and Over who Worked in a Week Ago by Main Industry, 2009–2011 (millions)

B de tra La duratura	20	09	20	2010		
iviain industry -	February	August	February	August	February	
(1)	(2)	(3)	(4)	(5)	(6)	
Agriculture	43.03	41.61	42.83	41.49	42.47	
Manufacture	12.62	12.84	13.05	13.82	13.71	
Construction	4.61	5.49	4.84	5.59	5.58	
Trade	21.84	21.95	22.21	22.49	23.24	
Transportation, Warehousing, and Communication	5.95	6.12	5.82	5.62	5.58	
Finance	1.48	1.49	1.64	1.74	2.06	
Social Service	13.61	14.00	15.62	15.96	17.03	
Others *)	1.35	1.39	1.40	1.50	1.61	
Total	104.49	104.87	107.41	108.21	111.28	

\*) Including: 1. Mining and Quarrying; 2. Electricity, Gas, and Water

### 3. Main Employment Status

Formal and informal sector can be defined roughly by employment status. From seven categories of main employment status, formal workers refer to both employers and employees. Therefore, to this formal and informal approach, in February 2011 there were about 34.24 percent workers who worked in formal sector and 65.76 percent in informal sector. The number of employees in Indonesia was 34.5 million people in February 2011.

As seen on Table 5.3, from 111.3 million workers, number of employees in Indonesia in February 2011 was 34.5 million people (31.01 percent). Meanwhile, number of employer in the corresponding month was 46.0

million people, that consists of 21.2 million self-employed (own-account workers), 21.3 million self employed assisted by temporary employee, and 3.6 million employers with permanent/paid workers. Number of unpaid worker in Indonesia in February 2011 was 20.0 million people or 17.95 percent of total workers.

### Table 5.3 Population of 15 Years and Over Who Work During Previous Week by Main Employment Status, 2009–2011 (millions)

Maria Frankriger and Chattan	20	09	20:	2010		
iviain Employment Status	February	August	February	August	February	
(1)	(2)	(3)	(4)	(5)	(6)	
Self Employed (Own Account Worker)	20.81	21.05	20.46	21.03	21.15	
Self employed assisted by temporary/unpaid workers	21.64	21.93	21.92	21.68	21.31	
Employer with permanent/paid workers	2.97	3.03	3.02	3.26	3.59	
Employee	28.91	29.11	30.72	32.52	34.51	
Casual employee in Agriculture	6.35	5.88	6.32	5.82	5.58	
Casual employee in nonagriculture	5.15	5.67	5.28	5.13	5.16	
Family/unpaid worker	18.66	18.19	19.68	18.77	19.98	
Total	104.49	104.87	107.41	108.21	111.28	

The highest reduction was in Jawa Timur Province which dropped by 166 thousands people (February 2010–February 2011).

### 4. Population who Worked and Unemployment by Province

During February 2010 to February 2011, the number of unemployed in many provinces generally decreased. The highest reduction was in Jawa Timur Province which dropped by 166 thousands people, followed by Jawa Tengah and Sumatera Utara with 132 thousands people and 52 thousand people respectively. In contrast, the number of unemployed increased in several provinces such as Banten, Riau and Kalimantan Timur with the increase of 69 thousands, 17 thousands, and 14 thousands people respectively. Moreover, the highest number of unemployed was in Jawa Barat Province which was 2.0 million people. While, the smallest one was in Sulawesi Barat Province, which were 15 thousands people.

Generally, OURs in almost all provinces in February 2011 decreased, compared to the previous year, with only Papua Barat experiencing an increase in OURs which was 0.51 percent. The highest reduction in OURs was recorded in Maluku Province which was 1.41 percent.

## Table 5.4Number of Economically Active, Working, Open Unemployment,and Open Unemployment Rate by ProvinceFebruary 2010–February 2011

Province	Economically Active (millions)		Working	(millions)	Open Unemployment (thousands)		Open Unemployment Rate/OUR (%)	
	Feb 2010	Feb 2011	Feb 2010	Feb 2011	Feb 2010	Feb 2011	Feb 2010	Feb 2011
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Aceh	1.93	2.07	1.77	1.90	166.28	171.05	8.60	8.27
Sumatera Utara	6.40	6.41	5.90	5.95	512.83	460.62	8.01	7.18
Sumatera Barat	2.27	2.28	2.10	2.11	172.08	162.49	7.57	7.14
Riau	2.35	2.59	2.18	2.41	169.16	185.91	7.21	7.17
Jambi	1.35	1.53	1.30	1.47	60.06	58.80	4.45	3.85
Sumatera Selatan	3.62	3.76	3.38	3.53	237.12	228.08	6.55	6.07
Bengkulu	0.88	0.89	0.84	0.86	35.68	30.45	4.06	3.41
Lampung	3.75	3.85	3.53	3.85	223.49	201.48	5.95	5.24
Bangka Belitung	0.55	0.61	0.53	0.59	23.32	19.72	4.24	3.25
Kepulauan Riau	0.70	0.84	0.65	0.78	50.73	58.88	7.21	7.04
DKI Jakarta	4.75	5.01	4.21	4.47	537.47	542.71	11.32	10.83
Jawa Barat	19.21	20.16	17.18	18.17	2 031.55	1 982.45	10.57	9.84
Jawa Tengah	17.13	17.18	15.96	16.14	1 174.90	1 042.50	6.86	6.07
D. I. Yogyakarta	2.07	1.96	1.94	1.85	124.38	107.12	6.02	5.47
Jawa Timur	20.62	20.25	19.61	19.41	1 011.95	845.65	4.91	4.18
Banten	4.44	5.16	3.81	4.47	627.83	697.08	14.13	13.50
Bali	2.12	2.30	2.04	2.23	75.64	65.60	3.57	2.86
Nusa Tenggara Barat	2.13	2.17	2.00	2.06	122.84	116.41	5.78	5.35
Nusa Tenggara Timur	2.39	2.23	2.30	2.18	83.32	59.66	3.49	2.67
Kalimantan Barat	2.28	2.26	2.15	2.14	125.19	112.53	5.50	4.99
Kalimantan Tengah	1.10	1.14	1.06	1.09	42.73	41.60	3.88	3.66
Kalimantan Selatan	1.85	1.84	1.74	1.74	108.75	103.50	5.89	5.62
Kalimantan Timur	1.54	1.71	1.37	1.54	160.48	174.81	10.45	10.21
Sulawesi Utara	1.07	1.07	0.96	0.97	112.61	98.23	10.48	9.19
Sulawesi Tengah	1.29	1.31	1.22	1.25	62.96	55.81	4.89	4.27
Sulawesi Selatan	3.56	3.63	3.28	3.39	284.37	243.02	7.99	6.69
Sulawesi Tenggara	1.03	1.06	0.98	1.02	49.30	46.23	4.77	4.34
Gorontalo	0.48	0.46	0.46	0.44	24.48	21.12	5.05	4.81
Sulawesi Barat	0.55	0.57	0.52	0.56	22.41	15.51	4.10	2.70
Maluku	0.62	0.69	0.57	0.64	57.04	53.49	9.13	7.72
Maluku Utara	0.42	0.48	0.40	0.45	25.45	26.84	6.03	5.62
Papua Barat	0.37	0.37	0.34	0.34	28.56	30.42	7.77	8.28
Рариа	1.17	1.56	1.12	1.50	47.57	57.88	4.08	3.72
Indonesia	116.00	119.40	107.40	111.28	8 592.49	8 117.63	7.41	6.80



### **Food Crop Production**

### Food Crops Production 43

### FOOD CROPS PRODUCTION

BPS-Statistics Indonesia in colaboration with the Ministry of agriculture estimates the food crops production in the country. BPS-Statistics Indonesia in colaboration with the Ministry of agriculture estimates the food crops production in the country. The information collected for the estimation of food crops production mainly consists of harvested area and productivity (yield per hectare). Food crops production is estimated by multiplying harvested area and productivity. Food crop production for a certain year is estimated and presented in five different kinds of figure status namely the Forecast I, Forecast II, Forecast III, Preliminary Figures, and Final Figures.

The sustainable food crops production estimation has been developed in order to provide accurate and up-to-date information to fulfill the government and public needs. The information would be beneficial information in developing and scheming government policy related to national food security. In addition, it constitutes meaningful indicator for evaluating the agriculture development progress particularly the food crops subsector.

#### 1. Production of Paddy

In 2010, the production of paddy was 66.47 million tons of dry unhusked rice. This means there was an increase of 2.07 million tons or 3.22 percent compared to the production in 2009. The increase occurred both in Jawa and outside Jawa by 1.49 million tons and 0.58 million tons respectively.



Figure 6.1 Series of Paddy Production, 2009–2011<sup>1)</sup>

BPS Strategic Data

Note: 1) Year 2011 is forecast II.

### 44 **Food Crops Production**

In 2011, the production of paddy (Forecast II) is forecasted at 68.06 million tons of dry unhusked rice. It means that the production increases by 1.59 million tons (2.40 percent) compared to the production in 2010. The increase is forecasted to occur both in Jawa and outside Jawa by 0.46 million tons and 1.13 million tons respectively. This forecast was based on the harversted area and productivity which rose by 313.15 thousand hectares (2.36 percent) and 0.02 quintal/hectare (0.04 percent) respectively. The increase in production of paddy is predicted mainly to occur in Jawa Timur, Jawa Tengah, Nusa Tenggara Barat, and Lampung Province, whilst the decreasing production is predicted mainly to occur in Jawa Tarat, and Kalimantan Tengah Province.

Paddy harvesting pattern in 2011 is similar to the harvesting pattern in 2009 and 2010. The peak harvesting season in January–April 2009, 2010, and 2011 occurred in March (Figure 6.2)

In 2011, the production of paddy (Forecast II) is forecasted at 68.06 million tons of dry unhusked rice. It means that the production increases by 1.59 million tons (2.40 percent) compared to the production in 2010.



Figure 6.2 Paddy Harvesting Pattern, 2009–2011

Table 6.1
Series of Harvested Area, Productivity, and Production of Paddy
by Subround, 2009–2011

			_	Growth				
Details	2009	2010	2011 (Forecast II)	2009–2	010	2010-2	011	
			Absolute		(%)	Absolute	(%)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1 Harvested Area (ha)								
<ul> <li>January–April</li> </ul>	5 966 700	5 839 507	6 120 693	-127 193	-2.13	281 186	4.82	
May–August	4 429 632	4 391 893	4 567 913	-37 739	-0.85	176 020	4.01	
September–December	2 487 244	3 022 050	2 877 992	534 806	21.50	-144 058	-4.77	
• January–December	12 883 576	13 253 450	13 566 598	369 874	2.87	313 148	2.36	
2 Productivity (qu/ha)								
<ul> <li>January–April</li> </ul>	49.45	50.22	49.67	0.77	1.56	-0.55	-1.10	
May–August	50.71	50.44	51.09	-0.27	-0.53	0.65	1.29	
September–December	49.97	49.61	49.78	-0.36	-0.72	0.17	0.34	
• January–December	49.99	50.15	50.17	0.16	0.32	0.02	0.04	
3 Production (ton)								
<ul> <li>January–April</li> </ul>	29 505 561	29 323 792	30 399 946	-181 769	-0.62	1 076 154	3.67	
• May–August	22 463 966	22 152 985	23 335 192	-310 981	-1.38	1 182 207	5.34	
September–December	12 429 363	14 992 617	14 326 577	2 563 254	20.62	-666 040	-4.44	
• January-December	64 398 890	66 469 394	68 061 715	2 070 504	3.22	1 592 321	2.40	

Note: paddy production form is dry unhusked rice

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### 2. Production of Maize

In 2010, the production of maize was 18.33 million tons of dry loose maize. It increased by 697.89 thousand tons or 3.96 percent compared to the production in 2009. The increase occurred both in Jawa and outside Jawa in the amount of 489.94 thousand tons and 207.95 thousand tons respectively.



Figure 6.3 Series of Maize Production, 2009–2011 <sup>1)</sup>

Note: 1) Year 2011 is Forecast II

In 2011, the production of maize (Forecast II) is forecasted of 17.39 million tons dry loose maize. It means the production decreases by 935.39 thousand tons (5.10 percent) compared to the production in 2010. The decrease is predicted to occur both in Jawa and outside Jawa by 755.27 thousand tons and 180.12 thousand tons respectively. The decrease is predicted to occur due to the harvested area which declined by 235.93 thousand hectares (5.71 percent), while the productivity rose by 0.28 quintal/hectare (0.63 percent). A high reduction in production in 2011 is predicted to occur in Jawa Timur, Lampung, and Nusa Tenggara Timur Province. Meanwhile, a high rise in production is predicted to occur in Nusa Tenggara Barat, Sumatera Barat, and Jawa Barat Province.

The maize harvesting pattern in 2011 is similar to harvesting pattern in 2009 and 2010. In subround January–April, the harvesting peak season in 2009, 2010, and 2011 occurred in February (Figure 6.4).

In 2011, the production of maize (Forecast II) is forecasted of 17.39 million tons dry loose maize. It means the production decreases by 935.39 thousand tons (5.10 percent) compared to the production in 2010.



Figure 6.4 Maize Harvesting Pattern, 2009–2011

Table 6.2 Series of Harvested Area, Productivity, and Production of Maize by Subround, 2009–2011

				Growth						
Details	2009	2010	2011 (Forecast II)	2009–2	010	2010-2	2011			
			( ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) )	Absolute	(%)	Absolute	(%)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)			
1 Harvested Area (ha)										
<ul> <li>January–April</li> </ul>	2 176 198	2 145 402	1 924 307	-30 796	-1.42	-221 095	-10.31			
<ul> <li>May–August</li> </ul>	1 166 286	1 139 180	1 109 134	-27 106	-2.32	-30 046	-2.64			
September–December	818 175	847 094	862 310	28 919	3.53	15 216	1.80			
• January–December	4 160 659	4 131 676	3 895 751	-28 983	-0.70	-235 925	-5.71			
2 Productivity (qu/ha)										
<ul> <li>January–April</li> </ul>	41.33	42.29	41.84	0.96	2.32	-0.45	-1.06			
<ul> <li>May–August</li> </ul>	43.92	45.26	46.10	1.34	3.05	0.84	1.86			
September–December	42.92	48.39	49.02	5.47	12.74	0.63	1.30			
• January–December	42.37	44.36	44.64	1.99	4.70	0.28	0.63			
3 Production (ton)										
<ul> <li>January–April</li> </ul>	8 995 141	9 072 681	8 051 740	77 540	0.86	-1 020 941	-11.25			
<ul> <li>May–August</li> </ul>	5 122 700	5 155 916	5 113 281	33 216	0.65	-42 635	-0.83			
September–December	3 511 907	4 099 039	4 227 225	587 132	16.72	128 186	3.13			
• January–December	17 629 748	18 327 636	17 392 246	697 888	3.96	-935 390	-5.10			

Note: maize production form is dry loose maize

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### 3. Production of Soybeans

In 2010, the production of soybeans was 907.03 thousand tons of dry shelled soybeans. It means there was a decrease of 67.48 thousand tons or 6.92 percent compared to the production in 2009. The decrease occurred in outside Jawa with the amount of 53.85 thousand tons and in Jawa with the amount of 13.63 thousand tons.



Figure 6.5 Series of Soybean Production, 2009–2011 <sup>1)</sup>

Note: <sup>1)</sup>Year 2011 is Forecast II

In 2011, the production of soybeans is forecasted at 819.45 thousand tons dry shelled soybeans. It means the production is predicted to decline by 87.59 thousand tons (9.66 percent) compared to the production in 2010. The reduction of production is predicted to occur both in Jawa and outside Jawa in the amount of 85.25 thousand tons and 2.34 thousand tons respectively. This predicted reduction was because the harvested area dropped by 68.79 thousand hectares (10.41 percent), while the productivity rose by 0.11 kuintal/hectare (0.80 percent). A high reduction of production in 2011 is predicted to occur in Jawa Tengah and Jawa Timur Province. Meanwhile, a high increase in production is predicted to occur in Jambi and Lampung Province.

The soybean harvesting pattern in 2011 is different from the harvesting pattern in 2010 and 2009. In subround January–April in 2011 the harvesting peak season was in March, while in 2009 and 2010, the harvesting peak season was in February (Figure 6.6).

In 2011, the production of soybeans is forecasted at 819.45 thousand tons dry shelled soybeans. It means the production is predicted to decline by 87.59 thousand tons (9.66 percent) compared to the production in 2010.



Figure 6.6 The Soybean Harvesting Pattern, 2009–2011

Table 6.3 Series of Harvested Area, Productivity, and Production of Soybean by Subround, 2009–2011

				Growth					
Details	2009	2010	2011 (Forecast II)	2009–2010		2010-2011			
				Absolute	(%)	Absolute	(%)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
1 Harvested Area (ha)									
<ul> <li>January–April</li> </ul>	221 821	179 083	186 192	-42 738	-19.27	7 109	3.97		
<ul> <li>May–August</li> </ul>	263 170	247 702	170 738	-15 468	-5.88	-76 964	-31.07		
<ul> <li>September–December</li> </ul>	237 800	234 038	235 104	-3 762	-1.58	1 066	0.46		
• January–December	722 791	660 823	592 034	-61 968	-8.57	-68 789	-10.41		
2 Productivity (qu/ha)									
<ul> <li>January–April</li> </ul>	13.35	13.89	13.22	0.54	4.04	-0.67	-4.82		
<ul> <li>May–August</li> </ul>	13.58	13.22	13.68	-0.36	-2.65	0.46	3.48		
September–December	13.50	14.14	14.45	0.64	4.74	0.31	2.19		
<ul> <li>January–December</li> </ul>	13.48	13.73	13.84	0.25	1.85	0.11	0.80		
3 Production (ton)									
<ul> <li>January–April</li> </ul>	296 141	248 795	246 214	-47 346	-15.99	-2 581	-1.04		
May–August	357 423	327 379	233 540	-30 044	-8.41	-93 839	-28.66		
September–December	ver 320 948 330 857 339 692		9 909	3.09	8 835	2.67			
• January–December	974 512	907 031	819 446	-67 481	-6.92	-87 585	-9.66		

Note: The soybean production form is dry shelled soybean

### The Production Growth of Manufacturing Industry

### THE PRODUCTION GROWTH OF MANUFACTURING INDUSTRY

### 1. The Production Growth of Large and Medium Manufacturing Industry, Quarterly (q-to-q)

Indonesia government still continues actively to create some efforts in order to be able to increase the growth of national economy. Those efforts yield a positive impact on generating the real sector and monetary affairs. Manufacturing industry sector, as one of the leading sector in contributing to the Gross Domestic Product with more than 25 percent contribution, is an important sector in the national economy. The growth of manufacturing industry production is necessary and mandatory to be monitored regularly to evaluate the direction of the economic growth.

Table 7.1 shows that the growth of large and medium manufacturing industry of each quarter from in the first quarter of 2005 until second quarter of 2011. The growth of large and medium manufacturing industry quarterly from in the first quarter of 2010 until second quarter of 2011 has significant fluctuations, those are respectively as follows: -1.83 percent; 2.42 percent; 2.13 percent; 2.77 percent; -1.69 percent; and 1.56 percent.

### Table 7.1 The Quarterly Production Growth of Large and Medium Manufacturing Industry, 2005–2011

No		Growth	(q-to-q)						
Tear	Qtr I	Qtr II	Qtr III	Qtr IV	Qtr I	Qtr II	Qtr III	Qtr IV	Annual
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2005	-0.67	-0.58	5.33	-8.19	6.49	3.81	-0.10	-4.50	1.29
2006	-4.00	4.68	7.97	-3.59	-7.71	-2.83	-0.39	4.60	-1.63
2007	-1.65	4.43	5.04	-3.18	7.16	6.91	4.01	4.46	5.57
2008	-0.34	1.92	3.31	-3.26	5.85	3.30	1.60	1.51	3.01
2009	-1.65	2.38	2.74	0.96	0.19	0.64	0.09	4.46	1.34
2010	-1.83	2.42	2.13	2.77	4.26	4.30	3.67	5.53	4.45
2011	-1.69	1.56			5.68	4.79			

Figure 7.1 and 7.2 show the production growth of manufacturing industry in term of quater to quarter and year on year.

Manufacturing industry sector, as one of the leading sector in contributing to the Gross Domestic Product with more than 25 percent contribution.

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Figure 7.1 Production Growth Large and Medium Manufacturing Industry (q-to-q) 2005–2011

### 2. The Production Growth of Large and Medium Manufacturing Industry, Quarterly (y-on-y)

Production Growth of Large and Medium Manufacturing Industries of the second quarter in 2011 increased 4.79 percent (y-on-y) compared to the second quarter in 2010. Growth of the first quarter in 2011 increased 5.68 percent from the first quarter in 2010, growth of the fourth quarter in 2010 increased 5.53 percent from the fourth quarter in 2009, growth of the third quarter in 2010 increased 3.67 percent from the third quarter in 2009, the second quarter in 2010 increased 4.30 percent from second quarter in 2009 and the first quarter in 2010 increased 4.26 percent compared to first quarter in 2009. Production Growth of Large and Medium Manufacturing Industries of the second quarter in 2011 increased 4.79 percent (y-on-y) compared to the second quarter in 2010. 2010.

### The Production Growth of Manufacturing Industry 55

Figure 7.2 The Production Growth of Large and Medium Manufacturing Industry (y-on-y) 2005–2011



Table 7.2
The Monthly Production Growth of Large and Medium
Manufacturing Industry, January 2005–June 2011

Veer		Month										
Jan	Jan	Feb	Mar	Apr	May	Jun	Jul	Augt	Sept	Oct	Nov	Dec
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2005	-2.67	-0.61	4.27	-5.83	4.14	0.41	1.33	3.41	0.08	-0.85	-14.90	5.16
2006	-1.57	-1.04	1.33	0.16	3.95	3.82	2.45	0.04	4.46	-11.08	6.88	2.05
2007	-3.54	-5.60	6.94	0.10	1.43	2.34	2.12	0.26	1.93	-8.30	5.81	0.82
2008	-1.17	-2.36	0.09	1.16	1.91	0.69	2.55	0.35	-1.73	-1.93	0.39	-1.73
2009	-0.94	0.17	0.61	0.98	0.83	1.11	1.73	1.28	-2.57	2.87	-0.48	-0.72
2010	-0.57	-1.00	0.10	1.27	1.10	2.02	2.20	0.48	-6.15	7.02	-0.66	1.53
2011	-0.22	-5.96	5.46	-1.92	2.23	1.62						

### 3. The Production Growth of Large and Medium Manufacturing Industry, Monthly (m-to-m)

Production Growth of Manufacturing Industry in January 2011 decreased by 0.22 percent from December 2010, in February decreased by 5.96 percent from January 2011, in March 2011 increased by 5.46 percent from February 2011, in April 2011 decreased by 1.92 percent from March 2011, in May 2011 increased 2.23 percent from April 2011, while in Jun 2011 increased 1.62 percent from May 2011. Table 7.2 shows the growth of large and medium scale manufacturing industry of each month from January 2005 until June 2011.



### POVERTY

Poverty is one of fundamental problems which has been the concern of many governments worldwide. One of the most important aspects to support poverty alleviation program is the availability of accurate poverty data. The data may be used to evaluate the effectiveness of government policy in combating poverty, to compare poverty incidence across time and regions, and to determine target interventions aimed at improving the life quality of the poor. Reliable measurement of poverty is an important instrument for policy makers in improving the condition of the poor.

Poverty is defined as an economic inability to fulfill food and non-food basic needs measured by consumption expenditure. To measure poverty, BPS-Statistics Indonesia has applied the concept of basic needs approach. The approach is also used in other countries such as Armenia, Senegal, Pakistan, Bangladesh, Vietnam, Sierra Leone, and Gambia. Using this concept, poverty is defined as an economic inability to fulfill food and non-food basic needs measured by consumption expenditure. A person whose average expenditure per capita per month is below the poverty line is considered poor. The method used in calculating poverty line consists of two components, i.e. Food Poverty Line (FPL) and Non-Food Poverty Line (NFPL). The Food Poverty Line is the minimum expenditure required by an individual to fulfill his or her basic food needs equivalent to a daily minimum requirement of 2,100 kcal per capita per day, while the Non-Food Poverty Line refers to minimum requirement for housing necessities, clothing, education, and health.

BPS-Statistics Indonesia measured poverty incidence for the first time in 1984. The measurement covered the period of 1976-1981 using data from the National Socio Economic Survey (NSES)-Consumption Module. Since then, BPS-Statistics Indonesia routinely released the figures of poverty incidence every three years presented by urban and rural areas. Since 2003, BPS-Statistics Indonesia has started to release poverty figures annually. It could be achieved since BPS-Statistics Indonesia started to collect panel data in the implementation of Susenas-Consumption Module every February or March. For additional information, BPS-Statistics Indonesia also utilized data from Basic Need Commodity Basket Survey which are used to estimate expenditure proportion for each non-food basic commodities.

### 1. Trend of Poverty Incidence in Indonesia, 1998–2011

The number and percentage of poor people in Indonesia tended to decline during the period 1998–2011 (Table 8.1). In 1998, the poverty incidence stood at 24.23 percent representing 49.5 million poor people. This high level of poverty was due to the economic crisis that hit Indonesia in the mid-1997 resulting in the skyrocketing prices of most commodities and had a severe impact on the poor people. As the prices of most commodities declined, poverty also declined. During the period 1999-2002, the number of poor people declined considerably by 9.57 million people, from 47.97 million (23.43 percent of total population) to 38.4 million people (18.2 percent of total population). The figure continued to declined and reached 35.1 million (15.97 percent of total population) in 2005. As a result of government policy to increase the price of fuel in 2005 resulting in the increase of prices of most basic commodities, poverty incidence rose to 17.75 percent (39.3 million people) in 2006, representing an increase of 4.2 million people.

However, during the period 2007–2011 poverty figures back to decline. The number of poor people in 2007 was recorded as high as 37.17 million people (16.58 percent of total population). Several government programs directed to the poor launched by the government since 2005, to some extent, had a positive impact on the poor. This can be seen in the continuing decline in poverty in terms of both the number and the percentage of poor people. In 2011, the percentage of people living in poverty was recorded to drop to 12.49 percent (30.02 million poor people).

The number and percentage of poor people in Indonesia tended to decline during the period 1998–2011.

	Numl	per of Poor (Mi	llions)	Percentage of Poor				
Year	Urban	Rural	Urban+ Rural	Urban	Rural	Urban+ Rural		
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
1998	17.60	31.90	49.50	21.92	25.72	24.23		
1999	15.64	32.33	47.97	19.41	26.03	23.43		
2000	12.30	26.40	38.70	14.60	22.38	19.14		
2001	8.60	29.30	37.90	9.76	24.84	18.41		
2002	13.30	25.10	38.40	14.46	21.10	18.20		
2003	12.20	25.10	37.30	13.57	20.23	17.42		
2004	11.40	24.80	36.10	12.13	20.11	16.66		
2005	12.40	22.70	35.10	11.68	19.98	15.97		
2006	14.49	24.81	39.30	13.47	21.81	17.75		
2007	13.56	23.61	37.17	12.52	20.37	16.58		
2008	12.77	22.19	34.96	11.65	18.93	15.42		
2009	11.91	20.62	32.53	10.72	17.35	14.15		
2010	11.10	19.93	31.02	9.87	16.56	13.33		
2011	11.05	18.97	30.02	9.23	15.72	12.49		

Table 8.1 Number and Percentage of Poor People in Indonesia by Area 1998–2011

Source: National Socio Economic Survey (NSES) (Susenas)

### 2. Trends of Poverty Incidence, March 2010 and March 2011

During the period March 2010–March 2011, the number of poor people in urban areas dropped by only 50 thousand people, while in rural areas the number of poor people declined by nearly one million people. The number of poor people in March 2011 was 30.02 million (12.49 percent of total population). It decreased by 1 million compared to poverty incidence in March 2010, which was 31.02 million (13.33 percent of total population). The number of poor people in urban areas declined faster than that of rural areas. During the period March 2010–March 2011, the number of poor people in urban areas dropped by only 50 thousand people, while in rural areas the number of poor people declined by nearly one million people (Table 8.2).

The percentage of poor people living in the urban and rural areas was relatively similar from time to time. The majority of poor people (64.23 percent) lived in rural areas in March 2010. The percentage was closely similar in March 2011, which was 63.20 percent.

The decrease in poverty incidence during March 2010–March 2011 seems to be related to the following factors:

a. Inflation rate was relatively low during March 2010–March 2011, which was 6.65 percent.
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- b. Average real wages of construction workers increased by 7.14 percent during March 2010–March 2011.
- c. Production of rice in 2011 reached 68.06 million tons of dry unhusked rice (forecasting figure). It grew by 2.4 percent from the 2010 production which was 66.47 million tons.
- d. Improvement in the income of farmers as reflected in the increase in the farmers terms of trade of 2.09 percent from 101.20 in March 2010 to 103.32 in March 2011.
- e. In the first quarter of 2011 the Indonesian economy grew by 6.5 percent. This growth rate was higher compared to the growth rate in the first quarter of 2010, which was 5.6 percent. During the same period household expenditure increased by 4.5 percent.

#### Table 8.2 Poverty Line, Number and Percentage of Poor People by Area, March 2010–March 2011

Area/Year	Poverty Line (Rp/Capita/Month)			Number of	Percentage of
	Food	Non-food	Total	Poor People (millions)	Poor People
(1)	(2)	(3)	(4)	(5)	(6)
Urban					
March 2010	163 077	69 912	232 989	11.10	9.87
March 2011	177 342	75 674	253 016	11.05	9.23
Rural					
March 2010	148 939	43 415	192 354	19.93	16.56
March 2011	165 211	48 184	213 395	18.97	15.72
Urban + Rural					
March 2010	155 615	56 111	211 726	31.02	13.33
March 2011	171 834	61 906	233 740	30.02	12.49

Source: Panel National Socio Economic Survey (NSES) (Susenas) March 2010 and March 2011

#### 3. Changes of Poverty Line, March 2010–March 2011

Poverty line is the sum of Food Poverty Line and Non-Food Poverty Line. Poverty line used as a threshold to determine poor people. A person whose average expenditure per capita per month is below the poverty line is considered to be poor.

During March 2010–March 2011, poverty line increased by 10.39 percent, from Rp211,726 per capita per month in March 2010 to Rp233,740 per capita per month in March 2011 (Table 8.2). In the poverty line which consists of the food poverty line and the non-food poverty line, the share of food commodities to poverty line is much higher than non-food commodities (housing necessities, clothing, education, and health). In March 2010, the share of food poverty line to total poverty line was 73.50 percent, while in March 2011, it slightly decreased to 73.52 percent.

In March 2011, the share of rice expenditure to poverty line was 25.45 percent in urban areas and 32.81 percent in rural areas. Filter cigarettes had a significant contribution to the poverty line, with the share of 7.70 percent in urban areas and 6.23 percent in rural areas. Other food commodities which had a big share were sugar (2.84 percent in urban areas, 3.89 percent in rural areas), egg (3.41 percent in urban areas, 2.47 percent in rural areas), instant noodle (2.74 percent in urban areas, 2.33 percent in rural areas), tempe (2.40 percent in urban areas, 1.88 percent in rural areas), shallots (1.87 percent in urban areas, 2.14 percent in rural areas), and tofu (2.06 percent in urban areas, 1.54 percent in rural areas).

For nonfood commodities, housing necessities expenditure and electricity had a big contribution to the poverty line. The share of housing expenditure was 8.85 percent in urban areas and 6.35 percent in rural areas. Other non-food commodities which shared a relatively high to the poverty line are transportation (2.61 percent in urban areas, 1.25 percent in rural areas) and educational costs (2.77 percent in urban areas, 1.45 percent in rural areas).

#### 4. Poverty Gap and Severity Indices

The problem of poverty is not merely about the number and percentage of poor people. There are other dimensions of poverty which include poverty gap and poverty severity. Successful poverty alleviation programs have to be able to reduce the number and percentage of poor people as well as to reduce poverty gap and poverty severity problems.

During March 2010– March 2011, poverty line increased by 10.39 percent, from Rp211,726 to Rp233,740 per capita per month.

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During March 2010–March 2011, Poverty Gap Index ( $P_1$ ) and Poverty Severity Index ( $P_2$ ) declined. Poverty Gap Index dropped from 2.21 in March 2010 to 2.08 in March 2011, while Poverty Severity Index decreased from 0.58 to 0.55 in the same period (Table 8.3). The decline in these two indices indicated that average expenditure of poor people tended to be closer to the poverty line and expenditure inequality among the poor narrowed.

During March 2010–March 2011, Poverty Gap Index (P<sub>1</sub>) and Poverty Severity Index (P<sub>2</sub>) declined.

Poverty Gap Index ( $P_1$ ) and Poverty Severity Index ( $P_2$ ) in rural areas were higher than those in urban areas. In March 2011, Poverty Gap Index ( $P_1$ ) was 1.52 in urban areas and 2.63 in rural areas, while Poverty Severity Index ( $P_2$ ) was 0.39 in urban areas and 0.70 in rural areas. It can be concluded that poverty incidence in rural areas is worse than in urban areas.

#### Table 8.3 Poverty Gap Index (P,) and Poverty Severity Index (P2) in Indonesia by Area, March 2010–March 2011

Year	Urban	Rural	Urban+Rural
(1)	(2)	(3)	(4)
Poverty Gap Index (P <sub>1</sub> )			
March 2010	1.57	2.80	2.21
March 2011	1.52	2.63	2.08
Poverty Severity Index (P <sub>2</sub> )			
March 2010	0.40	0.75	0.58
March 2011	0.39	0.70	0.55

Source: Panel National Socio Economic Survey (NSES) (Susenas) March 2010 and March 2011

http://www.bos.go.id

# INFLATION

Inflation is the indicator of price developments of goods and services that are consumed by society. Although there are many goods and services, the commodity basket of goods and services which is used to calculate the total household consumption consists of 774 commodities. The number of commodities varies inter-city, the smallest one is in Tarakan, which are 284 commodities, while the highest one is in Jakarta (441 commodities). On average, there are 335 commodities (from 66 cities). That number is the result of Cost of Living Survey (CLS) 2007 that is the main source for inflation calculation.

Inflation is calculated based on Consumer Price Index (CPI) by using Modified Laspeyres formula. The formula refers to the International Labor Organization/ILO. The grouping of CPI is based on International Standard Classification as determined in Classification of Individual Consumption According to Purpose (COICOP), which is adopted for cases that happen in Indonesia, and it becomes Standard Classification of Household Consumption Expenditure.

#### General Inflation (Headline Inflation)

General Inflation is inflation of goods and services in which the price changes are monitored periodically. The general inflation is the composition of core, administered prices and volatile goods inflation.

In general, inflation calculation of CPI is determined by this formula:

$$INF_{t} = \left(\frac{CPI_{t} - CPI_{t-1}}{CPI_{t-1}}\right) \times 100$$

where t = month or year at period t

Example:

General CPI of July 2011 was 127.35 while that of June 2011 was 126.50 then the general inflation of July 2011 was [(127.35-126.50)/126.50] x 100% = 0.67%.

#### **Core Inflation**

Core Inflation is inflation of goods and services in which the price changes are influenced by economic development generally such as inflation expectation, exchange rate, and the equilibrium of demand and supply which tend to be permanent, persistent and general. Based on the result of CLS 2007, there are 691 commodities such as leasing house fee, wages of labor, noodle, milk, car, motorcycle, etc.

Example:

The CPI of core component of July 2011 was 123.08 while that of June 2011 was 122.57 then the core inflation of July 2011 was  $[(123.08-122.57)/122.57] \times 100\% = 0.42\%$ .

#### **Administered Prices Inflation**

Administered Prices Inflation is inflation of goods and services in which the price changes are controlled by governmental rule. Based on the result of CLS 2007, there are 22 commodities of administered prices such as gasoline, electricity fare, cigarette, etc.

Example:

The CPI of administered prices component of July 2011 was 121.37 while that of June 2011 was 121.11 then the administered prices inflation of July 2011 was [(121.37-121.11)/121.11] x 100% = 0.21%.

#### **Volatile Goods Inflation**

Volatile Goods Inflation is inflation of goods and services in which they have fluctuation in prices. According to the result of CLS 2007, the dominant volatile goods inflation is foodstuff. There are 61 commodities of volatile goods such as rice, cooking oil, red chili, purebred chicken meat, etc.

#### Example:

The CPI of volatile goods component of July 2011 was 151.11 while that of June 2011 was 148.07 then the volatile goods inflation of July 2011 was  $[(151.11-148.07)/148.07] \times 100\% = 2.05\%$ .

#### **Commodity Basket**

Commodity Basket is the basket of goods and services that are typically consumed by society in a city in which the CPI is measured.

#### Weighting Diagram

Weighting Diagram is a diagram that shows the percentage of consumption value of each type of goods and services to the average of household expenditure in a city.

The basic source of inflation calculation is the result of Cost of Living Survey (CLS). The CLS is conducted once for 5 years. Currently, BPS has been using CLS 2007. The information of household expenditure, kind and value of goods and services are obtained from about 115,000 households spread in Indonesia.

Nationally, the commodity basket, which is obtained from the result of CLS 2007, shows that the weight of food commodities declined from 43.38 percent to 36.12 percent. Another result of CLS, which is used to calculate inflation, is Weighting Diagram.

Formula of Consumer Price Index (CPI):

$$CPI_{n} = \frac{\sum_{i=1}^{k} \frac{P_{ni}}{P_{(n-1)i}} P_{(n-1)i} Q_{oi}}{\sum_{i=1}^{k} P_{oi} Q_{oi}} x100$$

where:

 $\mathsf{P}_{\mathsf{ni}}$ P<sub>(n-1</sub>

k

**Inflation Formula:** 

a. Monthly Inflation Rate

CPI month (n) - CPI month (n-1) x 100 CPI month (n-1)

b. Inflation Rate of Calendar Year

$$\frac{CPI_{month (n), year (t)} - CPI_{month (n), year (t-1)}}{CPI_{month (n), year (t-1)}} \times 100$$

c. National Inflation Rate

$$CPI_{\text{National}} = \frac{\sum_{i=1}^{66} CPI_i W_i}{100}$$

- CPI = CPI of city i
- = Weight of city i (it is obtained from the number of households of city i divided W, by the total number of households in 66 cities)

The price data collection is obtained by using questionnaires with different time references namely weekly, twice a week, and monthly. The price data are obtained from respondent by interview.

#### The Examples of Calculation of Inflation Rate:

#### a. Inflation Rate of Calendar Year (Point to Point)

The point-to-point method is used to calculate the inflation rate of calendar year and monthly inflation. The inflation rates provided in Table 3.1 are obtained from the given formula. For example, from Table 3.1, it is known that  $CPI_{Dec2010} = 125.17$  and  $CPI_{Dec2000} = 117.03$ . Based on this information, using the given formula, the inflation rate of calendar year 2010 was 6.96%.

The Inflation Rate of Calendar Year 2010 =  $\frac{CPI_{Dec 2010} - CPI_{Dec 2009}}{CPI_{Dec 2009}} \times 100\%$ =  $\frac{125.17 - 117.03}{117.03} \times 100\%$ = 6,96%

#### b. Inflation Rate of Calendar Year (Cummulative Method)

This method was used before April 1998. The inflation rate of calendar year is obtained by adding of each monthly inflation rate, from January until December at current year. The formula of inflation rate of calendar year by cumulative method as follow:

The Inflation Rate of Calendar Year t =  $I_{Jan t} + I_{Feb t} + ... + I_{Dec t}$ The Inflation Rate of Calendar Year 2010 =  $I_{Jan2010} + I_{Feb2010} + ... + I_{Dec2010}$ = -0.84 % + 0.30% + ... + 0.92% = 6.76%

The exact numbers above of January (0.84 percent), February (0.30 percent) until December (0.92 percent) are available in Table 3.1. It should be noted that the result of inflation rate obtained from point to point formula would be different in comparison with that from cumulative method. Currently, BPS has been using the point-to-point formula to calculate the inflation rate of calendar year. Hence, for the inflation rate of calendar year 2010, the inflation rate was 6.96 percent not 6.76 percent.

c. Quarterly Inflation (Point to Point)

The Inflation Rate of Quarter I 2011 =  $\frac{CPI_{Mar 2011} - CPI_{Dec 2010}}{CPI_{Dec 2010}} \times 100\%$ 

$$= \frac{126.05 - 125.17}{125.17} \times 100\%$$

0.70%

#### **Providing Data and Data Access**

The inflation data is presented into 7 expenditure groups, namely: Foodstuff; Prepared Food, Beverages, Cigarette, and Tobacco; Housing, Water, Electricity, Gas, and Fuel; Health; Education, Recreation, and Sport; Transportation, Communication, and Financial services. In addition to this expenditure groups the inflation data is also presented in component groups namely volatile goods, administered price, and core inflation.

BPS used to present the inflation data of 45 cities in Indonesia. But, since June 2008, the inflation data consist of 66 cities. Moreover, the national inflation data is also included in providing data.

The inflation data is presented monthly and can be accessed through publication, CD/disk, BPS Website (http://www.bps.go.id), library/book gallery, and subject matter involved.

BPS Strategic Data

# **GROSS DOMESTIC PRODUCT (GDP)**

The expansion of economic will correspond to the utilization of economic resources which is consisted of land, labor and capital. In Economic science, these resources are called as factor of production. Labor as one of the production factor, generally, is divided into two categories that are worker and skill employee. By using these production factors, intermediate input or raw materials such as wood board plus other materials, can be treated and changed to be a chair which is in result will value more than its original form. The change of value of wood board is then defined as value added.

A piece of land combined with the utilization of other production factor, is used to seed down and produce rice which will have higher value in harvest time. By combining production factor with intermediate input, such as cotton, it can produce a higher value product. This description can be adopted to all intermediate input.

The above examples have shown how the production factor could change the intermediate input to a product which has a higher value. In Economic terminology, the value increase from the input to output is called as value added. Hence, the value added is belonged to production factor as it is a compensation of production factor service.

Addition of value added in a certain country for a certain time period is called as Gross Domestic Product (GDP).

The created value added is classified into 9 (nine) economic sectors that are; agriculture, mining, manufacturing industry, electricity-gas-water supply, construction, trade-hotel-restaurant, transportation, and communication, finance-real estate-business services and services.

GDP is provided in two price concepts that are in current price and constant price. Concept of constant price is GDP at current price which has eliminated the influence of prices change. Therefore, the rate of economic growth is calculated based on GDP at constant price. It means that the economic growth is truly the volume growth of goods and services instead of value still containing the price changes.

Gross National Product (GNP) is a GDP plus net production factor income from abroad minus factor income from abroad minus factor income to abroad. National income is PNB minus net indirect tax and depreciation.

The Compiling of GDP uses a reference book which is arranged by United Nation with the title A System of National Account (SNA). This reference, is continuously been upgraded in order to suit the change of the global economy. Indonesia currently is following the SNA 1993/2008, although it is not yet being adopted comprehensively.

#### **Domestic Area**

All good and services as the output of economic activities which are conducted in a domestic region, are defined as the product of the related domestic region without taking to account the production factors are possessed or powered by its local community. Output generated by the production activities is a domestic product. The domestic region is a region covering land and sea areas within its geographical boundaries.

#### Output

Business output is a value of goods and services which is produced in a certain period including main product, side product and by product. This output is a result of multiplication of a production quantity and its price unit.

The followings are explanation of detail and complete concept of various outputs. Most of the goods and services produced in a certain period are likely to be sold in the same period, which are included ones that being produced and provided to theirs employee. While, the rest is a producer stock which is available in a form of finished and work-in-progress goods. The work-in-progress goods comprise of all goods which are still in manufacturing or assembling processes.

The work in progress good in construction sector is recorded as the output of finished good of this sector and is defined as the formation of gross fixed capital. The growth of value of timber and plants which is still in growing process, is excluded in output calculation, considering that it is not assummed as a commodity yet. Output of business activities producing good which will be sold during a certain period, is unlikely to be the same with the income received from sale during that period. A part of good which is being sold in a certain period, is collected from previous production stock and in return, the current production is not completely sold during the same period. The rest product will be stored as a stock for the next sale period.

#### Intermediate cost

Intermediate cost is consisted of goods and services which is used in production process. Expenditure for goods and services as required for completing the work, is assumed as intermediate cost. Another intermediate cost is purchasing of farming or mining labours equipment and tools such as lamp and explosive materials on contact base. Transportation expenditures of employee from and to the office is included as household consumption expenditures. This is because the transportation expenditure is totally made based on decision by an employee. Change of money to official travel, eat, and anything which done by employee in relation with duty, treatment as intermediate cost. Reimbursement of the costs of travelling, food, accommodation, and other related cost which is expensed by an employee during job assignment is also assumed as intermediate cost. The company expense for employee medical services, drugs, and recreation is generally included as intermediate cost, as it is considered to be required on the interest of company rather than the employee as individual.

#### Value added

Value added is defined as value which is added on value of goods and services as intermediate cost as required to become an output. In Mathematics, this value can be calculated by using the simple formula as follows:

## NTB = Output–Intermediate input NTB = gross value added.

Gross Added Value is defined as the total of compensations of production factors which is consisted of (a) factor income, (b) depreciation of fixed capital good, (c) net indirect taxes. If depreciation is removed from gross added value, it will produce net added value. Factor income is a producer added value on using production factor in process of production, which is consisted of the following elements:

- 1) Wages and salaries as compensation of employee services
- 2) Land rent as compensation of land services
- 3) Capital interest as compensation of capital services
- 4) Profits as compensation of business services

Income factor which is generated by commodity producer covers all the elements of factors income, whereas the labor only covers the wage element.

#### 2.1 GDP Estimating Approach

The given explanation is GDP which is arranged by using a production approach. There are three approaches in estimating GDP, namely (a) Production approach, (b) Utilization approach or commonly is called Expenditure approach, and the last one which is not yet been conducted till the current time (c) Income approach.

#### **Production Approach**

In this approach, GDP is measured as the total of added value of good and services produced by all economic sectors operating in a certain region or country for a certain time period (usually one year). The present application until now, the economic sectors are grouped into 9 sectors of industrial origin, namely:

In this approach, GDP is defined as the total of value added of all production units in certain country for a certain period (usually one year). Until now, the economic sectors are grouped into 9 sectors of industrial origin, namely:

- 1. Agriculture, Livestock, Forestry, and Fishery
- 2. Mining and Quarrying
- 3. Manufacturing industry
- 4. Electricity, Gas, and Water supply
- 5. Construction

- 6. Trade, Hotel, and Restaurant
- 7. Transportation and Communication
- 8. Financial, Real estate, and Business services
- 9. Services

The production approach GDP generates the sectoral GDP since it contains a detailed GDP produced by each economic sector and its sub sectors.

#### **Expenditure Approach**

GDP compiled using production approach must be the same as the one that are compiled using expenditure approach, and is usually called usage approach. There are five components as explained in aggregate: household consumption expenditure, government consumption expenditure, gross fixed capital formation, changes in stock, and net exports (exports minus imports).

#### **Income Approach**

GDP is calculated as the amount of fringe benefits received by factors of production. They are includes: wages and salaries (cost of labor), cost of rent, interests as fringe benefits, and capital gains. The calculation includes all values before income taxes and other direct taxes. Using Income approach, the GDP included depreciation, and net indirect taxes (indirect taxes less subsidies). The conceptual definition of GDP using either one of these three approaches will result in the same figures. Thus, total expenditure will be equal to the amount of final goods and services produced, and must also be the same as the amount of income for the factors of production. However, the GDP that is calculated using income approach is not available yet due to insufficient of data.

#### 2.2 GDP by Components

There are six components of GDP by expenditure: household consumption expenditure, government consumption, gross fixed capital formation, changes in stock or inventory, and export and import.

#### **Household Consumption**

Household consumption expenditure includes all expenditure on consumption goods and services. The National Socioeconomic Survey (SUSENAS) data is used to estimate the value of household consumption expenditure. In addition, the estimation of consumption expenditure of non profit private institutions and the estimation of household consumption expenditure is done through a process of reconciliation in order to produce the Input-Output table in 2000.

Estimations of household consumption expenditure and non profit private institutions at constant prices in 2000 were conducted by revaluations of food-group and deflation non-food by using the Consumer Price Index (CPI).

#### **Government Consumption**

Government as final consumer includes government in general that comprises of central government departments, non-departmental agencies, other government institutions, and governments of provinces, districts and regions under it. Government consumption expenditures include expenditure for personnel expenses, depreciation of government goods and expenditure of goods (including trips, maintenance, and other routine expenses), excluding revenue from goods and services produced and not consumed by government but public.

Basic data used is the realization of government spending from the State Budget (APBN) obtained from the Directorate General of Treasury, Department of Finance. An estimate of government consumption is calculated from the central government consumption, and the data on real expenditures of provincial governments, districts and villages were collected from the Central Statistics Agency (BPS). The amount of depreciation of the central government consumption (a survey result) is estimated twenty percent of the value of gross fixed capital formation of the government, while the depreciation of the local government consumption is approximately five percent of the total personnel expenditure.

Estimates of government consumption expenditure at constant prices in 2000 for personnel expenditure is calculated by extrapolation using the weighted index number of civil servants according to class rank as extrapolation, while the expenditure of goods is calculated by deflation using the General Wholesale Price Index (WPI) without the export deflator.

#### **Gross Fixed Capital Formation**

Gross domestic fixed capital formation is defined as procurement, manufacturing and purchasing of new capital goods originating from within the country (domestic) and new or used capital goods from abroad. Capital goods are equipment used in production process, and usually have a shelf life of one year or more.

Gross domestic fixed capital formation can be divided into: a) formation of capital in the form of construction; b) capital formation in the form of machinery equipment and tools; c) capital formation in the form of transport equipment; and d) the formation of capital for goods and other capital.

Data used were from the result of output calculation of construction sector by the Directorate of Production Accounts BPS, publications of Large and Medium Manufacturing Statistics, import statistics by the BPS. The method used in calculating fixed capital formation is the approach of the flow of goods.

#### **Changes in Inventories**

Changes in inventories are calculated from the different between inventory position at year end and at the beginning of the year. Data on the value of inventory changes which

have a quantum of data, such as agricultural commodities, livestock, forestry, mining and industry publications originating from each of related directorates at BPS, namely Statistics of Agriculture, Statistics of Mines, Statistics of Large and Medium Manufacturing, is calculated by multiplying the quantum and the price of each related commodity. Otherwise data are obtained from the Financial Statements of the Company which includes the value of inventory in it.

Changes in inventories calculation at constant prices in 2000 for commodity which have a quantum data is done by revaluation, while for commodities which have no quantum inventory conducted by the appropriate deflation with WPI as deflator.

Statistical discrepancy is the difference between the sum of gross value added (GDP) by sector and the sum of final demand components, such as household consumption expenditure, government consumption expenditure, gross fixed capital formation, changes in inventories, and net exports. Thus, the statistical discrepancy is the statistical differences in sector and other components.

#### **Export and Import**

Exports and imports of goods and services is defined as transaction between residents of Indonesia and other countries, including export and import of goods, transportation services, insurance services, communications, tourism and other services. Exports are including a direct purchase of goods and services in the domestic territory by residents of other countries. Meanwhile, Imports are including direct purchases of goods and services abroad by residents of Indonesia. The data used were obtained from several sources such as Statistics of Export and Import, BPS; balance of payments either from Bank Indonesia and the International Monetary Fund, as well as data from the Ministry of Energy and Mineral Resources (EMR).

Exports of goods valued according to the price free on board (fob), while imports according to the cost insurance freight (cif). Exchange rate values used is distinguished in United States dollar (U.S.) against the rupiah for export and import. The rate used to export is an average of U.S. dollar buying rate (from Bank Indonesia) and are weighed with a nominal value of export transactions monthly. The rate for imports used is the average selling rates for U.S. dollars by banks, which were weighed with a nominal value of the monthly import transactions. Source data used to estimate the value of exports and imports of goods is obtained from an annual publication of the BPS, while for exports and imports of services obtained from the balance of payments published by Bank Indonesia.

#### On the Net Income of Foreign Affairs of Production Factors

Net income includes the income on capital and net interest derived from the Indonesian balance of payments from Bank Indonesia. It is the difference between the revenues flowing in from abroad, with revenues flowing into foreign countries. Original data at the balance of

payments are expressed in U.S. dollar. Data revenues flowing into and out have been converted from U.S. dollar value using the rates of export and import weighted average.

Estimation at constant prices in 2000 was conducted by deflation, using per-unit price index of imports and exports respectively as its deflator.

#### **Net Indirect Taxes and Depreciation**

Net indirect taxes including indirect taxes received by the central government and local government less subsidies on fuel and fertilizer. Data indirect taxes and subsidies are based on actual revenues and expenditures of central government and local regions derived either from the Department of Finance and the BPS. Furthermore, the depreciation was estimated by using a percentage of GDP derived from the Input Output Table Indonesia 2000.

Estimates at constant prices in 2000, for net indirect taxes are calculated by deflation using the implicit price index of GDP, while for depreciation using the same percentage of GDP at constant prices.

GDP at current market prices or nominal, GDP is valued at current prices in the years concerned.

GNP at current prices shows the income to be enjoyed by residents of a country.

**GDP at constant prices (real)** is the GDP at current prices, but the rate of price change has been "excluded". The increased value of GDP can be used to indicate the rate of economic growth in whole or in each sector.

**Distribution of current price GDP** shows the structure of the economy or the role of each economic sector within a country.

**Distribution of GDP by expenditure** shows the role of institutions in the use of goods and services produced by the various economic sectors.

**Use GDP at constant prices** is useful for measuring the growth rate of consumption, investment and foreign trade.

**GDP and GNP per capita at current prices** show an average value of GDP and GNP per capita. This value has not accommodated the different between one class of people to the other.

**GDP and GNP per capita at constant prices** are useful for knowing the real economic growth per capita of population of a country.

**Economic growth quarter to quarter (q to q)** is GDP at constant prices on a quarter compared to the previous quarter.

#### Economic growth year on year (y on y)

GDP at constant prices on a quarter in a given year compared to the same quarter a year earlier.

#### Economic growth c to c

GDP at constant prices is cumulative up to a quarter compared to the same cumulative period of the previous year.

**Sources of growth** indicate the sector or component of expenditure in GDP is to be growth drivers. To obtain the sources of growth, the rate of economic growth weighed with each sector or the share of expenditure components of GDP.

## 2.3 Assessment of Constant Price GDP

In cases that the price data in concerned years are not available, they were estimated by looking at the various price indices that where appropriate. As mentioned, there are 2 (two) prices evaluation: current prices and constant prices. It is not difficult to obtain current price, because it only followed the existing price. However, when the data is needed to calculate economic growth, it is necessary to assess on the basis of constant prices. There are three methods used in obtaining price valuation at constant prices:

- a. Revaluation is the multiplication of quantum in the current production with the price of a particular base year (year 2000).
- b. Extrapolation is a multiplication of a value of certain base year with a quantum index of the previous years divided by 100.
- c. Deflation is the value at current prices in the current year dividing by corresponding price index divided by 100.

#### 2.4 Publication and Availability of Data

Publications issued by the Central Bureau of Statistics include GDP at the national level and GRDP at provincial level, district or city. Publications that are currently available include:

- a. Submission of the Official Statistics on GDP and GRDP of Indonesia every 35 days after the end of current quarter. (i.e. the first quarter (January to March) will be announced on May 5th current year)
- b. National Income of Indonesia 2007-2010
- c. Quarterly National Income of Indonesia 2006-2010
- d. Gross Regional Domestic Product of Provinces in Indonesia in 2005-2009 (by Industry)
- e. Gross Regional Domestic Product of Provinces in Indonesia in 2005-2009 (by expenditure)
- f. Gross Regional Domestic Product of Regencies /Cities in Indonesia Year 2005-2009

## MERCHANDISE EXPORT AND IMPORT

Badan Pusat Statistik (BPS-Statistics Indonesia) processes and presents merchandise exports-imports statistics. The data sources of merchandise exports-imports statistics is come from customs declarations documents obtained from the Customs Office.

The presentation of merchandise exports and imports statistics includes volume and value of exports/imports, commodities exported/imported, country of destination/origin, ports of loading and unloading. The data is needed by government, private company and individual. For the government, the merchandise export-import statistics is used in formulating policies and monitoring economic performance. Beside that, this statistics is also used to calculate Gross Domestic Product (GDP) and Balance of Payment (BOP). For private and individuals, the export-import statistics is used for various analysis in economic and social research.

The compilation of merchandise exports-imports data conducted by BPS is already in accordance with United Nation (UNSD) recommendation. Based on the recommendation, BPS adopts the custom frontier as the statistical frontier. The custom frontier is used because the data source is the customs declaration documents from the Custom Office. This data collection method is also conducted in other countries such as in United States, Australia and ASEAN except Cambodia that used direct survey to the exporter and importer.

#### **Concepts and Definitions**

The concepts and definitions as well as compilation system used in merchandise exportsimport statistics are refer to International Merchandise Trade Statistics: Concepts and Definitions, and Compiler's Manual (Series M No. 52 Revision 2) published by the United Nation in 1998. As a member of United Nation Statistical Office and based on international convention, BPS should refer to the manuals, so the data produce can be used for international comparison.

Some of the concepts and definitions stated in the International Merchandise Trade Statistics were given below:

- a. Exports are defined as goods of national origin (locally produced/manufactured or imported for subsequent re-exports) when they are taken out of the country from customs bonded warehouses and from free commercial/industrial zones. Goods excluded in the statistics are: (1) Clothes, personal belonging and jewelry of travellers; (2) Goods consigned to diplomatic mission; (3) Goods for exhibition/trade fairs; (4) Containers, cylinders etc specified as returnable; (5) Monetary gold, bank notes and coins in circulation; (6) samples, gifts and specimens for test or analysis, irrespective of their value.
- b. Imports are defined as goods brought into the country for domestic use either directly or into customs bonded warehouses, processing warehouses or free zones/ports, irrespective of whether such good are for consumption, for inward processing in manufacturing or subsequent re-exports to other countries.

Exports and imports statistics are a by-product of customs procedures. All merchandise entering or leaving the national boundary of the country have to be declared to customs, in terms of the direction of flow and type of commodity.

#### **Recording System and Basis of Valuation**

The recording system of export statistics is general trade system. The national boundary (including the continental shelf) is defined as the statistical frontier. All goods entering or leaving the country, including customs bonded warehouses, free industrial zones and free commercial zones (except for specific exclusions) are recorded. The basis of valuation of exports are FOB (Free On Board) which includes all cost of transporting the goods to the port on the frontier, duties payable, and cost of loading unless the latter cost is borne by the carrier.

Up to 2007 the recording system of import statistics is special trade system. In this system, goods entering the customs bonded warehouse and free trade zone were not included. However, since January 2008 the recording system of import statistics used general trade system. Imports are valued on a CIF (Cost, Insurance and Freight) basis. It includes all charges for transport and insurance whilst in transit but excludes the cost of unloading from the carrier unless it is borne by the carrier.

#### **Commodity Classifications**

Commodities are classified according to the International Commodity Description and Coding System (Harmonized System-HS) developed by the World Customs Organisation and Standards International Trade Classification (SITC) Rev 3. The UN Statistical Commission recommended that all the countries in the world should use Harmonized System (HS) in their trade publications. Other classification used is International Standards Industrial Classification (ISIC) Rev 2. The HS codes used now are 10 (ten) digits HS codes which is a tariff-orientated nomenclature (2007); at the six-digits classification is internationally comparable, four more digits have been added in order to classify further products of particular national interest. While country codes are based on United Nation country codes (Alphabet 2 and Numeric 3).

#### **Data Dissemination**

The release of the exports and imports data is conducted by BPS every first working day of the month by BPS within the press release forum together by releasing other statistics as scheduled.

Monthly and annual data at aggregate or individual level of commodities are available for publics. All information are made available in soft copy (computer readable media: CD-Rom or diskettes) and hard copy (printouts, books etc). Besides that, publics could also access the data on BPS Website (http://www.bps.go.id). In the website the exports and imports data

are available in dynamic tabular form. In the publication (books), the exports and imports statistics presented are:

- a. Export/Import by commodities, commodities classification is based on Harmonized System (HS) codes in 2 up to 10 digits. Beside HS codes, other classification used are The System of International Trade Classification (SITC) in 3 and 5 digits, and International Standard Industrial Classification (ISIC) for exports and Broad Economic Categories (BEC) for imports.
- b. Export/Import by country of destination/origin.
- c. Export/Import by port of loading/unloading.
- d. Export/Import by commodities and country of destination/origin.
- e. Export/Import by commodities and port.
- f. Export/Import by province and commodities.

#### Timeliness

- a. Preliminary figures are released within one month after the end of reference month and published monthly. For example: the preliminary figures of July 2009 will be released on the first working day of September 2009.
- b. Fixed figures can be obtained within two months after the end of reference month. For example: the fixed figures of July 2009 will be released on October 2009.

While annual data of export-import can be obtained within three months after the end of reference year. For example the export/import figures of 2008 can be obtained on March 2009.

BPS Strategic Data

# EMPLOYMENT

4

Concept/definition of employment used by BPS refers to International Labor Organization (ILO) as stated in the book "Surveys of Economically Active Population, Employment, Unemployment and Underemployment" An ILO Manual on Concepts and Methods, ILO 1992.

This is especially so employment data generated from various surveys in Indonesia can be compared internationally, without a specific employment conditions override Indonesia. According to the Labor Force Draft Framework, the population is divided into several groups. Groups can be described in the following diagram:



#### Population

All the people who live in the geographic area of the Republic of Indonesia for six months or more and or those who live less than 6 months but aims to settle.

#### Working Age

Indonesia use lower limit the age of work (economically active population) 15 years (although in the survey collected information from the age of 10 years) and without upper limit on the working age.

In other countries, and the determination of the lower limit on the working age limit varies according to the needs/situation. Some examples:

- Lower Limit: Egypt (6 years), Brazil (10 years), Sweden, USA (16 years), Canada (14 and 15 years), India (5 and 15 years), Venezuela (10 and 15 years).
- Upper Limit: Denmark, Sweden, Norway, Finland (74 years), Egypt, Malaysia, Mexico (65 years), many countries such as Indonesia does not have an upper limit.

#### Labor Force

The concept of labor force refers to the main activities undertaken by the working age population during a certain period. Labor Force is working age population who work, or have a job but temporarily not work, and unemployed.

#### Not in Labor Force

Working age population that is not including the labor force include people who attend school, manage the household or perform other activities.

#### Working

Economic activities conducted with the purpose of getting someone to help get the income or profits or at least one (1) hours are not interrupted during a week ago. This includes work activities, which are working well and have a job but a week ago, while not working, for example, because of leave, sickness and the like.

The concept of working one day a week ago, also used by many countries, among others, Pakistan, Philippines, Bulgary, Hungary, Poland, Romania, and Russian Federation.

#### Unemployment

Standard definition for the unemployed are those who do not have a job, are willing to work, and are seeking employment. This definition is used in the implementation National Labor Force Survey (NLFS) 1986 until 2000, while since 2001 the definition of unemployment adjustment/expansion to be as follows:

Unemployed are those who are seeking employment, or those who prepare the business, or those who are not looking for work because of feeling may not get a job (previously classified as nonlabor force), and those who already have jobs but have not yet started working (previously classified as working), and at the same time they are not working (jobless). Unemployed with the concept/definition are usually referred to as open unemployed.

Specifically, in the open unemployed NFLS (Sakernas), consist of:

- a. they are not working and looking for work,
- b. they are not working and preparing for business,
- c. those who do not work, and does not find a job, because do not expect to find work

d. those who do not work, and not looking for work because work has been received, but have not started working yet

#### **Economic Activities**

Economic activity that is used referring to the United Nations System of National Accounts (SNA). Working age population classified as work/have a job if they work (although the only work one hour in the reference period) or have a job but temporarily not working.

In line with the labor force framework, the definition for work based on the short reference period (one week or one day); a snapshot picture of the employment situation at a given time.

#### Underemployment

A person who worked under the normal working hours (less than 35 hours a week, not including the temporary does not work).

#### Involuntary underemployment

Those who work under the normal working hours (less than 35 hours per week), and still looking for work or still are willing to accept the job.

#### Voluntary Underemployment

Those who work under the normal working hours (less than 35 hours per week), but does not find a job or not to accept other jobs (some of the workers as part-time / part time worker).

#### Number of Working Hours

Number of hours of work all done by someone (not including rest time and the official working hours, which is used for things outside of work) for a week ago.

#### Industry

Field activities of the work/business/company / office where someone works. Standard Classification used in the classification of employment/business field is a Field Business Standard Classification of Indonesia (KBLI) 2005. In collecting the data using the 18 category but in the presentation using 9 categories / sectors, namely:

- 1. Agriculture, livestock, foresty, and fishery
- 2. Mining and quarrying
- 3. Manufacturing
- 4. Electricity, gas, and water
- 5. Construction
- 6. Wholesale trade, retail, restaurants, and hotels

- 7. Transportation, warehousing and communications
- 8. Finance, insurance, leasing business of building, land and services company
- 9. Social service

#### **Employment Status**

Employment status is the status of a person at the place where he/she works. There are seven different categories

- 1. Own-account workers
- 2. Employer assisted by temporary workers/unpaid worker
- 3. Employer assisted by permanent workers permanent workers: is a person who does his/her business assisted by paid permanent workers
- 4. Employee
- 5. Casual employee in agriculture
- 6. Casual employee not in agriculture
- 7. Unpaid worker

## Labor Force Participation Rate (LFPR)

LFPR the size of the working age population is economically active in a country or region.

LFPR measured as the percentage of labor force against the population of working age. This indicator shows the relative magnitude of the supply of labor is available to produce goods and services in an economy.

#### **Open Unemployment Rate**

Open Unemployment Rate (OUR) provides an indication of the working age population is included in the group of unemployed. OUR was measured as the percentage of the number of unemployed to the labor force. Employment data obtained through the National Labor Force Survey (NLFS).

#### Substantive variables collected

- Individual identity (name, relationship with head of household, sex, age, and education).
- The Past Week activities (working, unemployed, school, manage the household, and other).
- Main Job (employment business / employment, job type, job status, working hours, income / wages / salary net).
- Additional Job.
- Search for Jobs, Events / Preparing Business.
- Experience of Work.



#### **Serving Capabilities**

Based on the methodology and the substantive variables, the results can be presented according to NLFS:

- Province (Municipality to NLFS August)
- Regional Urban / Rural
- Sex
- Age
- Education
- Industry
- Occupation
- Employment Status
- Working Hours

#### **Reference period**

In the survey of households or individuals, a short reference period (a short recent reference period) will minimize the error in considering the respondents (recall) and also reduce the problem (the statistics) that arise because of population movements and changes in activity status, occupation, and other characteristics of the population.

International standard for the shorter reference period is one day or one week. Reference period of one week (the) most widely implemented in countries that implement the national labor force survey, including Indonesia.

#### The one-hour criterion

The one-hour criterion used to cover with all types of work that may exist in the country, including in it is working with a short period of time (short-time work), Casual employee, stand-by work and the work that is not uniform other.

The one-hour criterion also be associated with the definition of work and unemployment is used, where unemployment is a situation of total lack of work so that if the minimum number of hours of work will be to change the definition of unemployment that is not a total lack of work.

In addition, to ensure that at a certain level of aggregation of total input labor directly related to the total production. This is necessary especially when a joint analysis of employment statistics and production statistics.

Based on the technical argument, the ILO recommended to observe the one hour criterion, the use of the concept/definition of one hour in the reference period for determining a person classified as employed (working).

BPS uses the concept/definition of "working at least 1 hour a week ago" is to categorize someone (currently economically active population) is working, regardless of the industry, occupation, or employment status.

# 5

# FOOD CROPS PRODUCTION

Food crops production (paddy and secondary food crops) is generated by multiplying harvested area and productivity (yield per hectare). The production is estimated by subround as follows:

- 1. Production in subround 1(January–April) is generated by multiplying harvested area in subround 1 and productivity in subround 1.
- 2. Production in subround 2 (May–August) is generated by multiplying harvested area in subround 2 and productivity in subround 2.
- 3. Production in subround 3 (September–December) is generated by multiplying harvested area in subround 3 and productivity in subround 3.
- Production in January–December is summation of production in subround 1, subround 2, and subround 3.
- 5. Harvested area in January–December is summation of harvested area in subround 1, subround 2, and subround 3.
- 6. Productivity in January–December is generated by dividing production in January– December with harvested area in January–December.

BPS-Statistics Indonesia releases publication of food crops production every four month (three times a year). First, Preliminary Figure of previous year and Forecast I of current year are released on early of March. Second, Final Figure of previous year and Forecast II of current year are released on early of July. Third, Forecast III of current year is released on early of November. Furthermore, the food crops production figures are released in five different figure statuses every year as follows:

- 1. Forecast I consists of forecasted figures of one year production (January–December) based on realization of standing crop area at the end of December in previous year.
- Forecast II consists of realization of production in January–April and forecasted figures of production in May–December based on realization of standing crop area at the end of April.
- 3. Forecast III consists of realization of production in January–August and forecasted figures of production in September–December based on realization of standing crop area at the end of August.
- 4. Preliminary Figure consists of realization of production in January–December which is not final due to unfinished report completion.
- 5. Final Figure is realization of production in one year (January–December) generated from complete report.

Data users are advised to be aware of the figure statuses and always refer to the latest figures. Forecast I is not valid when Forecast II has been released; Forecast II is not valid when Forecast II has been released; Forecast II is not valid when the preliminary figure has been released; the Preliminary Figure is not valid when the final figure has been released.

Figure	Schedule of	Subround		
Status	Publication (year t)	January– April	May– August	September– December
1. Forecast I (t)	Early of March	Forecast		
2. Forecast II (t)	Early of July	Realization	Realization Forecast	
3. Forecast III (t)	Early of November	Realization		Forecast
4. Preliminary Figure (t-1)	Early of March	Realization (not final)		
5. Final Figure (t-1)	Early of July	Realization (final)		inal)

Data of real harvested area is compiled from monthly report filled by the Subdistrict Agriculture Extension Service from all sub-districts in the country. Data of real productivity is collected through the Crop Cutting Survey which is conducted every subround (quarterly) by the Subdistrict Statistics Coordinators and the Subdistrict Agriculture Extension Service. Productivity information is collected at the time farmers doing their harvest through direct measurement on the plot of  $2\frac{1}{2}$  m x  $2\frac{1}{2}$  m in size. Moreover, forecast figures are generated based on the statistical model. The model used in harvested area forecasting is regression equation. On the other hand, productivity is forecasted by linear trend equation or exponential smoothing subject to the data pattern.

6

# THE PRODUCTION GROWTH OF MANUFACTURING INDUSTRY

#### 6.1 Manufacturing Industry Production Index

Large and medium manufacturing industry production index is constructed based on the results of Monthly Large and Medium Manufacturing Industry Survey. The survey is carried out by enumerating a sample size of large and medium manufacturing industry establishments. The frame of the survey uses the establishment directory resulted from the 2006 Indonesia economic census.

The index resulted is further used to compute the production growth of the manufacturing industry, monthly and then quarterly, which reflects the increasing or decreasing of the industry production periodically and, hence, it can be utilized as an input for evaluating the economic growth, especially for manufacturing industry sector.

#### 6.2 Computation Methodology for Constructing The Index

- 1. Large and medium manufacturing Industry production index has been designed by using the year of 2000 as the base year, until 2009. While the following years, BPS Statistics Indonesia will do rebasing by applying the year of 2010 as the base year, which corresponds to the rebasing in computing Gross Domestic Product.
- 2. Large and medium manufacturing industry production index is designed to be able to represent the index in 3-digit level of ISIC Rev-3, which is modified into KBLI 2005 (Indonesia SIC version 2005).
- 3. Sampling methodology applies Cut-Off Point and Probability Proportional to Size (PPS). Cut-Off Point Method is determined by the output value of each establishments and then the samples are drawn by chosing establishment having output value in top 80 % rank. If the number of selected samples is below the sample size designed, then the remaining of the sample size is chosen by PPS sampling. The implementation of sampling procedure is as follow:
  - a). The number of selected sample is 1.576 establishments, representing 74.46 % of the total population output.
  - b). The Cut-Off Point for more than 606.02 output value gives 409 selected establishments and they are categorized as "C1".
  - c). Furthermore, by determining 1 % the top of output per worker, it gives 89 selected establishments and they are categorized as "C2".
  - d). By applying the output ratio of above 50 % and the output share above 25 %, then it yields as many as 25 selected establishments and they are categorized as "C3".
  - e). The remaining sample are selected by Probability Proportional to Size (PPS), this gives 1.053 selected establishments and they are categorized as "S".

- 4. Computation method for constructing monthly industrial production index applies Discrete Divisia Method. Discrete Divisia formula based on the ratio between the months of each variable and the stage of aggregation in stages as follows:
  - 1. Calculating the establishment ratio
  - 2. Calculating the ISIC ratio
  - 3. Calculating the total ratio
  - 4. Calculating ISIC and total index Then the ratio between the months of each variable to the above created a chain index, starting from index 3-digit ISIC, then two-digit ISIC, then one digit ISIC.
- 5. The formula used in calculating the monthly production index to follow the following steps:
- a. Establishment Ratio

$$R_{ij} = e^{\left[\sum_{k} \frac{V_{ijk}}{\sum_{k} V_{ijk}} x \ln\left(\frac{Q_{ijk2}}{Q_{ijk1}}\right)\right]}$$

b. ISIC Ratio

$$R_{i} = e^{\left[\sum_{j} \frac{W_{ij_{adj}}V_{ij}}{\sum_{j} W_{ij_{adj}}V_{ij}} x \ln \left(R_{ij}\right)\right]}$$

c. Total Ratio

$$R_{tot} = e^{\left[\sum_{i} \frac{W_i V_i}{\sum_{i} W_i V_i} x \ln(R_i)\right]}$$

## d. ISIC and Total Index

$$I_t = I_{(t-1)} x R$$

where :

a. Establishment Ratio

- $R_{ij}$  = the ratio of establishments in ISIC j-i in the second month to the first month.
- *V<sub>ijk</sub>* = production value of commodity k for establishment j in ISIC-i during the two months.
- $Q^{ijk1}$  = production of commodity k for establishment j in ISIC-i in the first month.
- $Q^{ijk2}$  = production of commodity k for establishment j in ISIC-i in the second month.

b. R, = ratio ISIC-i.

 $\dot{V_{ij}}$  = production value of establishment j in ISIC-i during the two months, which:

$$V_{ij} = \sum_{k} V_{ijk}$$
  
 $W_{ij adj}$  = sampling weight adjusted for establishment j in ISIC-i

c.

 $R_{tot}$  = total ratio.  $W_i V_i$  = The weighted total production value of all establishments for ISIC-i during the two months, which:

$$W_i V_i = \sum_j W_{ij adj} V_{ij}$$
  
month-t.  
month (t-1).

- d. R = ratio.
  - $I_t$ = index in month-t.
  - = index in month (t-1).  $I_{t-1}$

BPS Strategic Data

# POVERTY

**BPS Strategic Data** 

#### Poverty

Poverty is an economic inability to fulfill food and non-food basic needs which are measured by consumption expenditure.

#### **Poor People**

A person whose average expenditure per month per capita is below poverty line is considered to be poor.

#### **Poverty Line**

Poverty line (PL) consists of two components, Food Poverty Line (FPL) and Non-Food Poverty Line (NFPL).

#### PL = FPL + NFPL

The poverty line was calculated separately for urban and rural areas. A person whose average expenditure per month per capita is below poverty line is considered to be poor.

#### **Food Poverty Line**

Food Poverty Line is the minimum expenditure required by an individual to fulfill his or her basic food which is equivalent to daily minimum requirement of 2,100 kcal per capita per day. The requirement obtained from the results of the 1978 Nutrition and Food National Seminar. Food consumption bundle consists of 52 commodities (cereals, tubers, fish, meat, egg and milk, vegetables, legumes, fruits, oil and fats, etc). These 52 commodities are main commodities consumed by the poor. Total expenditure of these 52 commodities is around 70 percent of total expenditure of the poor.

#### **Non-Food Poverty Line**

The Non-Food Poverty Line refers to minimum requirement for household necessities, clothing, education, and health. Non-food consumption bundle consists of 51 commodities in urban and 47 commodities in rural areas.

#### **Data Source**

The data source to measure poverty incidence 2011 is Panel National Socio Economic Survey (NSES) (Susenas) March 2011. The sample 75,000 household meant so that poverty could be presented until province level. As the information, BPS was also used the data of Basic Needs Package Commodity Survey (SPKKD) to forecasting the proportion of each non food basic needs.

#### 7.1 Calculation of Poverty Line

The first stage is choosing reference population which is defined as 20 percent of population above Temporary Poverty Line, calculated from previous poverty line inflated with Consumer Price Index (CPI). Food and Non-food Poverty lines are calculated from this reference population.

Food Poverty Line is the total expenditure of 52 food commodities consumed by reference population which is equivalent to daily minimum requirement of 2,100 kcal per capita per day. Basically, we have to calculate average price of calorie from 52 food commodities and then multiply it with 2,100.

The Non-Food Poverty Line is total expenditure of minimum requirement for household necessities, clothing, education, and health. Minimum expenditure for non-food commodity/ subgroup is calculated by multiplying certain ratios with total expenditure per non-food commodity/ subgroup obtained from Susenas. The ratios are acquired from Basic Need Commodity Basket Survey, which is conducted in order to collect data on non-food commodities which are more detailed than those from Susenas.

Poverty line is the sum of Food Poverty Line and Non-Food Poverty Line values. A person whose average expenditure per month per capita is below poverty line will be considered poor.

#### 7.2 Poverty Measures

- a. Head Count Index (HCI-PO) measures the percentage of the population that is considered as poor or those living below the poverty line, denoted by PO.
- b. Poverty Gap Index-P1 measures the extent to which individuals fall below the poverty line as a proportion of the poverty line. Higher value of the index shows that the gap between average expenditure of the poor and the poverty line is wider.
- c. Poverty Severity Index-P2 measures expenditure inequality among the poor. Higher value of the index shows that expenditure inequality among the poor is higher.

# Abbreviation

http://www.bos.go.id

# ABBREVIATION

Aram	Forecast figure
ASEAN	Association of South East Asia Nations
Asem	Preliminary figure
Atap	Final figure
BEC	Broad Economic Categories
BOP	Balance of Payment
BPS	Statistics Indonesia
CIF	Cost Insurance Freight
CLS	Cost of Living Survey
COICOP	Classification of Individual Consumption According to Purpose
CPI	Consumer Price Index
c to c	cummulative to cummulative
FOB	Free on Board
FPL	Food Poverty Line
GFCF	Gross Fixed Capital Formation
GDP	Gross Domestic Product
GNP	Gross National Product
HCI	Head Count Index
HS	Harmonized System
ILO	International Labor Organization
IPS	Intercensal Population Census of Surveys
ISIC	International Standard Industrial Classification
KBLI	Field Bussiness Standard Classification of Indonesia
KCD	Agriculture Extension Worker
KSK	Subdistrict Statistical Officer
LFPR	Labor Force Participation Rate
LTAB	Standing Crops Area
NLFS	National Labor Force Survey
NPL	Non-Food Poverty Line
NSES	National Socio-Economic Survey
OUR	Open Unemployment Rate
P <sub>1</sub>	Poverty Gab Index
P <sub>2</sub>	Poverty Severity Index
PC	Population Census


## 98 Abbreviation

- PEB **Export Declaration Form**
- Import Declaration Form PIB
- ΡL Poverty Line
- PPP Purchasing Power Parity
- Probability Proportional to Size PPS
- SITC System of International Trade Classification
- System of National Accounts SNA
- quarter to quarter q to q
- United Nations Statistical Division UNSD http://www.bos.go.id
- y on y vear on year

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