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STRATEGIC DATA

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PREFACE

In the information era, demand for statistical data has been increasingly high. Planning, monitoring, and evaluation as important part of formal activities cannot be done well without statistical data.

According to the Law No. 16, 1997 on Statistics, BPS-Statistics Indonesia is responsible for formal statistical activities in Indonesia. Therefore, BPS is liable to provide statistical data. Certain data published by BPS are highly demanded by public, i.e. government institutions, bussiness actors, international bodies, etc. This data, which is regularly expected is called strategic data that comprises data on economic growth, inflation, export-import, poverty, employment, and food production.

In celebrating the 64th anniversary of the Republic of Indonesia, BPS-Statistics Indonesia presents this publication titled *BPS Strategic Data* for all data users as our contribution to the nation.

Concerning the wide spectrum of data users, simple description is added to each data consecutively. In addition to that, statistical notes containing standard concept/definition can be found at the end of this book.

As an early effort, we realize this publication may not meet the expectation of many users. Therefore, we look forward to critiques and suggestions for the improvement.

Hopefully, this book will be useful.

Jakarta, August 2009
BPS-Statistics Indonesia,

Rusman Heriawan
Chief Statistician

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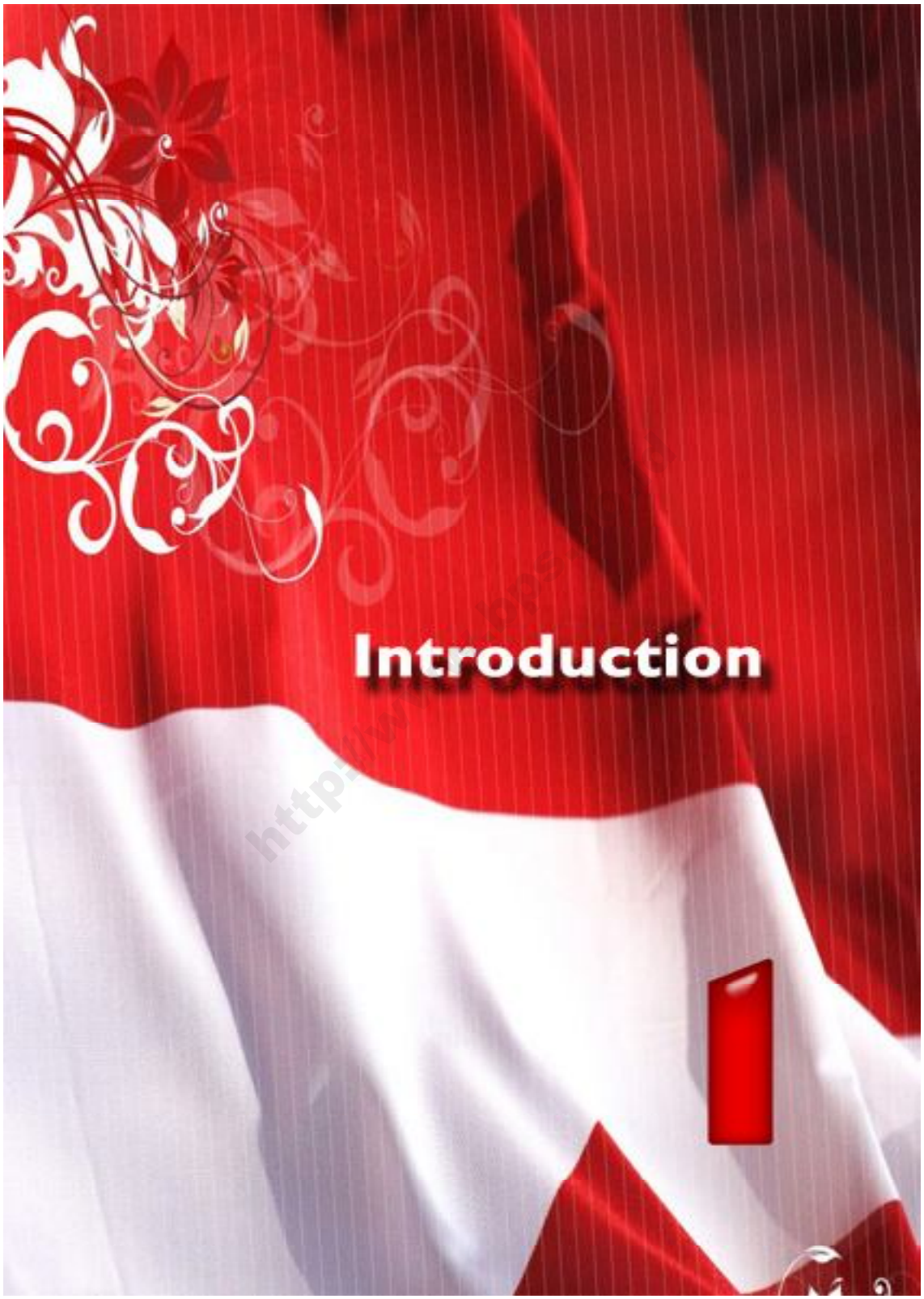

Introduction
1

INTRODUCTION

This book contains strategic data from BPS-Statistics Indonesia (BPS), including practical description. To the criteria of 'strategic', the data were selected with several considerations, among others: no other institution produces those data; the data were utilized in various analyses; the data describes phenomenon which can influence socio-economic condition; and the release of the data is expected by many parties.

Strategic Data that published by BPS include: economic growth, inflation, export-import, poverty, labor, and data forecast of paddy and secondary food crop production.

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 lead 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 consists of paddy, maize, and soybean. Labor situation 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: economic growth, inflation, export-import, poverty, labor, and forecasting of paddy and secondary food crop production. These strategic data are depicted in this book.

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

Due to its practicallity 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 Introduction, readers can observe the latest data about GDP. The data describe economic performance in term of its size. Moreover, the derivation of such data are economic growth, economic structure, the changes of price of entire goods/services, and general expenditure, as well.

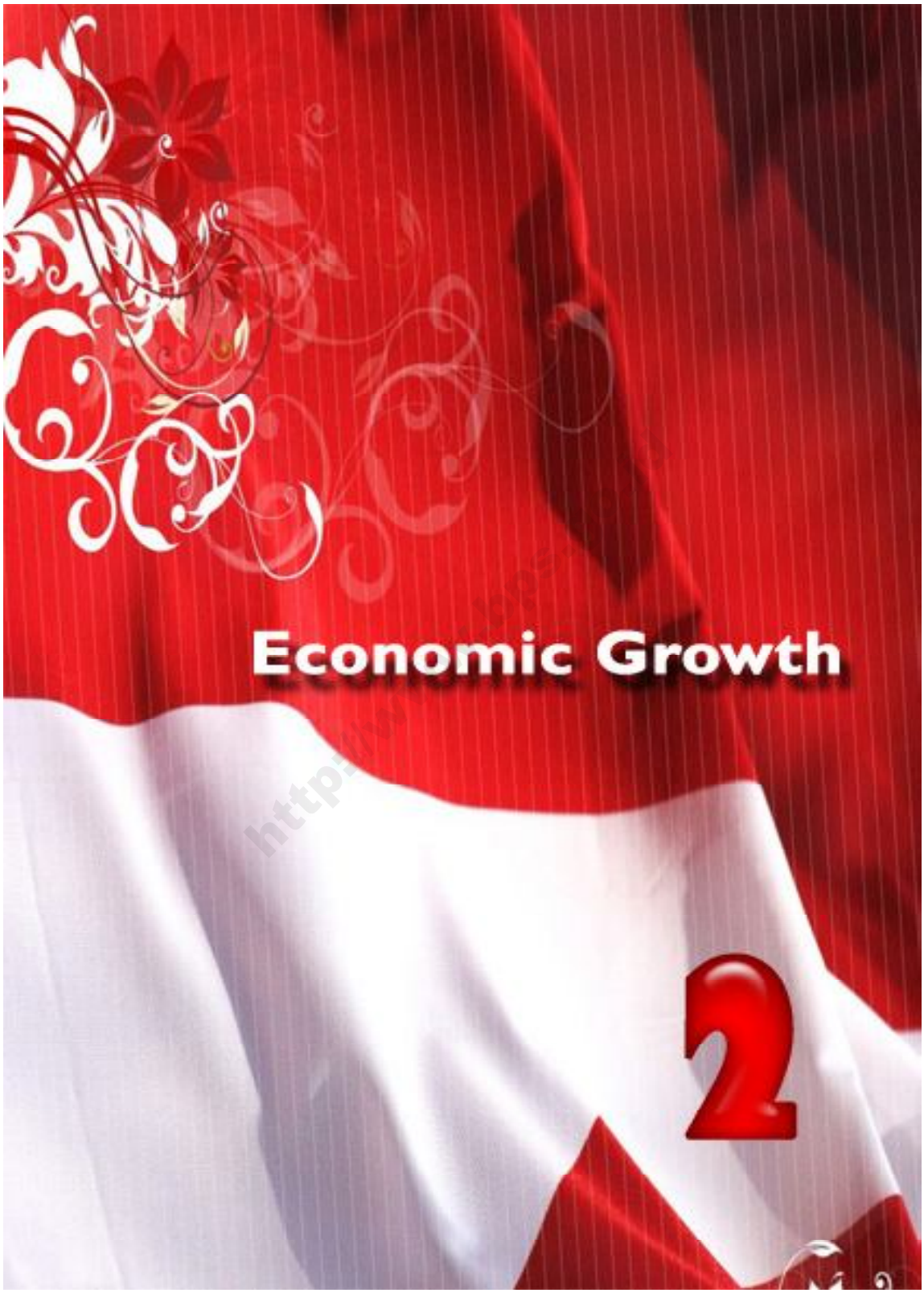
In Chapter III, data of inflation are presented. Inflation is an indicator comprises the information about the changes of general price level of goods and services that consumed by the public. Therefore, government, business, banks, parliament, and public are concern with this data.

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 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.

Chapter VI provides data of labor including labor force, unemployment, the structure in main industry, and the distribution by provinces 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 2009.

In Chapter VII, readers can obtain forecasting of paddy and secondary food crop production. Beside describing the harvest pattern, this chapter also provides harvested area, harvested yield, and productivity of the crops production from 2007 to 2009. The data can be utilized in planning and decision making to anticipate national food security.


Economic Growth
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ECONOMIC GROWTH

Economic growth shows the growth of goods and services in a certain economic country for a certain time period.

Economic growth shows increasing of goods and services in a certain country during a certain period of time. The production of goods and services can be measured in value added coming from all economic sectors in the related country in which the total value added is well known as Gross Domestic Product (GDP). Therefore, the economic growth is the same with the increase of GDP. If the GDP is illustrated as a cake, the economic groth is similar with the enlargement of that cake where the measurement of growth can be calculated through the percentage of GDP increase at a certain year to last[1].

GDP is presented in to different ways: at current prices and constant prices, and the calculation of the economic growth uses constant price concepts with certain base year 2000 for eliminating inflation factors.

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

Detail and complete concept and definition is described in the part of statistical technique explanation. The followings are description of the GDP data and its derivative analysis.

[1] *Formulation of economic growth is as follow:*

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

EG = economic growth;
GDP = Gross Domestic Product
t = certain year;
t-1 = previous year;

1. Growth of GDP by Industrial Origin 2005–2009: 1st Semester

The largest contribution to Indonesia economic growth in 2008 is transportation and communi-cation sectors.

During 2005-2008, Indonesia's economic growth was increased by 5.7 percent (2005), 5.5 percent (2006), 6.3 percent (2007) and 6.1 percent (2008). Meanwhile, in the first semester in 2009 compare to second semester in 2008, grew by 1.0 percent and if it compared to first semester in 2008 grew by 4.2 percent. Those figures are taken from applying formulation to GDP (2005-2008) and the first semester in 2009 at 2000 constant price (Table 2.1 and Table 2.2).

During 2005-2008, transportation and communication sectors always grew with the highest rate as follow 12.8 percent (2005), 14.2 percent (2006), 14.0 percent (2007) and 16.7 percent (2008). Although contribution of transportation and communication sectors to total of economic growth of Indonesia were only 0.8 percent (2005), 0.9 percent (2006), 1.0 percent (2007) and 1.2 percent (2008). The largest contribution to Indonesia economic growth in 2005 is trade-hotel-restaurant sectors 1.4 percent, manufacturing industry sector 1.3 percent (2006), trade, hotel, and restaurant sectors 1.4 percent (2007) both trade and restaurant and transportation and communication sectors 1.2 percent respectively (2008).

Table 2.1
Growth and Source of Growth of GDP by Industrial Origin 2005–2008 (percent)

Industrial Origin	Growth				Source of growth			
	2005	2006	2007	2008	2005	2006	2007	2008
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. Agriculture, Livestock, Forestry and Fishery	2.7	3.4	3.4	4.8	0.4	0.5	0.5	0.7
2. Mining and Quarrying	3.2	1.7	2.0	0.5	0.3	0.2	0.2	0.0
3. Manufacturing industry	4.6	4.6	4.7	3.7	1.3	1.3	1.3	1.0
4. Electricity, Gas and Water	6.3	5.8	10.3	10.9	0.0	0.0	0.1	0.1
5. Construction	7.5	8.3	8.6	7.3	0.4	0.5	0.5	0.5
6. Trade, Hotel and Restaurant	8.3	6.4	8.4	7.2	1.4	1.1	1.4	1.2
7. Transportation and Communication	12.8	14.2	14.0	16.7	0.8	0.9	1.0	1.2
8. Finance, Real estate and Business services	6.7	5.5	8.0	8.2	0.6	0.5	0.7	0.8
9. Services	5.2	6.2	6.6	6.4	0.5	0.5	0.6	0.6
GDP	5.7	5.5	6.3	6.1	5.7	5.5	6.3	6.1
GDP Without Oil and Gas	6.6	6.1	6.9	6.5	-	-	-	-

Table 2.2
Growth and Source of Growth of GDP by Industrial Origin
1st Semester 2009
(percent)

Industrial Origin	Semester I 2009 to Semester II 2008	Semester I 2009 to Semester I 2008	Source of Growth *y-on-y*
(1)	(2)	(3)	(4)
1. Agriculture, livestock, forestry and fishery	6,1	3.7	0.5
2. Mining and quarrying	0,1	2.4	0.2
3. Manufacturing industry	-1,0	1.5	0.4
4. Electricity, gas and water	8,2	13.4	0.1
5. Construction	0,9	6.3	0.4
6. Trade, hotel and restaurant	-4,8	0.2	0.0
7. Transportation and communication	7,3	17.3	1.3
8. Finance, real estate and business services	2,1	5.8	0.6
9. Services	3,7	7.1	0.7
GDP	1,0	4.2	4.2
GDP Without Oil and Gas	1,2	4.6	

At the first semester of 2009, transportation and communication sectors contributed the highest rate for sources of economics growth (see column 4 Table 2.2).That is 1.3 percent of totalizing the growth at 4.2 percent. Nevertheless, in manufacturing industry sector only give contribution growths at 0.4 percent although its growths (y-on-y) at 1.5 percent (Table 2.2).

The value of GDP at 2000 constant prices in 2005 was 1,750.8 trillion rupiahs and increased in the year 2008 to become 2,082.1 trillion rupiahs.

The value of GDP at 2000 constant prices in 2005 was 1,750.8 trillion rupiahs and increased to become in the year of 2008 2,082.1 trillion rupiahs.While, in the first semester in 2009 GDP at 2000 constant prices was 1,067.7 trillion rupiahs.The value of GDP at current prices in the year of 2005 was 2,774.3 trillion rupiahs and always increased to the years to become 4,954.0 trillion rupiahs in the year of 2008, meanwhile, in the first semester in 2009 GDP at current prices was 2,667.2 trillion rupiahs (Table 2.3)

2. Structure of GDP by Industrial Origin 2005–2009: 1st Semester

Distribution of GDP by industrial origin at current price shows share of economic sector in the respective year. Three

Table 2.3
GDP at Current Market Prices and Constant 2000 Market Prices by Industrial Origin 2005–2009: 1st Semester
(trillion rupiahs)

Industrial Origin	At Current Market Prices					At 2000 Constant Prices				
	2005	2006	2007	2008	Smt I 2009	2005	2006	2007	2008	Smt I 2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1. Agriculture livestock forestry and fishery	364.2	433.2	541.6	713.3	417.0	253.9	262.4	271.4	284.3	149.1
2. Mining and Quarrying	309.0	366.5	441.0	543.4	238.2	165.2	168.0	171.4	172.3	87.2
3. Manufacturing Industry	760.4	919.5	1 068.7	1 380.7	718.1	491.6	514.1	538.1	557.8	279.5
4. Electricity Gas and Water	26.7	30.4	34.7	40.8	23.3	11.6	12.3	13.5	15.0	8.3
5. Construction	195.1	251.1	305.2	419.3	263.6	103.6	112.2	121.9	130.8	67.7
6. Trade Hotel and Restaurant	431.6	501.5	589.4	692.1	355.9	293.7	312.5	338.8	363.3	177.4
7. Transportation and Communication	180.6	231.5	264.3	312.5	171.2	109.2	124.8	142.3	166.1	93.1
8. Finance real estate and Business services	230.5	269.1	305.2	368.1	198.4	161.2	170.1	183.7	198.8	103.3
9. Services	276.2	336.3	399.3	483.8	281.5	160.8	170.7	182.0	193.7	102.1
GDP	2 774.3	3 339.2	3 949.3	4 954.0	2 667.2	1 750.8	1 847.1	1 963.1	2 082.1	1 067.7
GDP Without Oil and Gas	2 458.2	2 967.0	3 532.8	4 426.4	2 471.0	1 605.3	1 703.4	1 820.5	1 939.2	997.4

main sectors are agriculture sector, manufacturing industry sector and trade sector have share more than fifty percent to the total of economy. I.e. 56.1 percent in 2005, 55.5 percent (2006), 55.7 percent (2007) and 56.3 percent (2008), and 55.9 percent in the first semester 2009. In 2008, manufacturing industry sector contributed 27.9 percent contribution to total economy, agriculture sector 14.4 percent and trade, hotel and restaurant sector 14.0 percent; meanwhile in first semester 2009 the composition has been shifted, manufacturing industry sector 26.9 percent, agriculture sector 15.6 percent and trade, hotel and restaurant sector 13.4 percent (Table 2.4).

3. Growth of GDP by Expenditure in 2005–2009: 1st Semester

From 2005–2009 1st semester, Indonesia always experiences positive economic growth on all components of GDP by expenditure, either private consumption (i.e. consumption of household and nonprofit institution serving household), government consumption expenditure, gross fixed capital

From 2005 - 2009 1st semester, Indonesia always experiences positive economic growth on all components of GDP by expenditure.

Table 2.4
GDP Structure by Industrial Origin 2005–2009: 1st Semester (percent)

Industrial Origin	2005	2006	2007	2008	Smt I 2009
(1)	(2)	(3)	(4)	(5)	(6)
1. Agriculture, livestock, forestry and fishery	13.1	13.0	13.7	14.4	15.6
2. Mining and quarrying	11.1	11.0	11.2	11.0	8.9
3. Manufacturing industry	27.4	27.5	27.1	27.9	26.9
4. Electricity, gas and water	1.0	0.9	0.9	0.8	0.9
5. Construction	7.0	7.5	7.7	8.4	9.9
6. Trade, hotel and restaurant	15.6	15.0	14.9	14.0	13.4
7. Transportation and communication	6.5	6.9	6.7	6.3	6.4
8. Finance, real estate and business services	8.3	8.1	7.7	7.4	7.4
9. Services	10.0	10.1	10.1	9.8	10.6
GDP	100.0	100.0	100.0	100.0	100.0
GDP Without Oil and Gas	88.6	88.9	89.5	89.3	92.6

formation (GFCF) and net export (export minus import) on goods and services.

In 2008, private consumption grew as much as 5.3 percent, government consumption expenditure grew 10.4 percent, gross fixed capital formation 11.7 percent, export and import of goods and services was 9.5 percent and 10.0 percent consecutively (Table 2.5).

The economic growth of Indonesia until 1st semester of 2009 shows an improvement. The economy on 1st semester of

Table 2.5
Growth and Source of Growth of GDP by Expenditure in 2005–2008 (percent)

Type of Expenditure	Growth				Source of Growth			
	2005	2006	2007	2008	2005	2006	2007	2008
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. Private Consumption	4.0	3.2	5.0	5.3	2.4	1.9	2.9	3.1
2. Government Consumption	6.6	9.6	3.9	10.4	0.5	0.7	0.3	0.8
3. Gross Fixed Capital Formation	10.9	2.6	9.4	11.7	2.3	0.6	2.1	2.6
4. Export	16.6	9.4	8.5	9.5	6.8	4.3	4.0	4.6
5. Less: Import	17.8	8.6	9.0	10.0	5.8	3.1	3.4	3.9
Gross Domestic Product	5.7	5.5	6.3	6.1	5.7	5.5	6.3	6.1

2009 compared to 1st semester of 2008 (y-on-y) increased as much as 4.2 percent. The highest growth was recorded on import, export and capital formation consecutively as follows: 18.0 percent, 5.4 percent and 3.0 percent. The biggest source of growth on 1st semester of 2009 came from export of goods and services noted i.e. 3.1 percent. (Table 2.6).

The biggest source of growth on 1st semester of 2009 came from export of goods and services noted i.e. 3.1 percent.

Table 2.6
Growth and Source of Growth of GDP by Expenditure on 1st Semester of 2009
(percent)

Type of Expenditure	1st Semester of 2009 on 2nd Semester of 2008	1st Semester of 2009 on 1st Semester of 2008	Source of Growth (*y-on-y*)
(1)	(2)	(3)	(4)
1. Private Consumption	1.9	5.4	3.1
2. Government Consumption	-11.2	18.0	1.3
3. Gross Fixed Capital Formation	-3.9	3.0	0.7
4. Export	-16.1	-17.2	-8.7
5. Less: Import	-22.7	-24.9	-10.3
Gross Domestic Product	1.0	4.2	4.2

Private consumption at current market prices is constantly increased from year to year. In 2005, it was Rp1,785.6 trillion while in 2008 it was recorded as Rp3,019.5 trillion. It is quite similar with private consumption at constant price, which was Rp1,043.8 trillion in 2005 and Rp1,191.2 trillion in 2008. The value of private consumption in 1st semester of 2009 was Rp1,617.1 trillion based on current market prices and Rp617.0 triliun at constant market prices (Table 2.7).

4. Structure of GDP by Expenditure in 2005–2009: 1st Semester

The distribución of GDP by expenditure show that household consumption is the biggest contributor to GDP. It is 64.4 percent (2005), 62.7 percent (2006), 63.6 percent (2007) and 60.9 percent (2008). Other components of GDP which have significant contribution to GDP are Gross Fixed Capital Formation (GFCF) and export of goods and services. In the 1st semester of 2009, the contribution of GFCF and export is higher

Table 2.7
GDP by Expenditure at Current Market Prices and Constant 2000 Market Prices in 2005–2009: 1st Semester
(trillion rupiah)

Type of Expenditure	At Current Market Price				At Constant 2000 Market Price					
	2005	2006	2007	2008	1st Smt of 2009	2005	2006	2007	2008	1st Smt of 2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1. Private Consumption	1 785.6	2 092.7	2 510.5	3 019.5	1 617.1	1 043.8	1 076.9	1 130.8	1 191.2	617.0
2. Government Cons.	225.0	288.1	329.8	416.9	235.7	134.6	147.6	153.3	169.3	85.8
3. GFCF	655.9	805.8	986.2	1 369.6	827.3	393.5	403.7	441.6	493.2	245.2
4. a. Changes in Inventory	40.0	42.4	-1.1	7.7	-0.1	33.5	29.0	-0.2	3.9	-0.7
b. Statistical Discrepancy	-47.2	-70.4	-35.8	84.1	-92.9	-8.5	16.2	52.0	25.5	7.6
5. Export	945.1	1 036.3	1 163.0	1 474.5	630.8	793.6	868.3	942.4	1.031.9	430.0
6. Less: Import	830.1	855.6	1.003.3	1.418.1	550.5	639.7	694.6	756.9	832.8	317.1
Gross Domestic Product	2 774.3	3 339.2	3 949.3	4 954.0	2 667.2	1 750.8	1 847.1	1 963.1	2 082.1	1 067.7

Table 2.8
Structure of GDP by Expenditure, 2005–2009: 1st Semester
(percent)

Type of Expenditure	2005	2006	2007	2008	Smt I 2009
(1)	(2)	(3)	(4)	(5)	(6)
1. Private Consumption	64.4	62.7	63.6	60.9	60.6
2. Government Cons.	8.1	8.6	8.3	8.4	8.8
3. GFCF	23.6	24.1	25.0	27.6	31.0
4. a. Changes in Inventory	1.4	1.3	0.0	0.2	0.0
b. Statistical Discrepancy	-1.7	-2.1	-0.9	1.7	-3.5
5. Export	34.1	31.0	29.4	29.8	23.7
6. Less: Import	29.9	25.6	25.4	28.6	20.6
GDP	100.0	100.0	100.0	100.0	100.0

compared to 2008 (y-on-y) which is 27.6 percent to 31.0 percent respectively (see Table 2.8).

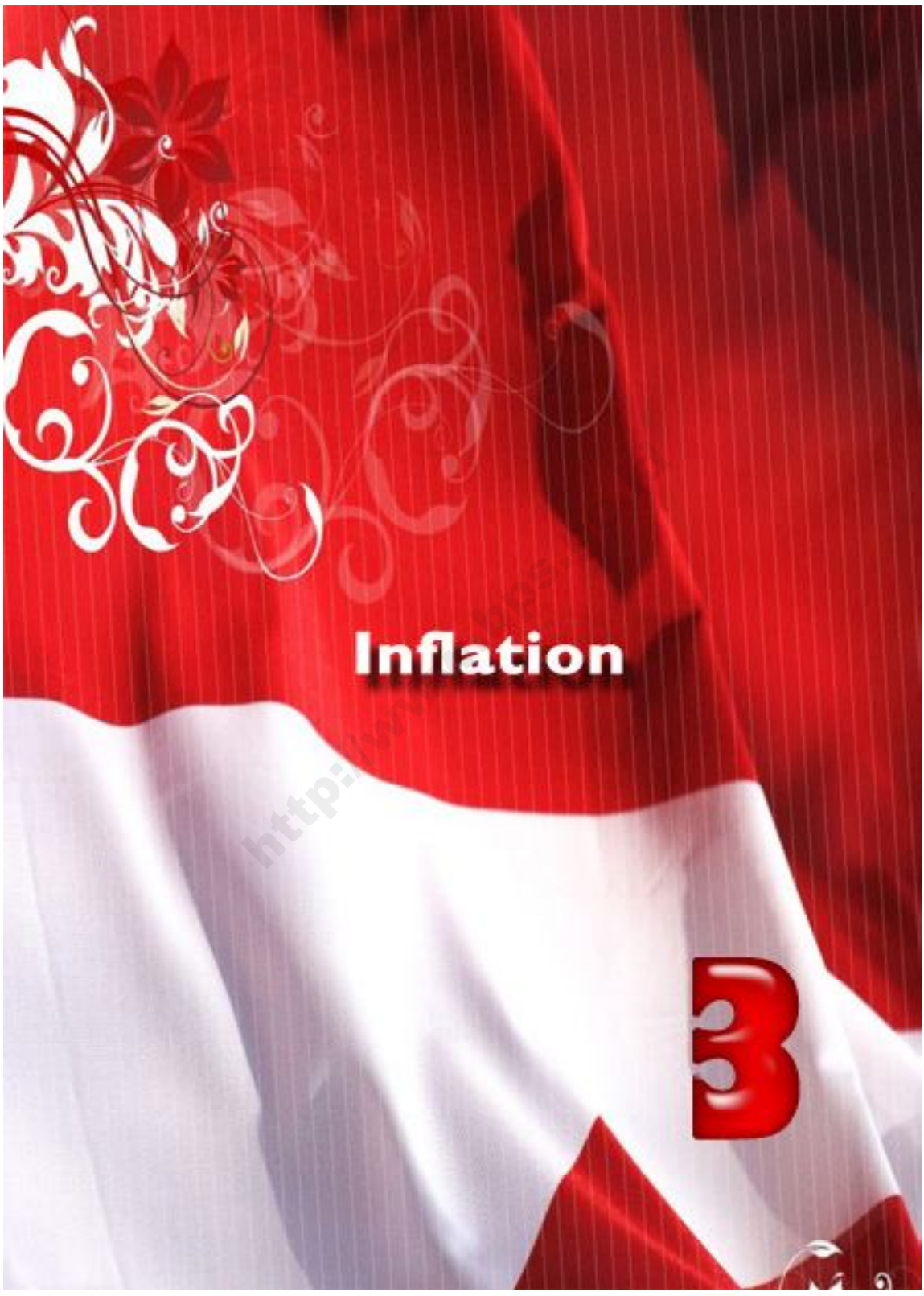
5. GDP and Gross National Product (GNP) per capita, 2005-2008

GDP/GNP per capita is GDP/GNP (at current prices) divided by total population. In 2005-2008, GDP percapita continuously increase from Rp12.6 million. (US$1,311.7) in 2005, Rp15.0 million. (US$1 658.4) in 2006, Rp17.5 million. (US$1,937.4) in 2007 and Rp21.7 million. (US$2,271.2) in 2008. Meanwhile, GNP per capita also increase continuously from

2005-2008 which is about 16.9 percent to 24.6 percent yearly.The value of GNP per capita was Rp12.0 million (US$1 247.8) in 2005 and increased to Rp20.9 million (US$2,190.5) in 2008 (Table 2.9).

Table 2.9
GDP and GNP Per Capita of Indonesia, 2005–2008

Description	2005	2006	2007	2008
(1)	(2)	(3)	(4)	(5)
GDP Per capita at current market prices				
• Value (million rupiahs)	12.6	15.0	17.5	21.7
• Growth (percent)	18.9	18.8	16.8	23.9
• Value (US$)	1 311.7	1 658.4	1 937.4	2 271.2
GNP Per capita at current market prices				
• Value (million rupiahs)	12.0	14.4	16.8	20.9
• Growth (percent)	18.6	19.6	16.9	24.6
• Value (US$)	1 247.8	1 587.7	1 857.7	2 190.5


Inflation
3

INFLATION

Inflation is a rise in the general level of price of goods and services, typically consumed by households.

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.[1]

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

[1] *Formula:*

$$INF_t = \left(\frac{CPI_t - CPI_{t-1}}{CPI_{t-1}} \right) x100$$

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

g) Proxy of cost of living
h) Early indicator of interest rate, foreign currency and stock price index

According to BPS observation result in 66 major cities, there was an inflation of 0.45 percent in July 2009 or there was an increase of CPI from 114.10 to 114.61 in July 2009. By using the formula then the inflation rate in July 2009 was (114.61-114.10)/114.10 x 100 = 0.45%. The inflation rate of calendar 2009 was 0.66 percent (CPI for July 2009 is compared to CPI for December 2008). Meanwhile, the inflation rate of year on year, on the other hand, (CPI for July 2009 as against CPI for July 2008) was 2.71 percent. Periodically, CPI and inflation rate from January 2006 until July 2009 are presented in Table 3.1.

Table 3.1
National Inflation, 2006–2009
(2002=100)

Month	CPI				Inflation			
	2006	2007	2008	2009	2006	2007	2008	2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
January	138.72	147.41	158.26	113.78*)	1.36	1.04	1.77	-0.07*)
February	139.53	148.32	159.29	114.02*)	0.58	0.62	0.65	0.21*)
March	139.57	148.67	160.81	114.27*)	0.03	0.24	0.95	0.22*)
April	139.64	148.43	161.73	113.92*)	0.05	-0.16	0.57	-0.31*)
May	140.16	148.58	164.01	113.97*)	0.37	0.10	1.41	0.04*)
June	140.79	148.92	110.08*)	114.10*)	0.45	0.23	2.46*)	0.11*)
July	141.42	149.99	111.59*)	114.61*)	0.45	0.72	1.37*)	0.45*)
August	141.88	151.11	112.16*)		0.33	0.75	0.51*)	
September	142.42	152.32	113.25*)		0.38	0.80	0.97*)	
October	143.65	153.53	113.76*)		0.86	0.79	0.45*)	
November	144.14	153.81	113.90*)		0.34	0.18	0.12*)	
December	145.89	155.50	113.86*)		1.21	1.10	-0.04*)	

**) Base Year 2007 (2007=100)*

The inflation rate of calendar year (January-July) 2008 was 8.85 percent, while it was 0.66 percent at the same time in 2009 (Table 3.2).

The inflation rate of calendar year (January-July) 2009 was 0.66 percent.

[2] *Until May 2008, the price observations were conducted in 45 major cities*

Table 3.2
The Comparison of Monthly Inflation, Calendar Year, Year on Year, 2007–2009

Inflation	2007	2008 (2007=100)	2009 (2007=100)
(1)	(2)	(3)	(4)
1. July	0.72	1.37	0.45
2. January-July (Calendar Year)	2.81	8.85	0.66
3. July on July (Year on Year) (year n) (year n-1)	6.06	11.90	2.71

National Inflation by Expenditure Group

Goods and services in CPI are classified into seven groups as follows: Foodstuff (1.14 percent), Prepared Food, Beverages, Cigarette and Tobacco (0.29 percent), Housing, Water, Electricity, Gas and Fuel (0.08 percent), Clothing (-0.23 percent), Health (0.13 percent), Education, Recreation and Sport (1.21 percent) and Transportation, Communication and Financial Services (0.28 percent).

Year on year inflation rate (July 2009 over July 2008) was 2.71 percent. The CPI and inflation rate by expenditure group can be seen in Table 3.3 in detail.

Table 3.3
National Inflation July 2009 by Expenditure Group (2007=100)

Expenditure Group	CPI			Inflation Rate of July 2009*)	Inflation Rate of Calendar 2009**)	Inflation Rate of Year on Year***)
	July 2008	December 2008	July 2009			
(1)	(2)	(3)	(4)	(5)	(6)	(7)
General	111.59	113.86	114.61	0.45	0.66	2.71
1. Foodstuff	118.59	122.70	123.68	1.14	0.80	4.29
2. Prepared Food, Beverages, Cigarette and Tobacco	110.55	114.98	119.48	0.29	3.91	8.08
3. Housing, Water, Electricity, Gas and Fuel	109.97	113.02	113.88	0.08	0.76	3.56
4. Clothing	109.49	112.27	114.84	-0.23	2.29	4.89
5. Health	106.95	109.13	111.99	0.13	2.62	4.71
6. Education, Recreation and Sport	106.82	109.84	111.66	1.21	1.66	4.53
7. Transportation, Communication and Financial Services	110.28	107.26	102.88	0.28	-4.08	-6.71

**) Change in percents CPI July 2009 to CPI of the previous month.*

***) Change in percents CPI July 2009 to CPI in December 2008.*

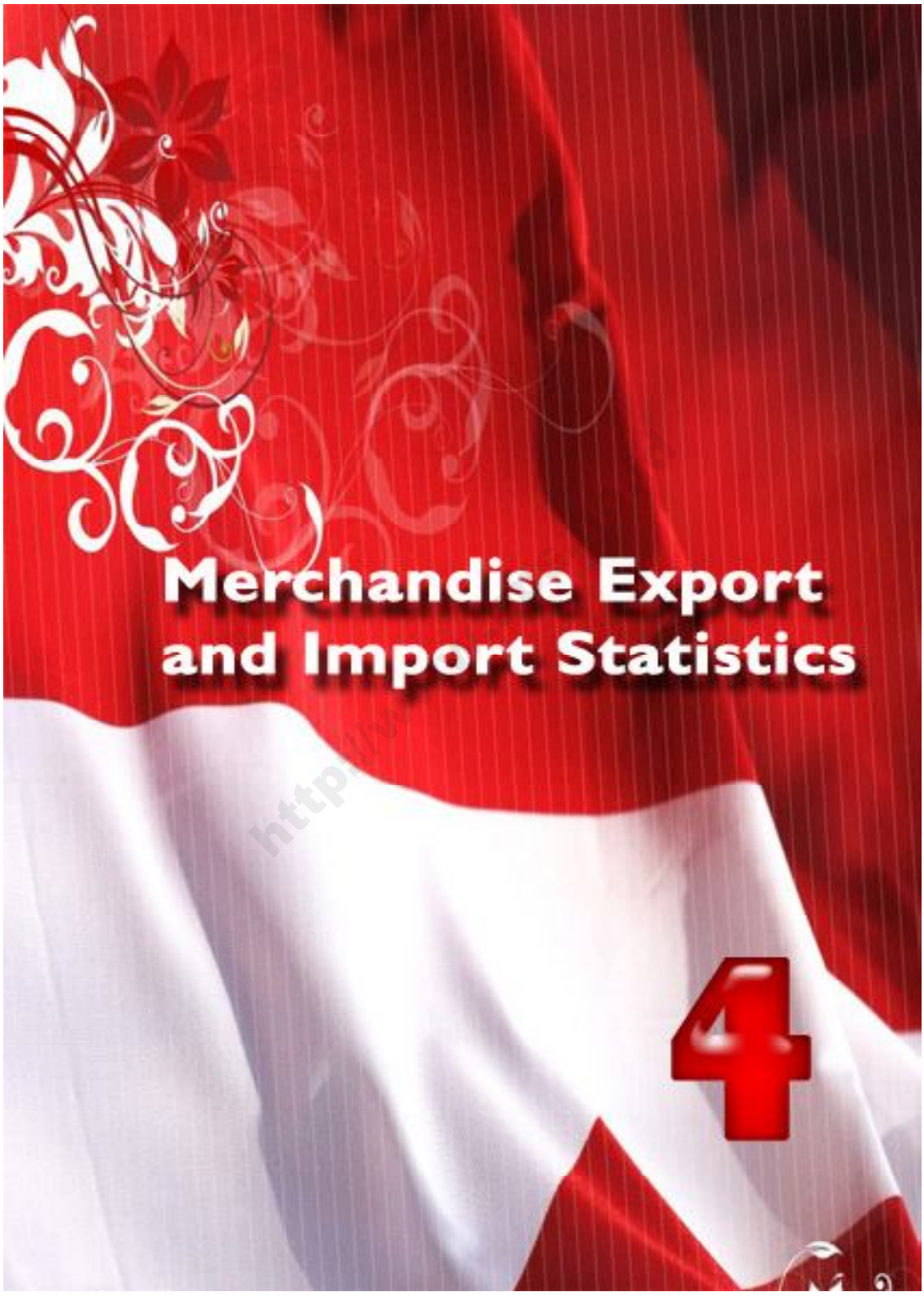
****) Change in percents CPI July 2009 to CPI in July 2008.*

In July 2009, the share of inflation by expenditure group as follow: the foodstuff inflated 0.26 percent; the prepared food, beverages, cigarette and tobacco inflated 0.06 percent; the housing, water, electricity, gas and fuel inflated 0.02 percent; the clothing deflated 0.01 percent; the health inflated 0.00 percent; the education, recreation and sport inflated 0.08 percent, and the transportation, communication and financial services inflated 0.04 percent (Table 3.4).

Foodstuff shared 0.26 percent, which was the highest in July 2009.

Table 3.4
The Share of National Inflation of July 2009 by Expenditure Group (percent)

Expenditure Group	The Share of Inflation (%)
(1)	(2)
General	0.45
1. Foodstuff	0.26
2. Prepared Food, Beverages, Cigarette and Tobacco	0.06
3. Housing, Water, Electricity, Gas and Fuel	0.02
4. Clothing	-0.01
5. Health	0.00
6. Education, Recreation and Sport	0.08
7. Transportation, Communication and Financial Services	0.04


Merchandise Export
and Import Statistics
4

MERCHANDISE EXPORT AND IMPORT STATISTICS

BPS-Statistics Indonesia periodically presents merchandise export-import statistics, which is not included 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 a by-products of customs administration. The time lag of export-import data is quite short, it only took one month between the data collection and the data dissemination.

Prior to January 2008, the merchandise export statistics are published on *general trade* system, while merchandise import statistics published on *special trade* system. However, 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.

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.

The export-import statistics is important for formulating policies and monitoring economic performance calculating Gross Domestic Product (GDP) and Balance of Payment (BOP)

For the government, the export-import statistics is important for 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 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 except Cambodia that used direct survey to the exporter and importer.

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

a. Export/Import by commodities, the 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.

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

a. Preliminary figures is 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. Final figures can be obtained within two months after the end of reference month.
   For example: the final figures of July 2009 will be released on October 2009.

The monthly export - import data are categorized into preliminary figures and final figures.

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.

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

In June 2009, the value of export increased by 1.32 percent compare to May 2009 (see Table 4.1a). The increase is due to increase in oil export by 27.81 percent. Total export for the period of January-June 2009 is US$50,022.0 million which consist of oil export US$7,175.1 and non-oil export US$42,846.9 million. However, compare to January-June 2008 period, there is

Compare to January-June 2008 period, there is a decrease of 28.94 percent in 2009 total export.

a decrease of 28.94 percent in total export.The oil export were decreased by 55.42 percent, and nonoil export decrease by 21.10 percent during that period.

From Tables 4.1.b. presented that value imports Indonesia during June 2009 increased 4.08 percent compared to imports of 2009, May, that is from US$7,641.3 millions becoming US$7,953.4 millions. It is mainly due to the increasing of nonoil and gas imports around 7.08 percent to US$430.7 millions, while oil and gas imports decreased by 7.60 percent to US$118.6 millions. Furthermore the decreasing of oil and gas imports because of decreasing of both crude oil imports and oil product imports respectively by 11.06 percent and 2.58 percent to US$77.6 mil-

Table 4.1.a
Indonesia's Export, January–June 2009

Description	FOB Value (Million US$)				% Change June 2009 to May 2009	% Change Jan-Jun 2009 to 2008	% Share to total export Jan-Jun 2009
	May 2009	June 2009	Jan-Jun 2008	Jan-Jun 2009			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total Exports	**9 208.8**	**9 330.1**	**70 396.4**	**50 022.0**	**1.32**	**-28.94**	**100.00**
Oil and Gas	**1 136.7**	**1 452.8**	**16 093.8**	**7 175.1**	**27.81**	**-55.42**	**14.34**
- Crude Oils	525.0	660.8	7 448.5	3 272.3	25.86	-56.07	6.55
- Oil Product	136.5	188.3	1 765.9	871.8	37.99	-50.63	1.73
- Gas	475.2	603.7	6 879.4	3 031.0	27.04	-55.94	6.06
Non Oil and Gas	**8 072.1**	**7 877.3**	**54 302.6**	**42 846.9**	**-2.41**	**-21.10**	**85.66**

Table 4.1.b
Indonesia's Import 2009*)

Description	CIF Value (US$ Million)		Change of June'09*) to May'09		CIF Value (US$ Million)		Share to Total Import 1st Semester 2009*) (%)
	May 2009	June 2009*)	(Million US$)	(%)	1st Semester 2008	1st Semester 2009*)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	7 641.3	7 953.4	312.1	4.08	65 149.0	41 395.2	100.00
Oil and Gas	1 560.1	1 441.5	-118.6	-7.60	16 847.4	7 409.9	17.90
- Crude Oils	701.6	624.0	-77.6	-11.06	5 572.5	2 837.6	6.86
- Oil Product	822.5	801.3	-21.2	-2.58	11 234.3	4 281.4	10.34
- Gas	36.0	16.2	-19.8	-55.00	40.6	290.9	0.70
Non Oil and Gas	6 081.2	6 511.9	430.7	7.08	48 301.6	33 985.3	82.10

*Note: *)Preliminary Figure*

lions and US$21.2 millions, as well as gas imports by 55.00 percent to US$19.8 millions.

Value of oil and gas and nonoil and gas exports-imports from June 2008 up to June 2009 presented successively at tables 4.2.a and tables of 4.2.b. Data up to May 2009 is a fixed value, while to June 2009 is an interim value.

The highest decrease of non oil export in June 2009 (compare to May 2009) is for animal or vegetable fats/oils and their

Tabel 4.2.a
Value of Export, June 2008–June 2009

Month	FOB Value (juta US$)			Percentage Change from previous month		
	Oil	Non-oil	Total	Oil	Non-oil	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2008						
June	2 995.0	9 823.4	12 818.4	-7.15	1.43	-0.71
July	2 882.6	9 645.3	12 527.9	-3.75	-1.81	-2.27
August	2 956.3	9 510.5	12 466.8	2.56	-1.40	-0.49
September	2 455.5	9 821.7	12 277.2	-16.94	3.27	-1.52
October	1 885.5	8 904.4	10 789.9	-23.21	-9.34	-12.11
November	1 445.5	8 220.2	9 665.7	-23.34	-7.68	-10.42
December	1 407.0	7 489.5	8 896.5	-2.66	-8.89	-7.96
Jan-Dec	29 126.3	107 894.1	137 020.4	31.86	17.26	20.09
2009						
January	1 025.5	6 254.6	7 280.1	-27.11	-16.49	-18.17
February	1 024.4	6 109.9	7 134.3	-0.11	-2.31	-2.00
March	1 281.6	7 333.1	8 614.7	25.11	20.02	20.75
April	1 254.0	7 200.0	8 454.0	-2.15	-1.82	-1.87
May	1 136.7	8 072.1	9 208.8	-9.35	12.11	8.93
June	1 452.8	7 877.3	9 330.1	27.81	-2.41	1.32

*Note: *) Preliminary Figure*

products (HS 15) which reach US$ 473.8 millions, while the highest increase is for paper and paperboard (HS 48) which reached US$ 30.2 millions.

For the period of January-June 2009, exports of 10 commodities (2 digits HS code) contributed 59.95 percent to non-oil exports, while other commodities contributed 41.41 percent. Compare to the same period last year, the growth of these 10 commodities drop by 20.38 percent on January-June 2009. The

Table 4.2.b.
Value of Import, June 2008–June 2009*)

Year/Month		CIF Value (Million US$)			Percentage of Change to Previous Period		
		Oil & Gas	Non Oil & Gas	Total	Oil & Gas	Non Oil & Gas	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2008	June	3 685.9	8 424.6	12 110.5	11.18	0.91	3.83
	July	3 639.1	9 230.7	12 869.8	-1.27	9.57	6.27
	August	3 177.1	9 149.1	12 326.2	-12.70	-0.88	-4.22
	September	2 539.1	8 803.7	11 342.8	-20.08	-3.78	-7.98
	October	1 977.7	8 754.8	10 732.5	-22.11	-0.56	-5.38
	November	1 358.0	7 723.3	9 081.3	-31.33	-11.78	-15.39
	December	1 014.4	6 681.2	7 695.6	-25.30	-13.49	-15.26
	Jan-Dec	30 552.9	98 644.4	129 197.3	---	---	---
2009	January	1 281.5	5 319.1	6 600.6	26.33	-20.39	-14.23
	February	964.4	4 974.6	5 939.0	-24.74	-6.48	-10.02
	March	930.1	5 624.0	6 554.1	-3.56	13.05	10.36
	April	1 232.3	5 474.5	6 706.8	32.49	-2.66	2.33
	May	1 560.1	6 081.2	7 641.3	26.60	11.08	13.93
	June*)	1 441.5	6 511.9	7 953.4	-7.60	7.08	4.08

*Note: *) Preliminary Figure*

value of those 10 main commodities can be seen in Table 4.3.a.

From ten major commodities of Indonesia's nonoil and gas imports, three major commodities declined at June 2009 compared to May 2009 that is aircraft and its components by 75.34 percent to US$393,9 millions, cotton by 3.97 percent to US$5.4 millions, and organic chemicals by 0.80 percent to US$2,7 millions. Meanwhile, seven other goods faction experience of increasing.

From seven major commodities increase, three major commodities up of above US$100,0 millions that is Machinery and mechanical appliances; parts by 12.28 percent to US$135,4 millions. Meanwhile, one major commodity increased between US$50,0 millions until US$100,0 millions that is Vehicles other than railway/tramway, and parts and accessories there of by 30.63 percent to US$62,4 millions. Others five major commodities increased below US$50,0 millions that is residues and waste from the food industries by 36.11 percent to US$45.5 millions, Iron and steel by 14.11 percent to US$40,3 millions, articles of iron and steel by 13.28 percent to US$27.6 millions, Plastics and articles there of by 10.71 percent to US$26.3 millions, and Elec-

Table 4.3.a
Exports of 10 Main Commodities (2 digits HS code)
January-June 2009

Commodity Groups (HS)	Nilai FOB (juta US$)				Change of June 2009 to May 2009 (Million US$)	% Share to Total Non Oil and Gas Jan-Jun 2009
	May 2009	June 2009	Jan-Jun 2008	Jan-Jun 2009		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Mineral fuels (27)	1 023.5	913.4	4 513.4	5 367.5	-110.1	12.53
2. Animal and vegetable oils/fats (15)	1 219.5	745.7	9 168.4	4 837.6	-473.8	11.29
3. Electrical machinery and equipments (85)	669.3	662.1	3 813.7	3 497.3	-7.2	8.16
4. Ores. slag and ash (26)	510.3	526.8	2 147.1	2 282.1	16.5	5.33
5. Machinery and mechanical appliances (84)	409.9	389.5	2 357.8	2 180.8	-20.4	5.09
6. Rubber and article thereof (40)	390.1	384.8	3 904.3	2 052.0	-5.3	4.79
7. Apparel and clothing. not knitted (62)	267.3	294.7	1 719.1	1 602.9	27.4	3.74
8. Paper and paperboard (48)	272.8	303.0	1908.8	1 596.4	30.2	3.72
9. Apparel and clothing. knitted (61)	216.6	237.7	1 231.8	1 202.7	21.1	2.81
10. W ood and articles of woods (44)	187.7	198.0	1 489.8	1 067.9	10.3	2.49
Total of ten 10 commodities	5 167.0	4 655.7	32 254.2	25 687.2	-511.3	59.95
Other commodities	2 905.1	3 221.6	22 048.4	17 159.7	316.5	40.05
Total non-oil exports	8 072.1	7 877.3	54 302.6	42 846.9	-194.8	100.00

trical machinery and equipments by 2.96 percent to US$25.7 millions can be seen at Table 4.3.b.

In June 2009, Indonesia nonoil exports to Japan, United States, and Singapore reached US$1,026.2 millions, US$876.4 millions and US$778.1 millions respectively, and these three countries contributed 34.03 percent of total non-oil exports.

The nonoil exports to South Korea were decreased by US$30.1 millions in June 2009, followed by Malaysia which is fell by US$30.1 millions, Taiwan by US$9.1 millions, Australia by US$8.1 millions, French by US$6.6 millions and China US$5.8 millions.W hile exports to Japan increased by US$116.3 millions, followed by Singapore which raised by US$46.7 millions,Germany by US$632.7 millions, United States by US$28.6 millions, Thailand by US$22.8 millions, and United Kingdom by US$3,6 mil-

Table 4.3.b.
Non Oil and Gas Import of Ten Major Commodities Semester I 2009*)

Commodity Groups (HS)	CIF Value (US$ Million)					Share of Non Oil & Gas Import of Ist Semester 2009*) (%)
	May 2009	June 2009*)	Changes of June '09*) to May'09	1st Semester 2008	1st Semester 2009*)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Machinery and mechanical appliances; parts (84)	1 103.0	1 238.4	135.4	8 701.8	6 864.0	20.20
2. Electrical machinery and equipments (85)	867.9	893.6	25.7	7 095.5	4 900.3	14.42
3. Organic chemicals (29)	339.1	336.4	-2.7	2 616.3	1 716.6	5.05
4. Iron and steel (72)	285.7	326.0	40.3	4 338.7	1 655.4	4.87
5. Aircraft and its components (88)	522.8	128.9	-393.9	588.2	1 482.6	4.36
6. Articles of iron and steel (73)	207.8	235.4	27.6	1 553.1	1 430.9	4.21
7. Plastics and articles thereof (39)	245.5	271.8	26.3	1 986.5	1 336.1	3.93
8. Vehicles other than railway/tramway. and parts and accessories thereof (87)	203.7	266.1	62.4	2 932.7	1 260.4	3.71
9. Cotton (52)	136.1	130.7	-5.4	1 064.2	695.2	2.04
10. Residues and waste from the food industries (23)	126.0	171.5	45.5	878.7	678.8	2.00
Total of 10 Major Commodities	4 037.6	3 998.8	-38.8	31 755.7	22 020.3	64.79
Other Commodities	2 043.6	2 513.1	469.5	16 545.9	11 965.0	35.21
Total Oil & Gas Imports	6 081.2	6 511.9	430.7	48 301.6	33 985.3	100.00

*Note : *) Preliminary Figure*

lions. Meanwhile exports to European Union (27 countries) in June 2009 reached US$1,026.3 millions. Overall, total exports to those twelve main countries increased by 2.81 percent.

During Januari-June 2009, Japan still the main destination of Indonesia exports which reached US$5,044.2 millions (11.77 percent), followed by the United States which reached US$4,830 millions (11.27 percent), and Singapore which reached US$3,958.9 millions (9.24 percent).

From total Indonesian nonoil and gas imports value at June 2009 that is US$6,511.9 millions, there of US$1,455.7 millions (22.43 percent) coming from ASEAN , and US$737.8 (11.33 percent) from EC's Countries. In the term of country of origin of major commodity, non oil and gas imports value from China is the biggest that is US$1,037.1 millions or 15.93 percentage of entirety of Indonesian nonoil and gas imports, followed by Japan by US$836,5 millions (12.85 percent), Singapore by US$719.8 millions (11.05 percent), United States by US$519.2 millions (7.97 percent), Thailand by US$393.1 millions (6.04 percent), Austra-

lia by US$355.5 millions (5.46 percent), Republic of Korea US$323.0 millions (4.96 percent), Malaysia US$258.3 millions (3,97 percent), Germany US$229.2 millions (3.52 percent), Taiwan US$163.8 millions (2.52 percent). Here in after nonoil and gas imports from France by US$138.4 millions (2.13 percent) and United Kingdom by US$55.7 millions (0.86 percent). As a whole, twelve major country above giving share equal to 77,24 percentage of totalizing Indonesian nonoil and gas imports.

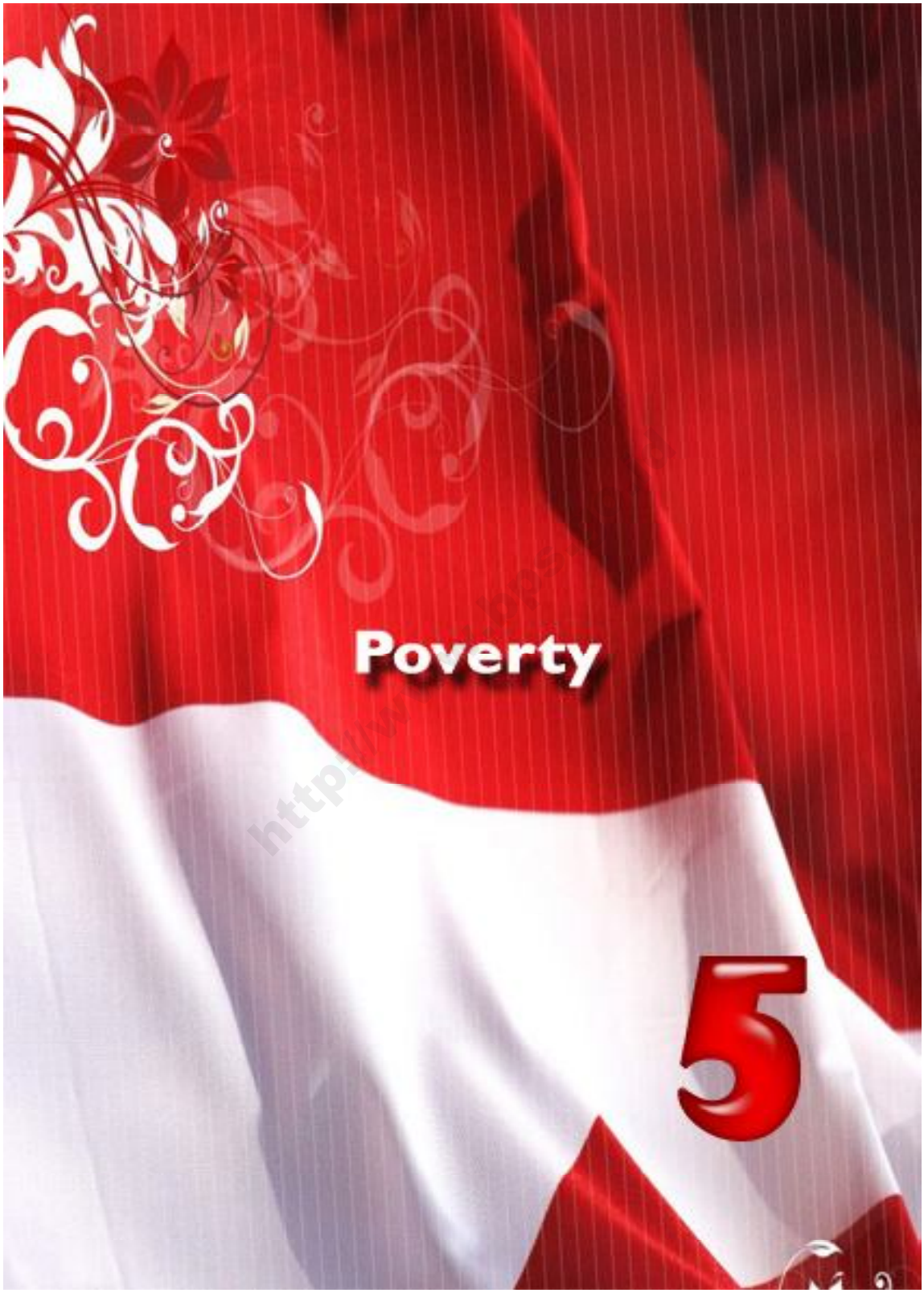
Meanwhile, from totalizing Indonesian nonoil and gas imports value during semester I 2009 by US$33,985.3 millions, 78.97 percent come from twelve major country that is China by US$5,898.8 millions or 17.36 percent, followed by Japan by US$4,328.8 millions (12.74 percent). Next, Singapore giving share by 11.31 percent, United States 9.36 percent, Thailand 5.63 percent, Korea Republic of 5.00 percent, Australia 4.50 percent,

Table 4.4.b.
Indonesian Nonoil and Gas Imports by Country of Origin
Semester I 2009*)

Country of Origin	CIF Value US$ Million)		Share to Non oil and gas import of June 2009*) (%)	CIF Value (US$ Million)		Share to Non oil and gas imports of 1st Semester 2009*) (%)
	May 2009	June 2009*)		1st Semester 2008	1st Semester 2009*)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
ASEAN	1 300.4	1 455.7	155.3	11 442.8	7 518.3	22.12
1 Singapore	627.0	719.8	92.8	5 663.9	3 843.4	11.31
2 Thailand	354.2	393.1	38.9	3 123.6	1 913.4	5.63
3 Malaysia	237.0	258.3	21.3	1 971.4	1 345.3	3.96
Other ASEAN	82.2	84.5	2.3	683.9	416.2	1.22
EC COUNTRIES	813.1	737.9	-75.2	4 901.0	4 073.8	11.99
4 Germany	160.1	229.2	69.1	1 514.6	1 094.8	3.22
5 France	160.6	138.4	-22.2	593.8	700.4	2.06
6 United Kingdom	74.3	55.7	-18.6	421.4	389.3	1.15
Other EC Countries	418.1	314.6	-103.5	2 371.2	1 889.3	5.56
OTHER COUNTRIES	3 119.5	3 235.1	115.6	23 619.3	17 551.2	51.64
7 Japan	712.6	836.5	123.9	7 085.6	4 328.8	12.74
8 China	1 066.7	1037.1	-29.6	7 019.6	5 898.8	17.36
9 United States	612.3	519.2	-93.1	3 745.3	3 181.5	9.36
10 Republic of Korea	294.1	323.0	28.9	2 409.8	1 700.0	5.00
11 Australia	278.4	355.5	77.1	1 912.2	1 530.9	4.50
12 Taiwan	155.4	163.8	8.4	1 446.8	911.2	2.68
Total of 12 Major Countries	4 732.7	5 029.6	296.9	36 908.0	26 837.8	78.97
Other Countries	1 348.5	1 482.3	133.8	11 393.6	7 147.5	21.03
Total Oil & Gas Imports	6 081.2	6 511.9	430.7	48 301.6	33 985.3	100.00

*Note : *)Preliminary Figures*

Malaysia 3.96 percent, Germany 3.22 percent, Taiwan 2.68 percent, French 2.06 percent, and United Kingdom 1.15 percent. Indonesian imports from ASEAN achieved 22.12 percent and from EC's Country 11.99 percent.


Poverty
5

POVERTY

One of the important aspects to support poverty alleviation program is the availability of accurate poverty data.

Poverty is one of basic problems of government concern worldwide. One of the 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 to combat poverty, to compare poverty incidence across time and regions, and to apply target interventions that aim to improve the life quality of the poor. Reliable measurement of poverty is an important instrument for policy makers to focus on life condition improvement of the poor.

To measure poverty, BPS-Statistics Indonesia has used 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 viewed as 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 poverty line is considered poor. The method used is calculating poverty line consisting of two components, i.e. Food Poverty Line (FPL) and Non-Food Poverty Line (NFPL). The Food Poverty Line is minimum expenditure required by an individual to fulfill his or her basic food equivalent to daily minimum requirement of 2,100 kcal per capita per day, while the Non-Food Poverty Line refers to minimum requirement for household 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 utilizing 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. In 2003, BPS-Statistics Indonesia started to release poverty incidence 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 Com-

modity Basket Survey which are used to estimate expenditure proportion for each non-food basic commodities.

1. Trend of Poverty Incidence in Indonesia, 1996–2009

During the period of 1996–2009, the number and percentage of poor people in Indonesia fluctuated from year to year even though they tended to decrease in the 2000-2005 period (Table 5.1). In the period of 1996-1999 number of poor people increased by 13.96 millions due to economic crisis, from 34.01 millions people (17.47 percent of the total population) in 1996 to 47.97 millions people (23.43 percent of the total population) in 1999.

During the period of 1996–2009, the number and percentage of poor people in Indonesia fluctuated from year to year even though they tended to decrease in the 2000-2005 period.

During 1999–2002 periods the number of poor people decreased by 9.57 millions people, from 47.97 millions (23.43 percent of total population) in 1999 to 38.40 millions (18.20 percent of total population) in 2002.The number of poor people also decreased in the period of 2002-2005 by 3.3 millions, from

Table 5.1
Number and Percentage of Poor People in Indonesia by Area
1996–2009

Year	Number of Poor People (Millions)			Percentage of Poor People		
	Urban	Rural	Urban+Rural	Urban	Rural	Urban+Rural
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1996	9.42	24.59	34.01	13.39	19.78	17.47
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

38.40 millions (18.20 percent of total population) in 2002 to 35.10 millions (15.97 percent of total population) in 2005. In the period of 2005-2006, however, the number of poor people increased by 4.20 millions, from 35.10 millions people in 2005 to 39.30 millions people in 2006. As a result, the percentage of poor people also increased from 15.97 percent to 17.75 percent.

The number of poor people in Indonesia was 37.17 millions (16.58 percent) in March 2007. It decreased by 2.13 millions compared to poverty incidence in March 2006. However, percentage of poor people in March 2007 was still higher than that of February 2005, which was 15.97 percent. In the following two years, the number of poor people also decreased to 34.96 millions (15.42 percent of total population) in March 2008 and 32.53 millions (14.15 percent of total population) in March 2009.

2. Trends of Poverty Incidence, March 2008–March 2009

The number of poor people in March 2009 was 32.53 millions (14.15 percent of total population), it decreased by 2.43 millions compared to poverty incidence in March 2008.

The number of poor people in March 2009 was 32.53 millions (14.15 percent of total population). It decreased by 2.43 millions compared to poverty incidence in March 2008, which was 34.96 millions (15.42 percent of total population).The number of poor people in the rural areas decreased faster than that of the urban areas.The decrease was 1.57 millions people in the rural area and 0.86 millions people in the urban area during March 2008-March 2009 (Table 5.2).

The percentage of poor people living in the urban and rural areas was relatively similar from time to time. A large part of poor people (63.47 percent) lived in the rural areas in March 2008. The percentage was closely similar in March 2009, which was 63.39 percent.

The decrease of poverty incidence during March 2008-March 2009 seems related to the following factors:

a. Inflation rate was relatively stable during March 2008-March 2009, which was 7.92 percent.
b. Average price of rice, which is the most important food commodity for the poor, increased 7.80 percent during

March 2008-March 2009, lower than inflation rate.

c. Average real wages of agriculture workers (70 percent of poor people in rural area works in agriculture sector) increased 13.22 percent and average real wages of construction workers increased 10.61 percent during March 2008-March 2009.

d. January-April 2009 is rice harvest time. Production of rice reached 29.49 million tons of dry unhusked rice (forecasting figure) during January-April 2009 meaning that it grew 4.87 percent from the production in January-April 2008 which was 28.12 million tons.

e. In general, poor people work in food crops and fishery sub-sectors. During the period of April 2008-March 2009, food crop farmer terms of trade increased 0.88 percent and fisherman terms of trade increased 5.27 percent.

f. Consumption expenditure of households grew 5.84 percent (temporary figure) in January-March 2009 compared to that in January-March 2008.

Table 5.2
Poverty Line, Number and Percentage of Poor People by Area, March 2008–March 2009

Area / Year	Poverty Line (Rp/Capita/Month)			Number of Poor People (millions)	Percentage of Poor People
	Food	Non-food	Total		
(1)	(2)	(3)	(4)	(5)	(6)
Urban					
March 2008	143 897	60 999	204 896	12 .77	11 .65
March 2009	155 909	66 214	222 123	11 .91	10 .72
Rural					
March 2008	127 207	34 624	161 831	22 .19	18 .93
March 2009	139 331	40 503	179 835	20 .62	17 .35
Urban + Rural					
March 2008	135 270	47 366	182 636	34 .96	15 .42
March 2009	147 339	52 923	200 262	32 .53	14 .15

3. Changes of Poverty Line, March 2008–March 2009

Poverty line increased by 9.65 percent during March 2008–March 2009, from Rp182,636 per capita per month in March 2008 to Rp200,262 per capita per month in March 2009.

Poverty line increased by 9.65 percent during March 2008–March 2009, from Rp182,636 per capita per month in March 2008 to Rp200,262 per capita per month in March 2009 (Table 5.2). The share of food commodities to poverty line is much higher than non-food commodities (household necessities, clothing, education, and health). In March 2008, the share of food poverty line to poverty line was 74.07 percent, while in March 2009, it slightly decreased by 73.57 percent.

The most important commodity for the poor is rice. In March 2009, the share of rice expenditure to poverty line was 25.06 percent in the urban areas and 34.67 percent in the rural areas. Other food commodities with quite significant contribution to poverty line were sugar (2.83 percent in the urban area, 3.72 percent in the rural area), egg (3.61 percent in the urban area, 2.68 percent in the rural area), instant noodle (3.21 percent in the urban area, 2.70 percent in the rural area), tempe (2.47 percent in the urban area, 2.09 percent in the rural area), and tofu (2.24 percent in the urban area, 1.60 percent in the rural area).

For non-food commodities, household necessities expenditure had quite big share to poverty line. It was 7.58 percent in the urban area and 5.73 percent in the rural area. Other non-food commodities with significant share to poverty line are electricity (3.08 percent in the urban area, 1.81 percent in the rural area), transportation (2.85 percent in the urban area, 1.34 percent in the rural area) and kerosene (1.73 percent in the urban area, 0.70 percent in the rural area).

4. Poverty Gap and Severity Indices

Successful poverty alleviation programs have to be able to reduce the number and percentage of poor people as well as to decrease poverty gap and poverty severity problems. During March 2008-March 2009, Poverty Gap Index and Poverty Severity Index decreased. Poverty Gap Index decreased from 2.77 in March 2008 to 2.50 in March 2009, while Poverty Severity

Index decreased from 0.76 to 0.68 in the same period (Table 5.3). The decrease of these two indices indicated that average expenditure of poor people tended to be closer to poverty line and expenditure inequality among the poor was narrower.

Poverty Gap Index and Poverty Severity Index in the rural area were higher than those in the urban area. In March 2009, Poverty Gap Index was 1.91 in the urban area and 3.05 in the rural area, while Poverty Severity Index was 0.52 in the urban area and 0.82 in the rural area. It can be concluded that poverty incidence in rural area is worse than urban area.

Poverty Gap Index and Poverty Severity Index in the rural area were higher than those in the urban area.

Table 5.3
Poverty Gap Index (P1) and Poverty Severity Index (P2) in Indonesia by Area, March 2008–March 2009

Based on Panel National Socio Economic Survey, March 2008 and March 2009

Year	Urban	Rural	Urban + Rural
(1)	(2)	(3)	(4)
Poverty Gap Index (P_1)			
March 2008	2 .07	3 .42	2 .77
March 2009	1 .91	3 .05	2 .50
Poverty Severity Index (P_2)			
March 2008	0 .56	0 .95	0 .76
March 2009	0 .52	0 .82	0 .68

5. Comparison of Poverty Data from BPS-Statistics Indonesia and World Bank

In order to compare poverty rates across countries, World Bank measure poverty line using consumption expenditure converted to US$ PPP (Purchasing Power Parity), not formal US$ exchange rate. PPP conversion rate shows total rupiahs spent to buy certain amount of goods and services in which the same amount of good and services can be purchased with US$1 in America. The conversion rate is calculated based on price and quantity in each country collected in a survey every five years.

Chen and Ravallion (2001) estimated poverty rates across countries using poverty line of US$1 PPP per capita per day. Based on their calculation, US$1 PPP per capita per day was equivalent to Rp20,811 per capita per month in 1993. The PPP poverty line was adjusted from time to time using Consumer Price Index. In 2006, US$1 PPP per capita day was equivalent to Rp97,218 per capita per month and US$2 PPP was equivalent to Rp194,439 per capita per month. Comparison of poverty line and percentage of poor people in Indonesia based on calculation of BPS-Statistics Indonesia and World Bank are follows:

Table 5.4
Poverty Line and Percentage of Poor People in Indonesia, 2006

Source	Poverty Line per Day	Poverty Line per Month	Percentage of Poor People
(1)	(2)	(3)	(4)
BPS	Rp5,066.57 US$1,55 PPP	Rp151,997	17.8
World Bank	US$1 PPP Rp3,240.60	Rp 97,218	7.4
	US$2 PPP Rp6,481.30	Rp194,439	49.0

Source: Making the New Indonesia Work for the Poor, the World Bank (2006) and BPS

Table 5.5
Number and Percentage of Poor People in Indonesia According to BPS and World Bank Methods, 1996–2009

Year	BPS		World Bank			
	Poor People		Poor People living below US$1 PPP		Poor People living below US$2 PPP	
	Number (million)	Percentage	Number (million)	Percentage	Number (million)	Percentage
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1996	34,01	17,47	15,40	7,80	99,60	50,50
1998	49,50	24,23	-	-	-	-
1999	47,97	23,43	24,90	12,00	135,00	65,10
2000	38,70	19,14	20,90	9,90	125,30	59,50
2001	37,90	18,41	19,70	9,20	125,20	58,70
2002	38,40	18,20	15,50	7,20	115,60	53,50
2003	37,30	17,42	14,50	6,60	110,00	50,10
2004	36,10	16,66	16,50	7,40	109,10	49,00
2005	35,10	15,97	13,60	6,00	102,10	45,20
2006	39,30	17,75	19,50	8,50	113,80	49,60
2007	37,17	16,58	15,50	6,70	105,30	45,20
2008	34,96	15,42	14,00	5,90	100,70	42,60
2009	32,53	14,15	-	-	-	-

Comparison of poverty line and percentage of poor people in Indonesia based on calculation of BPS-Statistics Indonesia and World Bank for the periods of 1996-2009 is presented in Table 5.5, Figures 5.1 and 5.2.

Besides Indonesia, other countries also release their own version of poverty data, which are calculated based on their national poverty line. Figure 5.3 shows comparison of poverty data in several countries based on country owned version and World Bank poverty lines (US$1 PPP and US$2 PPP). The figure shows that in general poverty figure of country owned version lies between US$1 PPP and US$2 PPP. In China and India, their poverty figures are in fact lower than poverty figure of US$1 PPP World Bank.

In general poverty figure of country owned version lies between US$1 PPP and US$2 PPP.

Figure 5.1
Percentage of Poor People in Indonesia According to BPS and World Bank Methods, 1996–2009

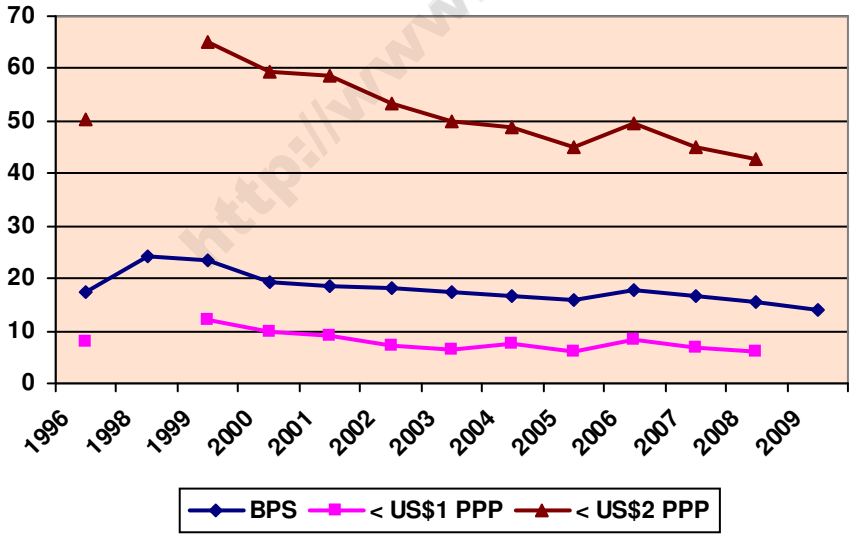


Figure 5.2
Number of Poor People in Indonesia According to BPS and World Bank Methods, 1996–2009

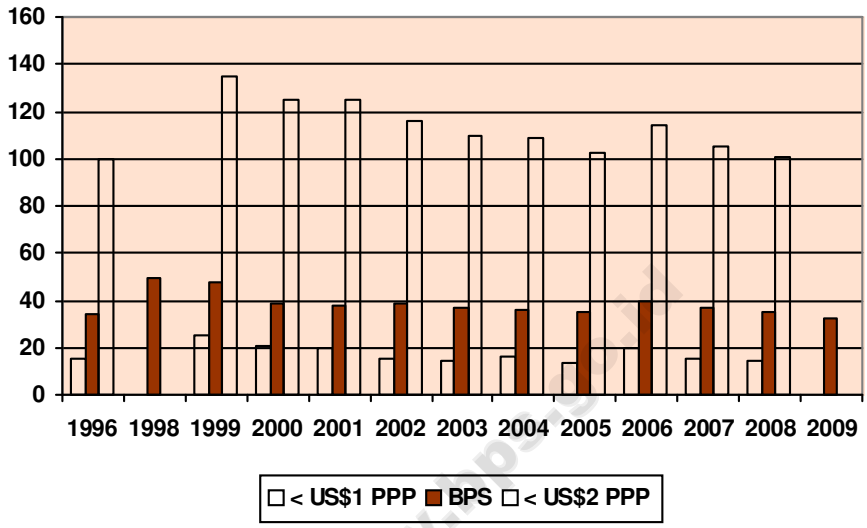
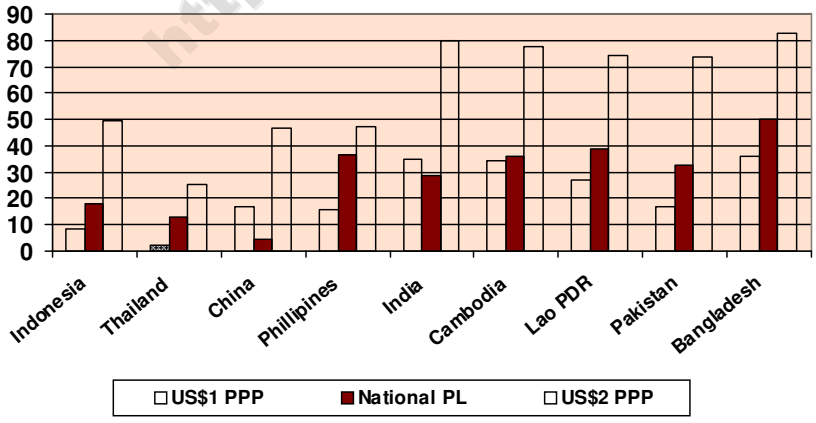


Figure 5.3.
Percentage of Poor People in Several Countries According to National Poverty Line and World Bank Methods, 2006



Source: Human Development Report 2006, UNDP

6. Summary

To measure poverty, BPS-Statistics Indonesia has used the concept of basic needs approach in which poverty is viewed as economic inability to fulfill food and non-food basic needs measured by consumption expenditure. The method has been applied consistently by BPS since 1984.

World Bank measure poverty incidence based on consumption expenditure per capita converted to US$1 PPP and US$2 PPP (Purchasing Power Parity) in order to compare poverty rates across countries. The value of US$1 PPP per capita per day is lower than Poverty Line calculated by BPS. On the contrary, the value of US$2 PPP per capita per day is higher than Poverty Line calculated by BPS meaning that it is higher than minimum basic needs cost.

To evaluate the trend of poverty incidence, we have to use the same source of data consistently. It can be misleading if we use poverty data from BPS for years and then switch to poverty data from World Banks for other years.


Employment
6

EMPLOYMENT

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

Data about labor force situation are core data which is not only able to describe social and economic condition, but also describe social welfare in an area in a certain period.

Data about labor force situation are core data which is not only able to describe social and economic condition, but also describe social welfare in an area in a certain period.

To obtain the data, Statistics-Indonesia (BPS) collected and presented 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 is a survey which was designed to collect labor force data with household approach.

NLFS has been conducted since 1976, 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 applied yearly in August, except for 1995, because the data can be obtained from 1995 IPS. From 2002 to 2004, beside implemented yearly, it was also conducted quarterly. From 2005 to 2009, NLFS was conducted every semester, which were every Ist Semester in February and every 2nd Semester in August. In 2005, 2nd Semester field enumeration which supposed to be conducted in August, delayed to November because in August-October 2005 BPS conducted another urgent national survey.

In conducting NLFS, BPS uses the reference of labor force concepts/definitions from International Labor Organization (ILO), as can be read in "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 during a week ago" to categorize one as working, before dealing with the industrial classification, occupation status, and main employment status.

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1. Labor Force, Employment, and Unemployment

Labor is a resource for development activities. Its number and composition always changes along with demographic process. In February 2009, the number of working age population increased by 2.70 millions people which compared to February 2008. In February 2008, it was 165.56 millions, increased to 168.26 millions in February 2009. In February 2009, about 67.60 percent of working age population is economically active or which called labor force. The number was 113.74 millions. This number increased by 1.80 millions (1.61 percent) compared to August 2008, and increased by 2.27 millions (2.03 percent) compared to February 2008.

Labor Force Participation Rate (LFPR) indicates working age population who 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 2008 to February 2009, LFPRs increased by 0.27 percent, from 67.33 percent in February 2008 to 67.60 percent in February 2009. 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 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, num-

ber of employed does not always describe number of job opportunities. This is a consequence of common mismatch in labor market.

In February 2009, from 113.74 millions of labor force, about 91.86 percent were population who worked.

In February 2009, from 113.74 millions of labor force, about 91.86 percent were population who worked. Population who worked in February 2009 increased by 1.93 millions people (1.88 percent) compared to August 2008, and increased by 2.44 millions people (2.93 percent) compared to previous year condition (February 2008).

Another important issue which should be concerned is unemployment. Unemployment concept includes: those who looking for work; preparing for a business; not looking for work because feel hopeless to get a job; and those who have a job but not active yet. Unemployment with this concept is usually called open unemployment. Number of unemployment in February 2009 were 9.26 millions people or decreased by 169 thousands (1.79 percent) compared to February 2008 which were 9.43 millions people.

Indication of working age population in unemployment group is Open Unemployment Rate (OUR), where OUR is percentage of unemployment to labor force. OUR in February 2009 was

Table 6.1
Population of 15 Year and Over by Activity, 2007–2009
(thousand)

Activity	2007		2008		2009
	February	August	February	August	February
(1)	(2)	(3)	(4)	(5)	(6)
Population 15 Year and Over	162 352.05 (100.00)	164 118.32 (100.00)	165 565.99 (100.00)	166 641.05 (100.00)	168 264.45 (100.00)
Economically Active	108 131.06 (66.60)	109 941.36 (66.99)	111 477.45 (67.33)	111 947.26 (67.18)	113 744.41 (67.60)
Work	97 583.14 (90.25)	99 930.22 (90.89)	102 049.86 (91.54)	102 552.75 (91.61)	104 485.44 (91.86)
Open Unemployment	10 547.92 (9.75)	10 011.14 (9.11)	9 427.59 (8.46)	9 394.52 (8.39)	9 258.96 (8.14)
Not Economically Active	54 220.99 (33.40)	54 176.96 (33.01)	54 088.55 (32.67)	54 693.79 (32.82)	54 520.04 (32.40)
Labor Force Participation Rate (%)	(66.60)	(66.99)	(67.33)	(67.18)	(67.60)
Open Unemployment Rate (%)	(9.75)	(9.11)	(8.46)	(8.39)	(8.14)
Under Employment	30 238.98	30 370.18	30 644.44	31 089.37	31 363.29
Involuntary	14 914.50	14 898.19	14 595.15	14 916.51	15 001.99
Voluntary	15 324.48	15 471.99	16 049.29	16 172.86	16 361.31

Notes: Number in brackets shows percentage

8.14 percent, decreased by 0.32 percent compared to February 2008, which was 8.46 percent.

Number of unemployment in February 2009 were 9.26 millions people or decreased by 169 thousands (1.79 percent) compared to February 2008 which were 9.43 millions people.

2. Main Industry

According to main industry in February 2009, from 104.49 millions people who worked (working group), most worked in agriculture which were 43.03 millions people (41.18 percent); followed by trade which were 21.84 millions people (20.90 percent); and social service which were 13.61 millions people (13.03 percent).

During the last year, the highest increase of working group occurred in trade, restaurant, and accommodation sector which increased by 1.15 millions people, followed by social service with 834 thousands increase. High concentration of labor absorption was dominated by Java Island, in which contribution of agriculture, manufacture, and trade was higher than other islands.

Table 6.2
Population of 15 Year and Over who Worked in a Week Ago By Main Industry, 2007–2009 (million)

Main Industry	2007		2008		2009
	February	August	February	August	February
(1)	(2)	(3)	(4)	(5)	(6)
Agriculture	42.61	41.21	42.69	41.33	43.03
Manufacture	12.09	12.37	12.44	12.55	12.62
Construction	4.40	5.25	4.73	5.44	4.61
Trade	19.43	20.55	20.68	21.22	21.84
Transportation, Warehousing, and Communication	5.58	5.96	6.01	6.18	5.95
Finance	1.25	1.40	1.44	1.46	1.48
Social Service	10.96	12.02	12.78	13.10	13.61
Others *)	1.27	1.17	1.27	1.27	1.35
Total	97.58	99.93	102.05	102.55	104.49

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

There were about 30.51 percent workers in formal sector in February 2009 and 69.49 percent in informal sector.

3. Main Employment Status

Formal and informal sector can roughly be approached with employment status. From seven main employment status category, formal workers include employers and employees. Therefore, to this formal and informal approach, there were about

30.51 percent workers in formal sector in February 2009 and 69.49 percent in informal sector.

According to Table 6.3, from 104.49 million workers, number of employees in Indonesia in February 2009 was 28.91 millions people (27.67 percent). Meanwhile, number of employer in the corresponding month were 45.42 millions people, that consist of 20.81 millions self-employed (own-account workers), 21.64 millions self employed assisted by temporary employee, and 2.97 millions employers. Number of unpaid worker was 18.66 millions people or 17.86 percent from total workers.

Table 6.3
Population of 15 Years and Over Who Work During Previous Week By Main Employment Status, 2007–2009 (thousand)

Main Employment Status	2007		2008		2009
	February	August	February	August	February
(1)	(2)	(3)	(4)	(5)	(6)
Self Employed (Own Account Worker)	18 667.33	20 324.53	20 081.13	20 921.57	20 810.30
	(19.13)	(20.34)	(19.68)	(20.40)	(19.92)
Self employed assisted by temporary/unpaid workers	20 848.54	21 024.30	21 599.78	21 772.99	21 636.76
	(21.36)	(21.04)	(21.17)	(21.23)	(20.71)
Employer with permanent/paid workers	2 847.69	2 883.83	2 979.41	3 015.33	2 968.48
	(2.92)	(2.89)	(2.92)	(2.94)	(2.84)
Employee	26 869.05	28 042.39	28 515.36	28 183.77	28 913.12
	(27.53)	(28.06)	(27.94)	(27.48)	(27.67)
Casual employee in Agriculture	6 278.47	5 917.32	6 130.48	5 991.49	6 346.12
	(6.43)	(5.92)	(6.01)	(5.84)	(6.07)
Casual employee in nonagriculture	4 267.06	4 458.86	4 798.86	5 292.26	5 151.54
	(4.37)	(4.46)	(4.70)	(5.16)	(4.93)
Family/unpaid worker	17 805.00	17 279.00	17 944.84	17 375.34	18 659.12
	(18.25)	(17.29)	(17.58)	(16.94)	(17.86)
Total	97 583.14	99 930.22	102 049.86	102 552.75	104 485.44
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Notes : Number in vrackets shows percentage

4. Population who worked and Unemployment by Province

During February 2008 until February 2009, number of unemployment in many provinces was generally decreased.

During February 2008 until February 2009, number of unemployment in many provinces was generally decreased. The highest decrease was in Jawa Timur Province which decreased by 62 thousands people. Afterwards, Sulawesi Selatan and Sumatera Utara Province followed with 47 thousands people and 44 thousand people respectively. On the other way, the highest

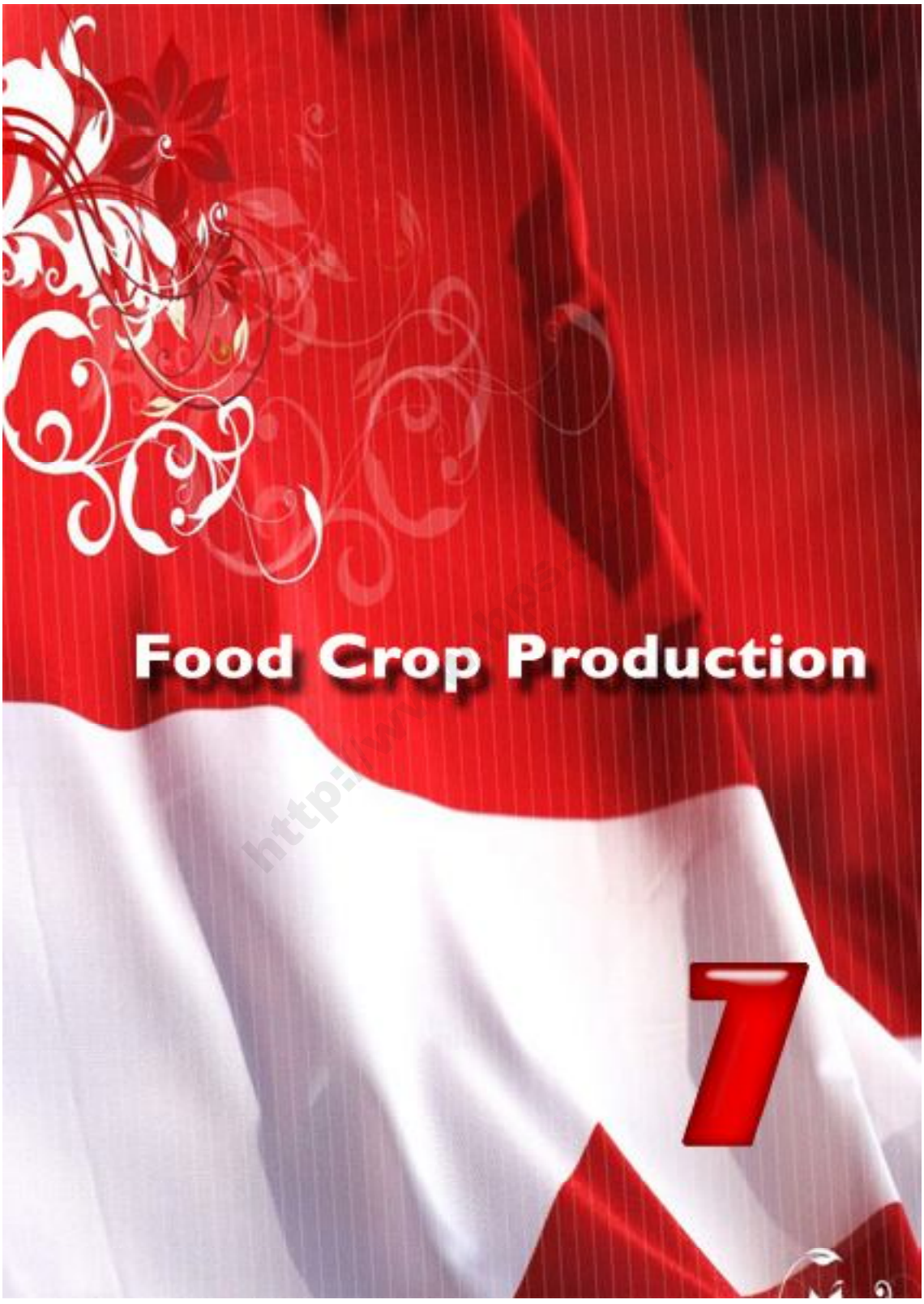
Table 6.4
Number of Economically Active, Working Group, and Unemployment Rate by Province February 2008–February 2009

Province	Economically Active (million)		Working Group (million)		Unemployed (thousand)		Open Unemployment Rate (%)	
	Feb 2008	Feb 2009	Feb 2008	Feb 2009	Feb 2008	Feb 2009	Feb 2008	Feb 2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Nanggroe Aceh Darussalam	1.78	1.86	1.62	1.69	163.87	173.6	9.20	9.31
Sumatera Utara	5.93	6.32	5.36	5.80	566.48	521.6	9.55	8.25
Sumatera Barat	2.13	2.18	1.92	2.01	206.74	172.3	9.73	7.90
Riau	2.23	2.31	2.03	2.10	208.93	206.5	9.35	8.96
Jambi	1.26	1.34	1.18	1.27	74.22	69.9	5.91	5.20
Sumatera Selatan	3.45	3.49	3.16	3.20	292.05	292.2	8.45	8.38
Bengkulu	0.84	0.87	0.80	0.82	33.29	46.1	3.98	5.31
Lampung	3.66	3.74	3.43	3.51	230.39	230.9	6.30	6.18
Bangka Belitung	0.50	0.56	0.47	0.53	29.02	26.8	5.79	4.82
Kepulauan Riau	0.65	0.67	0.60	0.62	55.38	52.2	8.49	7.81
DKI Jakarta	4.56	4.76	4.05	4.19	504.13	570.6	11.06	11.99
Jawa Barat	18.43	19.05	16.16	16.79	2 262.41	2 257.7	12.28	11.85
Jawa Tengah	17.34	16.61	16.11	15.40	1 234.65	1 208.7	7.12	7.28
D. I. Yogyakarta	1.98	2.05	1.86	1.93	119.79	123.0	6.04	6.00
Jawa Timur	20.12	20.31	18.86	19.12	1 255.89	1 193.6	6.24	5.87
Banten	4.25	4.45	3.65	3.79	601.84	663.9	14.15	14.90
Bali	2.09	2.06	2.00	2.00	95.51	60.4	4.56	2.93
Nusa Tenggara Barat	2.07	2.04	1.97	1.92	107.80	124.9	5.20	6.12
Nusa Tenggara Timur	2.21	2.34	2.13	2.28	81.77	65.2	3.70	2.78
Kalimantan Barat	2.17	2.26	2.03	2.13	140.56	127.2	6.49	5.63
Kalimantan Tengah	1.08	1.08	1.03	1.03	51.62	49.0	4.79	4.53
Kalimantan Selatan	1.71	1.76	1.59	1.64	118.37	118.4	6.91	6.75
Kalimantan Timur	1.25	1.49	1.11	1.32	142.51	165.1	11.41	11.09
Sulawesi Utara	1.05	1.07	0.92	0.96	129.30	114.5	12.35	10.63
Sulawesi Tengah	1.22	1.23	1.13	1.17	88.43	63.2	7.25	5.11
Sulawesi Selatan	3.28	3.40	2.93	3.10	343.76	296.6	10.49	8.74
Sulawesi Tenggara	0.96	0.98	0.91	0.93	58.25	53.1	6.05	5.38
Gorontalo	0.42	0.46	0.39	0.44	29.81	23.4	7.04	5.06
Sulawesi Barat	0.48	0.52	0.45	0.49	27.15	25.4	5.68	4.92
Maluku	0.55	0.59	0.49	0.53	61.23	61.2	11.05	10.38
Maluku Utara	0.42	0.44	0.39	0.41	29.34	29.1	7.03	6.61
Papua Barat	0.34	0.36	0.31	0.33	32.00	27.9	9.30	7.73
Papua	1.05	1.09	1.00	1.04	51.13	45.0	4.85	4.13
Indonesia	111.48	113.74	102.05	104.49	9 427.59	9 258.96	8.46	8.14

increases occurred in DKI Jakarta, Banten, and Kalimantan Timur with 66 thousands, 62 thousands, and 22 thousands people respectively. Moreover, the highest number of unemployment was in Jawa Barat which was 2.26 millions people. Meanwhile, the smallest one was in Gorontalo, which were 23 thousands people.

Generally, OURs in almost all provinces in February 2009 decreased, if compared to previous year. There were only six provinces having increasing OURs: Nanggroe Aceh Darussalam, Bengkulu, DKI Jakarta, Jawa Tengah, Banten, and Nusa Tenggara Barat. The highest OUR in February 2009 occurred in Banten Province (14.90 percent) and the lowest was in Nusa Tenggara Timur (2.78 percent).

Population of 15 years and over by working hour 2007-2009, Labor Force Participation Rate (LFPRs) of population of 15 years and over by province, economically active people by educational attainment, population of 15 years and over who worked by educational attainment, and population 15 years and over who underemployed by province 2007-2009 can be found on Statistical Notes.


Food Crop Production
7

FOOD CROP PRODUCTION

Food crops (including paddy and secondary crops) production data are one of the national food supply indicators. BPS – Statistics Indonesia in collaboration with the Ministry of Agriculture, The Republic of Indonesia conducts an estimation of food crops production on a national scale by employing one standardized procedure in order to provide a single, accurate and official figures.

The purpose of providing sustainable data on food crops production is to present accurate and current information to meet the government and society's need.The information afterward can be used as guidance for the government in making policies related to food security and in evaluating the development in agricultural sector, particularly in the sub-sector of food crops.

Harvested area and productivity (yield per hectare) are the two main data used in estimating food crops production. In addition, data such as damaged area, planted area, and real area of wetland are also used as supporting data in the estimation of harvested area. In a simple word, estimation of food crops production is generated from multiplying harvested area by productivity.

Within a year, data on food crops production is presented five times in five different types of figures, i.e. Forecast I (ARAM I), Forecast II (ARAM II), Forecast III (ARAM III), Preliminary Figures (ASEM), and Final Figures (ATAP).These types of figures are explained further in the Statistical Notes.

1. Final Figures of Paddy Production 2008

The final figure (ATAP) of paddy production 2008 was 60.33 million tons dry unhusked paddy.

The final figure (ATAP) of paddy production 2008 was 60.33 million tons dry unhusked paddy. It increased by 3.17 million tons (5.54 percent) compared to production in 2007 due to an increase in the harvested area by 179.79 thousand hectares (1.48 percent), as well as the productivity by 1.89 quintal/hectares (4.02 percent).

The production inside Java increased by 1.88 million tons (6.17 percent) and outside Java by 1.29 million tons (4.82 percent). Inside Java, the increase results from an increase in the harvested area by 71.32 thousand hectares (1.26 percent) and the productivity by 2.61 quintal/hectares or 4.86 percent. Outside Java, the production increase was also due to an increase in the harvested area by 108.47 thousand hectares (1.67 percent) and the productivity by 1.28 quintal/hectares or 3.11 percent. In 2008, the production of paddy also increased in several provinces mainly in East Java, Central Java, South Sulawesi, West Nusa Tenggara, South Sumatera, West Java, and Central Sulawesi.

The production inside Java increased by 1.88 million tons (6.17 percent) and outside Java by 1.29 million tons (4.82 percent).

In 2008, the production of paddy increased in subround January-April by 5.81 million tons (26.03 percent), whereas in subround May-August and September-December, the production decreased by 1.17 million tons (5.29 percent) and 1.47 million tons (11.53 percent) compared to the same period in 2007 (year on year).

2. Forecast II of Paddy Production 2009

Forecast II (ARAM II) of paddy production in 2009 is forecasted to reach 62.56 million tons of dry unhusked rice meaning that the production will increase by 2.24 million tons (3.71 percent) compared to the one in the previous year. This increase is forecasted to be the result of an increase in the harvested area by 341.56 thousand hectares (2.77 percent) and the productivity by 0.44 quintal/hectares (0.90 percent).

Inside Java, the paddy production is forecasted to increase by 1.12 million tons (3.47 percent) due to a gain in the harvested area by 167.20 thousand hectares (2.91 percent) and the productivity by 0.31 quintal/hectares (0.55 percent). Outside Java, there will also be an increase in the production of paddy by 1.11 million tons (3.98 percent) as a result of an increase in the harvested area by 174.37 thousand hectares (2.65 percent), and the productivity by 0.55 quintal/hectares (1.29 percent). Several provinces estimated to share the increase of paddy production are West Java, East Java, Lampung, Central Java, Nanggroe Aceh Darussalam, North Sumatera, West Nusa Tenggara, and West Sumatera.

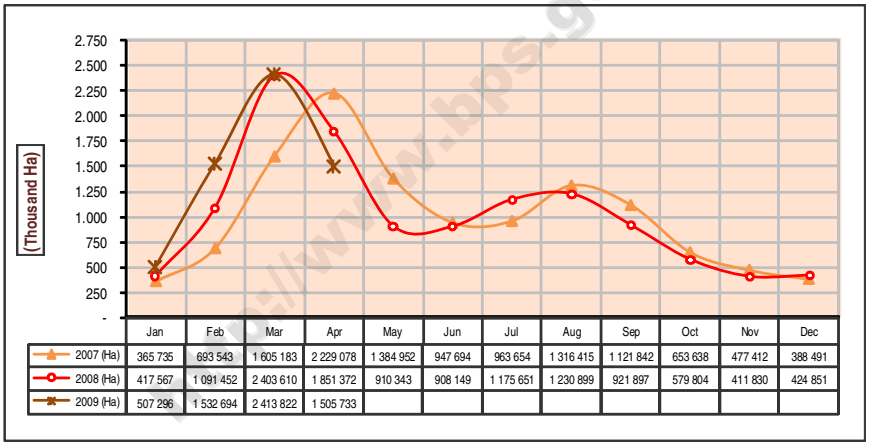
This increase is reckoned to take place in subround January–April by 1.37 million tons (4.87 percent), May-August by 0.44 million tons (2.11 percent), and subround September-December by 0.43 million tons (3.78 percent) compared to same subround in 2008 (year on year).

Paddy harvest pattern in 2009 is estimated to be relatively similar to the one in 2008 rather than in 2007.

3. Paddy Harvest Pattern 2007–2009

Paddy harvest pattern in 2009 is estimated to be relatively similar to the one in 2008 rather than in 2007. In subround January-April 2008 and 2009, the harvest peak season occurred in March, while in 2007, it took place in April (Figure 7.1).

Figure 7.1
Paddy Harvest Pattern, 2007–2009



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2007 (Ha)	365 735	693 543	1 605 183	2 229 078	1 384 952	947 694	963 654	1 316 415	1 121 842	653 638	477 412	388 491
2008 (Ha)	417 567	1 091 452	2 403 610	1 851 372	910 343	908 149	1 175 651	1 230 899	921 897	579 804	411 830	424 851
2009 (Ha)	507 296	1 532 694	2 413 822	1 505 733								

The final figure (ATAP) of maize production in 2008 was 16.32 million tons of dry loose maize, increased by 3.03 million tons (22.80 percent) compared to the production in 2007.

4. Final Figure of Maize Production 2008

The final figure (ATAP) of maize production in 2008 was 16.32 million tons of dry loose maize, increased by 3.03 million tons (22.80 percent) compared to the production in 2007.The increase was due to the growth of harvested area by 371.40 thousand hectares (10.23 percent), and the productivity by 4.18 quintal/hectares (11.42 percent).

The maize production inside Java increased by 1.34 million tons (18.19 percent) resulting from a growth in the harvested

area by 156.88 thousand hectares (8.19 percent) and the productivity by around 3.54 quintal/hectares (9.23 percent). Outside Java, the maize production increased by 1.69 million tons (28.49 percent) caused by an increase in the harvested area by 214.52 thousand hectares (12.50 percent) and the productivity by 4.93 quintal/hectares or 14.23 percent.The increase of maize production in 2008 especially occurred in East Java, Lampung, West Java, North Sumatera, South Sulawesi, Gorontalo, East Nusa Tenggara, and West Sumatera.

The increase of maize production in 2008 was 3.03 million tons. It occurred in subround January-April by 1.51 million tons (22.49 percent), May-August by 0.87 million tons (23.74 percent), and September-December by 0.65 million tons (22.33 percent) compared to the same period in 2007 (year on year).

Table 7.1
Harvested Area, Productivity, and Production of Paddy by Region, 2007–2009

Description	2007	2008	2009 (ARAM II)	Growth			
				2007-2008		2008-2009	
				Absolute	(%)	Absolute	(%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Harvested area (ha)							
• Java	5 670 947	5 742 270	5 909 468	71 323	1.26	167 198	2.91
• Outside Java	6 476 690	6 585 155	6 759 521	108 465	1.67	174 366	2.65
• Indonesia	12 147 637	12 327 425	12 668 989	179 788	1.48	341 564	2.77
2. Productivity (quintal/ha)							
• Java	53.72	56.33	56.64	2.61	4.86	0.31	0.55
• Outside Java	41.21	42.49	43.04	1.28	3.11	0.55	1.29
• Indonesia	47.05	48.94	49.38	1.89	4.02	0.44	0.90
3. Produksi (tons)							
• Java	30 466 339	32 346 997	33 469 237	1 880 658	6.17	1 122 240	3.47
• Outside Java	26 691 096	27 978 928	29 091 909	1 287 832	4.82	1 112 981	3.98
• Indonesia	57 157 435	60 325 925	62 561 146	3 168 490	5.54	2 235 221	3.71

5. Forecast II of Maize Production 2009

Forecast II (ARAM II) of maize production in 2009 is estimated to reach 17.04 million tons of dry loose maize. It will increase by 723.96 thousand tons (4.44 percent), compared to the one in the previous year which will be most likely caused by an increase in the harvested area by 95.11 thousand hectares

Table 7.2
Harvested Area, Productivity, and Production of Paddy by Subround, 2007–2009

Description	2007	2008	2009 (ARAM II)	Growth			
				2007-2008		2008-2009	
				Absolute	(%)	Absolute	(%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Harvested area (ha)							
• January-April	4 893 539	5 764 001	5 959 545	870 462	17.79	195 544	3.39
• May-August	4 612 715	4 225 042	4 274 518	-387 673	-8.40	49 476	1.17
• September-December	2 641 383	2 338 382	2 434 926	-303 001	-11.47	96 544	4.13
• January-December	12 147 637	12 327 425	12 668 989	179 788	1.48	341 564	2.77
2. Productivity (quintal/ha)							
• January-April	45.59	48.79	49.48	3.20	7.02	0.69	1.41
• May-August	47.88	49.50	49.96	1.62	3.38	0.46	0.93
• September-December	48.31	48.28	48.12	-0.03	-0.06	-0.16	-0.33
• January-December	47.05	48.94	49.38	1.89	4.02	0.44	0.90
3. Production (tons)							
• January-April	22 311 774	28 120 510	29 488 597	5 808 736	26.03	1 368 087	4.87
• May-August	22 083 944	20 914 987	21 355 764	-1 168 957	-5.29	440 777	2.11
• September-December	12 761 717	11 290 428	11 716 785	-1 471 289	-11.53	426 357	3.78
• January-December	57 157 435	60 325 925	62 561 146	3 168 490	5.54	2 235 221	3.71

Note:The paddy production form is unhusked dry paddy

(2.38 percent) and the productivity by 0.82 quintal/hectares (2.01 percent).

The increase of maize production 2009 is forecasted to occur in Java by 203.97 thousand tons (2.35 percent) and outside Java by 520.00 thousand tons (6.81 percent). Inside Java, the increase is forecasted to be the result of an increase in the harvested area by 29.88 thousand hectares (1.44 percent) and the productivity by 0.37 quintal/hectares (0.88 percent). Outside Java, the increase is also estimated due to an increase in the harvested area by 65.23 thousand hectares (3.38 percent) and the productivity by 1.31 quintal/hectares (3.31 percent). The increase of maize production in 2009 is forecasted to happen in several provinces, mainly in Lampung, South Sulawesi, Central Java, West Nusa Tenggara, North Sumatera, West Sumatera, and West Java.

Maize production was increase by 723.96 thousand tons (4.44 percent) from 2008.

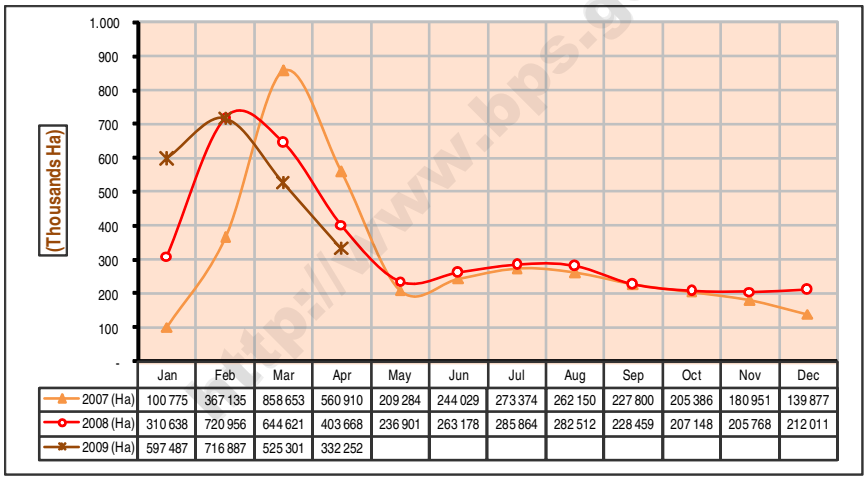
The increase of maize production in 2009 by 723.96 thousand tons (4.44 percent) occurred in subround January-April by

752.56 thousand tons (9.14 percent) and in May-August by 47.06 thousand tons (1.04 percent). On the contrary, in subround September-December, the production is estimated to decrease by 75.65 thousand tons (2.14 percent), compared to the same period in 2008 (year on year).

6. Maize Harvest Pattern 2007–2009

Maize harvest pattern in 2009 is forecasted to be more similar to the pattern in 2008 than the one in 2007. In subround January-April 2008 and 2009, the harvest peak season occurred in February, while in 2007, it was in March (Figure 7.2).

Figure 7.2
Maize Harvest Pattern, 2007–2009



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2007 (Ha)	100 775	367 135	858 653	560 910	209 284	244 029	273 374	262 150	227 800	205 386	180 951	139 877
2008 (Ha)	310 638	720 956	644 621	403 668	236 901	263 178	285 864	282 512	228 459	207 148	205 768	212 011
2009 (Ha)	597 487	716 887	525 301	332 252								

7. Final Figures of Soybean Production 2008

The final figure (ATAP) of soybean production in 2008 was 775.71 thousand tons of dry shelled soybeans. It increased by 183.18 thousand tons (30.91 percent) compared to the one in 2007 resulting from an increase in the harvested area by 131.84 thousand hectares (28.72 percent) and the productivity by 0.22 quintal/hectares (1.70 percent).

The final figure (ATAP) of soybean production increased by 183.18 thousand tons (30.91 percent) from 2007 production.

Inside Java, the production increased by 94.01 thousand tons (22.12 percent) and outside Java by 89.17 thousand tons

(53.22 percent). Inside Java, the increase was due to an increase in the harvested area by 64.09 thousand hectares (19.68 percent), and the productivity by 0.27 quintal/hectares (2.07 percent). Outside Java, the increase was caused by a gain in the harvested area by 67.75 thousand hectares (50.78 percent), and the productivity by 0.20 quintal/hectares (1.59 percent). The increase of soybean production mainly occurred in Central Java, West NusaTenggara, East Java, Nanggroe Aceh Darussalam, West Java, and South Sulawesi.

The increase of soybean production in 2008 was 183.18 thousand tons (30.91 percent) occurred in subround January–April by 53.69 thousand tons (34.80 percent), May–August by 43.49 thousand tons (18.74 percent) and September-December by 86.00 thousand tons (41.70 percent) compared to the same period in 2007 (year on year).

Table 7.3
Harvested Area, Productivity, and Production of Maize by Region, 2007–2009

Description	2007	2008	2009 (ARAM II)	Growth			
				2007-2008		2008-2009	
				Absolute	(%)	Absolute	(%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Harvested area (ha)							
• Java	1 914 854	2 071 735	2 101 618	156 881	8.19	29 883	1.44
• Outside Java	1 715 470	1 929 989	1 995 220	214 519	12.50	65 231	3.38
• Indonesia	3 630 324	4 001 724	4 096 838	371 400	10.23	95 114	2.38
2. Productivity (Quintal/ha)							
• Java	38.35	41.89	42.26	3.54	9.23	0.37	0.88
• Outside Java	34.65	39.58	40.89	4.93	14.23	1.31	3.31
• Indonesia	36.60	40.78	41.60	4.18	11.42	0.82	2.01
3. Production (tons)							
• Java	7 342 636	8 678 423	8 882 391	1 335 787	18.19	203 968	2.35
• Outside Java	5 944 891	7 638 829	8 158 824	1 693 938	28.49	519 995	6.81
• Indonesia	13 287 527	16 317 252	17 041 215	3 029 725	22.80	723 963	4.44

Note: Maize Production Form is Dry Loose Maize

Table 7.4
Harvested Area, Productivity, and Production of Maize by Subround, 2007–2009

Description	2007	2008	2009 (ARAM II)	Growth 2007-2008		Growth 2008-2009	
				Absolute	(%)	Absolute	(%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Harvested area (ha)							
• January-April	1 887 473	2 079 883	2 171 927	192 410	10.19	92 044	4.43
• May-August	988 837	1 068 455	1 090 880	79 618	8.05	22 425	2.10
• September-December	754 014	853 386	834 031	99 372	13.18	-19 355	-2.27
• January-December	3 630 324	4 001 724	4 096 838	371 400	10.23	95 114	2.38
2. Productivity (Quintal/ha)							
• January-April	35.63	39.61	41.39	3.98	11.17	1.78	4.49
• May-August	37.09	42.48	42.04	5.39	14.53	-0.44	-1.04
• September-December	38.38	41.49	41.54	3.11	8.10	0.05	0.12
• January-December	36.60	40.78	41.60	4.18	11.42	0.82	2.01
3. Production (tons)							
• January-April	6 725 452	8 237 885	8 990 440	1 512 433	22.49	752 555	9.14
• May-August	3 667 865	4 538 779	4 585 840	870 914	23.74	47 061	1.04
• September-December	2 894 210	3 540 588	3 464 935	646 378	22.33	-75 653	-2.14
• January-December	13 287 527	16 317 252	17 041 215	3 029 725	22.80	723 963	4.44

Note: Maize Production Form is Dry Loose Maize

8. Forecast II of Soybean Production 2009

Forecast II (ARAM II) of soybean production 2009 is estimated to reach 924.51 thousand tons of dry shelled soybeans. There will be an increase by 148.80 thousand tons (19.18 percent) compared to the one in 2008, which is estimated to be the result of an increase in the harvested area by 110.44 thousand hectares (18.69 percent) and the productivity by 0.05 quintal/ hectares (0.38 percent).

Forecast II (ARAM II) of soybean production 2009 is estimated to reach 924.51 thousand tons of dry shelled soybeans. There will be an increase by 148.80 thousand tons (19.18 percent) compared to the one in 2008.

The increase of soybean production in 2009 is estimated to occur inside Java by 54.23 thousand tons (10.45 percent) due to an increase in the harvested area by 38.35 thousand hectares (9.84 percent) and the productivity by 0.07 quintal/ hectares (0.53 percent). Outside Java, there will also be an increase of soybean production by 94.57 thousand tons (36.84 percent) that most likely will be caused by an increase in the harvested area by 72.09 thousand hectares (35.83 percent) and the productivity by 0.10 quintal/hectares (0.78 percent). The production increase is forecasted to occur in several provinces

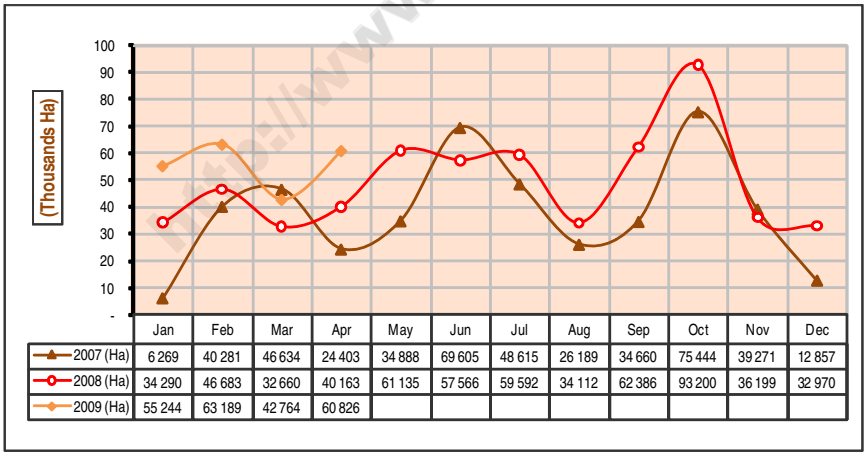
mainly in East Java, Nanggroe Aceh Darussalam, West Nusa Tenggara, Banten, West Java, and South Sulawesi.

The increase of soybean production in 2009 by 148.80 thousand tons (19.18 percent) is estimated to occur in subround January-April by 88.84 thousand tons and May-August by 66.30 thousand tons (24.07 percent), while in subround September-December, it is reckoned to decrease by 6.34 thousand tons (2.17 percent) compared to the same subround in the previous year (year on year).

9. Soybean Harvest Pattern 2007–2009

The soybean harvest pattern in 2009 is estimated to more identical to the one in 2008 than in 2007. In subround January-April 2008 and 2009, the highest harvested area occurred in February, while in 2007, it occurred in March (Figure 7.3).

Figure 7.3
Soybean Harvest Pattern 2007–2009



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2007 (Ha)	6 269	40 281	46 634	24 403	34 888	69 605	48 615	26 189	34 660	75 444	39 271	12 857
2008 (Ha)	34 290	46 683	32 660	40 163	61 135	57 566	59 592	34 112	62 386	93 200	36 199	32 970
2009 (Ha)	55 244	63 189	42 764	60 826								

Table 7.5
Harvested area, Productivity, and Production of Soybeans By Region, 2007–2009

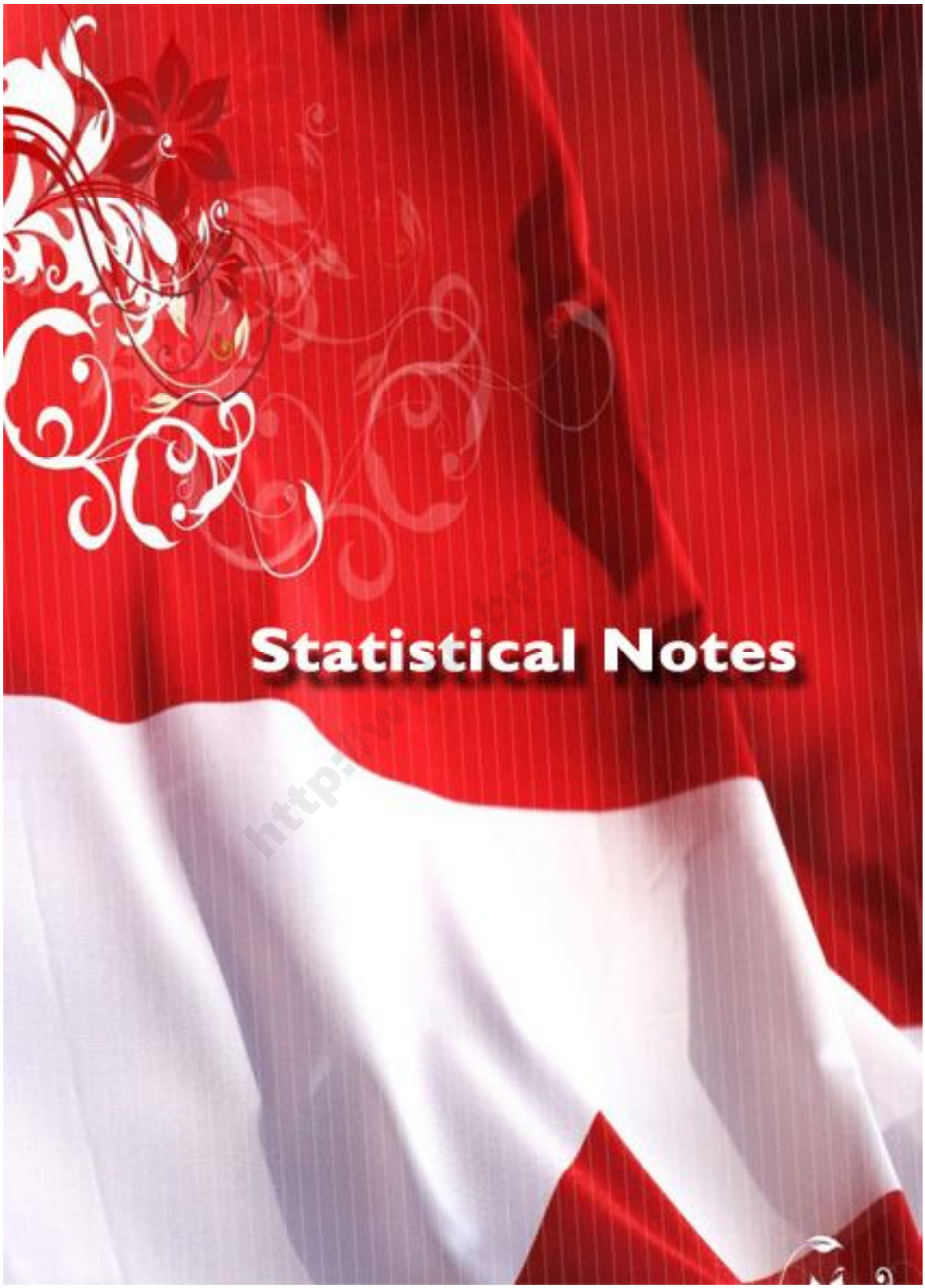
Description	2007	2008	2009 (ARAM II)	Growth 2007–2008		Growth 2008–2009	
				Absolute	(%)	Absolute	(%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Harvested area (ha)							
• Java	325 689	389 780	428 130	64 091	19.68	38 350	9.84
• Outside Java	133 427	201 176	273 262	67 749	50.78	72 086	35.83
• Indonesia	459 116	590 956	701 392	131 840	28.72	110 436	18.69
2. Productivity (Quintal/ha)							
• Java	13.05	13.32	13.39	0.27	2.07	0.07	0.53
• Outside Java	12.56	12.76	12.86	0.20	1.59	0.10	0.78
• Indonesia	12.91	13.13	13.18	0.22	1.70	0.05	0.38
3. Production (tons)							
• Java	424 986	518 997	573 231	94 011	22.12	54 234	10.45
• Outside Java	167 548	256 713	351 280	89 165	53.22	94 567	36.84
• Indonesia	592 534	775 710	924 511	183 176	30.91	148 801	19.18

Note: The soybean production form is dry shelled soybean

Table 7.6
Harvested area, Productivity, and Production of Soybean By Subround, 2007–2009

Description	2007	2008	2009 (ARAM II)	Growth 2007-2008		Growth 2008-2009	
				Absolute	(%)	Absolute	(%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Harvested area (ha)							
• January-April	117 587	153 796	222 023	36 209	30.79	68 227	44.36
• May-August	179 297	212 405	257 259	33 108	18.47	44 854	21.12
• September-December	162 232	224 755	222 110	62 523	38.54	-2 645	-1.18
• January-December	459 116	590 956	701 392	131 840	28.72	110 436	18.69
2. Productivity (Quintal/ha)							
• January-April	13.12	13.52	13.37	0.40	3.05	-0.15	-1.11
• May-August	12.94	12.97	13.29	0.03	0.23	0.32	2.47
• September-December	12.71	13.00	12.87	0.29	2.28	-0.13	-1.00
• January-December	12.91	13.13	13.18	0.22	1.70	0.05	0.38
3. Production (tons)							
• January-April	154 312	208 005	296 843	53 693	34.80	88 838	42.71
• May-August	232 008	275 496	341 799	43 488	18.74	66 303	24.07
• September-December	206 214	292 209	285 869	85 995	41.70	-6 340	-2.17
• January-December	592 534	775 710	924 511	183 176	30.91	148 801	19.18

Note: The soybean production form is dry shelled soybean


Statistical Notes

STATISTICAL NOTES

1. 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 define 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, trade-hotel-restaurant, construction, electricity-gas-water, transportation and communication, financial 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, although it is not yet being adopted comprehensively.

Domestic Region

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.

Approaches In Estimating GDP

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:

1. Agriculture, Livestock, Forestry and Fishery
2. Mining and Quarrying
3. Manufacturing
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 sector of GDP since it contains a detailed GDP produced by each economic sector and its sub sectors.

Expenditure Approach

GDP on expenditure is classified into: Private consumption expenditure (household and non-profit institution); Government consumption expenditure; Gross fixed capital formation; Changes in inventories; Exports (goods and services); less Imports (goods and services).

1.2 Components of GDP by Expenditure

Household Consumption Expenditure

Household consumption expenditures consist of expenditures incurred by resident institutional units that are used for individual needs or collective needs. Household consumptions are classified into expenditure on foods and non-foods (goods and services) that may take place in domestic or abroad. Including here

expenditures of Non-profit institutions serving household, which do not have independent legal status.

Government Consumption Expenditure

Government consumption expenditures consist of compensation (depreciation) and intermediate consumption (including travel allowance, maintenance cost, and other routine expenditures) whether expended by central or by local government.

Gross Fixed Capital Formation (GFCF)

Gross fixed capital formation consists of resident producers acquisitions, less disposals, of fixed assets during a given period plus certain addition to the value of non-produced assets realized by the productive activity of producer or institutional units. Fixed assets are tangible and intangible assets produced as outputs from processes of production that are used by themselves and repeatedly, or continuously in process of production for more than one year. The expenditure for military purpose is classified as government expenditure.

Changes in inventories

Changes in inventories consist of changes in:(a) stocks of outputs that are still held by institutional units that produced them prior to their being further processed, sold, delivered to other units or used in other ways; and (b) stocks of products acquired from other units that are intended to be used for intermediate consumption or for resale without further processing; they are measured by the value of the entries into inventories less the value of withdrawals and the value of any recurrent losses of goods held in inventories.

Exports and Imports of Goods and Services

Exports of goods and services consist of transactions in goods and services from residents to non-residents. Imports of goods and services consist of transaction in goods and services from non-residents to residents. Exports and imports of goods occur when there are changes of ownership of goods between residents and non-resident (with or without physical movements of goods across frontiers).

GDP and its aggregations are presented in two forms: 1) At current market prices; and 2) at constant base year market prices. In presenting current market prices, all aggregates are valued at current market prices. On the other hand, base

year constant market prices are shown by valuing all aggregates at fixed base year prices. Year of 2000 has been used as the best year in this publication.

GDP growth rate derives from GDP at constant market prices, by comparing (dividing) the value GDP year of n by value GDP year of n-1 and multiplied by 100 percent. Growth rate of GDP explains income/production progress of certain year to the previous year.

Gross national product is gross domestic product plus net factor income is receipt minus paid due to ownership of production factor from or to non-residents. This income could be in term of compensation of employees, dividend, capital interests, royalties and income from other properties factors.

Net National Product is gross national product minus depreciation of fixed capital goods utilized during one year.

Net national product at factor cost equals to net national product at market prices minus net indirect taxes (indirect taxes less subsidies). In other term, known as national income that describes income that really received by Indonesian residents.

Per capita national income is national income or net national product at factor cost divided by mid-year population.

2. 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 are 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). The 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:

$$INF_t = \frac{CPI_t - CPI_{t-1}}{CPI_{t-1}} x100$$

where t = month or year at period t

Example:

General CPI of July 2009 was 114.61 while that of June 2009 was 114.10 then the general inflation of July 2009 was [(114.61-114.10)/114.10] x 100% = 0.45%.

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 694 commodities such as rice, leasing house fee, wages of labor, noodle, milk, car, motorcycle, etc.

Example:

The CPI of core component of July 2009 was 113.03 while that of June 2009 was 112.68 then the core inflation of July 2009 was [(113.03-112.68)/112.68] x 100% = 0.31%.

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 19 commodities of administered prices such as gasoline, electricity fare, cigarette, etc.

Example:

The CPI of administered prices component of July 2009 was 111.91 while that of June 2009 was 111.77 then the administered prices inflation of July 2009 was [(111.91-111.77)/111.77] x 100% = 0.13%.

Volatile Goods Infation

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 2009 was 123.79 while that of June 2009 was 122.30 then the volatile goods inflation of July 2009 was [(123.79-122.30)/122.30] x 100% = 1.22%.

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 5-10 years. Currently, BPS has been using CLS 2007. The information of household expenditure, kind and value of goods and services are obtained from about 100.000 households 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):

$$I_n = \frac{\sum_{i=1}^{k} \frac{P_{ni}}{P_{(n-1)i}} P(n-1)i\, Q_{oi}}{\sum_{i=1}^{k} P_{oi}\, Q_{oi}} \times 100$$

where:

I_n	=	Index at period n
P_{ni}	=	Price for commodity i, at period n
$P_{(n-1)i}$	=	Price for commodity i, at period (n-1)
$P_{(n-1)i}\, Q_{oi}$	=	Consumption value of commodity i, at period (n-1)
$P_{oi}\, Q_{oi}$	=	Consumption value of commodity i, at base year
k	=	The number of commodities in commodity basket

Inflation Formula:

a. Monthly Inflation Rate

$$\frac{CPI_{month(n)} - CPI_{month(n-1)}}{CPI_{month(n-1)}} \times 100\%$$

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

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

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 and barcode scan.

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 $CPI_{Dec2008}$ = 113.86 and CPI (2007=100) = 102.52. Based on this information, using the given formula, the inflation rate of calendar year 2008 was 11.06 %.

$$\text{The Inflation Rate of Calendar Year 2008} = \frac{CPI_{Des\,2008} - CPI_{Des\,2007}}{CPI_{Des\,2007}} \times 100\%$$

$$= \frac{113.86 - 102.52}{102.52} \times 100\%$$

$$= 11.06\%$$

b. Inflation Rate of Calendar Year (Cumulative 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:

$$\text{The Inflation Rate of Calendar Year t} = I_{Jan\,t} + I_{Feb\,t} + \ldots + I_{Des\,t}$$

$$\text{The Inflation Rate of Calendar Year 2008} = I_{Jan2008} + I_{Feb2008} + \ldots + I_{Des2008}$$

$$= 1.77\,\% + 0.65\,\% + \ldots + (-0.04)\,\%$$

$$= 11.19\%$$

The exact numbers above of January (1.77 percent), February (0.65 percent) until December (-0.04 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 2008, the inflation rate was 11.06 percent not 11.19 percent.

c. Quarterly Inflation (Point to Point)

$$\text{The Inflation Rate of Quarter I 2009} = \frac{CPI_{\text{Mar 2009}} - CPI_{\text{Des 2008}}}{CPI_{\text{Des 2008}}} \times 100\%$$

$$= \frac{114.27 - 113.86}{113.86} \times 100\%$$

$$= 0.36\%$$

d. Quarterly Inflation (Cumulative Method)

$$\text{The Inflation Rate of Quarter I 2009} = I_{\text{Jan2009}} + I_{\text{Feb2009}} + I_{\text{Mar2009}}$$

$$= -0.07\% + 0.21\% + 0.22\%$$

$$= 0.36\%$$

Providing 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 July 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 Store, and Subject Matter involved.

3. 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 exports-import 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 the Director General of 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.

4. POVERTY

Poverty

Poverty is 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 that are 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 Nutrient 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.

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

4.2 Poverty Measures

a. *Head Count Index (HCI-P_0) simply measures the percentage of the population that is counted as poor, often denoted by P_0.*

b. Poverty Gap Index-P_1 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.

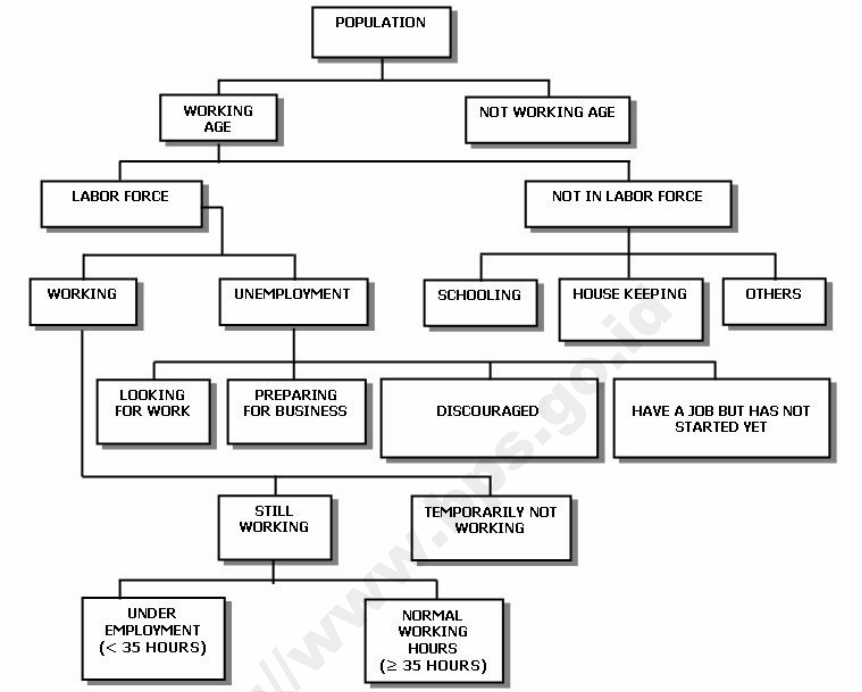
c. Poverty Severity Index-P_2 measures expenditure inequality among the poor. Higher value of the index shows that expenditure inequality among the poor is higher.

5. EMPLOYMENT

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:

Figure 5.1
Labor Force 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, Bulgaria, Hungary, Poland, Romania, Russian Federation, and others.

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 non-labor 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. W holesale 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. O wn-account workers
2. Employer assisted by temporary workers/unpaid worker
3. Employer assisted by permanent workers permanent workers: is a per–son 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

O pen Unemployment Rate (O UR) provides an indication of the working age population is included in the group of unemployed. O UR was measured as the percentage of the number of unemployed to the labor force. Employment data obtained through the N ational Labor Force Survey (N LFS).

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.

6. FOOD CROP PRODUCTION

The recent method of food crops (paddy and secondary food crops) production estimation (include data collection and data processing) refers to the Manual of Food Crops Data Collection and Processing that has been revised by BPS-Statistics Indonesia and The Ministry of Agriculture in 2007

Census Block

Census block is unit of working area that is part of a village consists of around 80-120 households, bordered by clear natural border or manmade border such as river, bank, beach, train rail, etc.

Cutting Plot Equipment

Cutting plot equipment is a set of gadgets used in food crops productivity measurement (Cutting Plot Survey), come in form of stainless steel stick, in size of 2½ m x 2½ m. The paddy/secondary food crops inside the plot are harvested, cleaned, and weighted.

Area Harvested

Area harvested is total net area (deducted by border area for wetland) in a sub district that is harvested in a certain monthly period.

The main food crops data collected consists of area harvested and productivity (yield per hectare) that are used in the production estimation. Paddy and secondary food crops production is generated by area harvested multiply by productivity. Beside production, some supporting data are also collected such as damage area, Area planted, and real area of wetland.

Area Planted and Area Harvested Data Collection

The area harvested data is collected every month by the Agriculture Extension Workers (called KCD for Kepala Cabang Dinas) and reported in Agriculture Statistics Form. Data collection is conducted by sub district area approach in all over Indonesia. Area harvested in each sub district is estimated based on the area harvested in each village in the sub district. Area planted and area harvested in village level is collected by several methods as follows:

a. Irrigation Block System
   Wetland with technical irrigation is usually divided into several irrigation blocks. Planting date is then set for each block so that the area planted can be estimated based on the water volume used for watering the plant.
b. Farmer Registry to the Head of Village
   Area that is cited from village office records based on the farmer or farmer group reports.
c. Amount of seed
   KCD is able to estimate area planted based on the amount of seed utilized
d. *Eye Estimate*
   Eye estimate is based on the real area and must be conducted by an experienced expert enumerator in the village.
e. Other information sources
   Other information sources that could be used as a base or reference in order to estimate area are Agriculture Field Advisor, Seed Supervisor, etc.

Productivity Data Collection

Food crops productivity (yield per hectare) data are collected through the Crop Cutting Survey. The data collection is conducted in every sub round (four

monthly) with Sub District Statistics Coordinator (called KSK for Koordinator Statistik Kecamatan) and KCD as the enumerator.The Crop Cutting samples are selected by the following two stage sampling:

a. **Stage I**
   Select some census blocks by Probability Proportional to Size (PPS) with number of paddy/food crops households as the size. In the selected census blocks, household listing is conducted to obtain information on paddy and secondary food crops cultivation.
b. **Stage II**
   Some plots that will be harvested in the certain sub round are selected based on the household listing result in stage I. In the selected plot, harvest is conducted for the crops inside the selected 2½ m x 2½ m crop cutting plot.

Production Estimation

Paddy and secondary food crops production estimation is conducted by BPS Provinces per sub round subject to the data collection period. Production is estimated by multiplying the area harvested with the productivity (yield per hectare).

a. Production Sub Round (SR) 1 (January-April) = Area Harvested SR1 x Productivity SR1
b. Production Sub Round (SR) 2 (May-August) = Area Harvested SR2 x Productivity SR2
c. Production Sub Round (SR) 3 (Sept.-Dec.) = Area Harvested SR3 x Productivity SR3
d. Production January–December = Production (SR1+SR2+SR3)
e. Area Harvested January–December = Area Harvested (SR1+SR2+SR3)
f. Productivity January–December = production January–December divided by Area Harvested January–December

Forecast Figures of Production

Data/figures forecasted are area harvested and productivity by province per sub round. Whilst the production is area harvested multiply by productivity.

a. **Area Harvested Estimation**
   Model used to estimate area harvested per sub round (January–April, May-August, and September-December) is linier, logarithm, or exponential regression equation based on the data pattern. Area harvested estimation for a

certain sub round is based on the standing crops area at the end of the month (called LTAB for Luas tanaman Akhir Bulan) in the previous sub round. LTAB April in the Forecast I and LTAB August in the Forecast II are still estimation.

b. Standing Crops Area (LTAB) Estimation

Model used to estimate LTAB April and August is trend linier or smoothing exponential, depends on the data pattern.

c. Productivity Estimation

Model used to estimate productivity in January–April, May–August, and September–December is trend linier or smoothing exponential, depends on the data pattern (the same as in the LTAB estimation).

Food crops production is only presented in province and national level due to the number of crop cutting samples constraint. However, data can be presented in district level for province with additional samples from regional government budget (called ubinan prakarsa). In order to be able to present data in province level, in 2009, Crop Cutting Survey needs samples as many as 60,431 crop cutting plots consists of 40,802 paddy plots and 19,629 secondary food crops plots.

Before data is published, reconciliation between provinces and central office is conducted. First step is reconciliation in province level conducted by BPS provinces and Province Agriculture Services related food crops, along with BPS Districts and Districts Agriculture Services related food crops. The next step is reconciliation in national level conducted by BPS and The Ministry of Agriculture, along with BPS Provinces and Province Agriculture Services related food crops.

Food crops production is presented in 5 (five) type of figures as follows:

a. Forecast I (called ARAM I for Angka Ramalan I)

ARAM I is production data of a current year (January–December). Production figures are generated based on the forecast production in January–December, released on early of March in the current year.

b. Forecast II (ARAM II)

ARAM II is production data of a current year. It is generated from real production in January–April and forecast production in May–December. This figure is released on early of July in the current year. When ARAM II is released, ARAM I is amended.

c. Forecast III (ARAM III)

ARAM III is production data of a current year, generated from real production in January-August and forecast production in September–December, re-

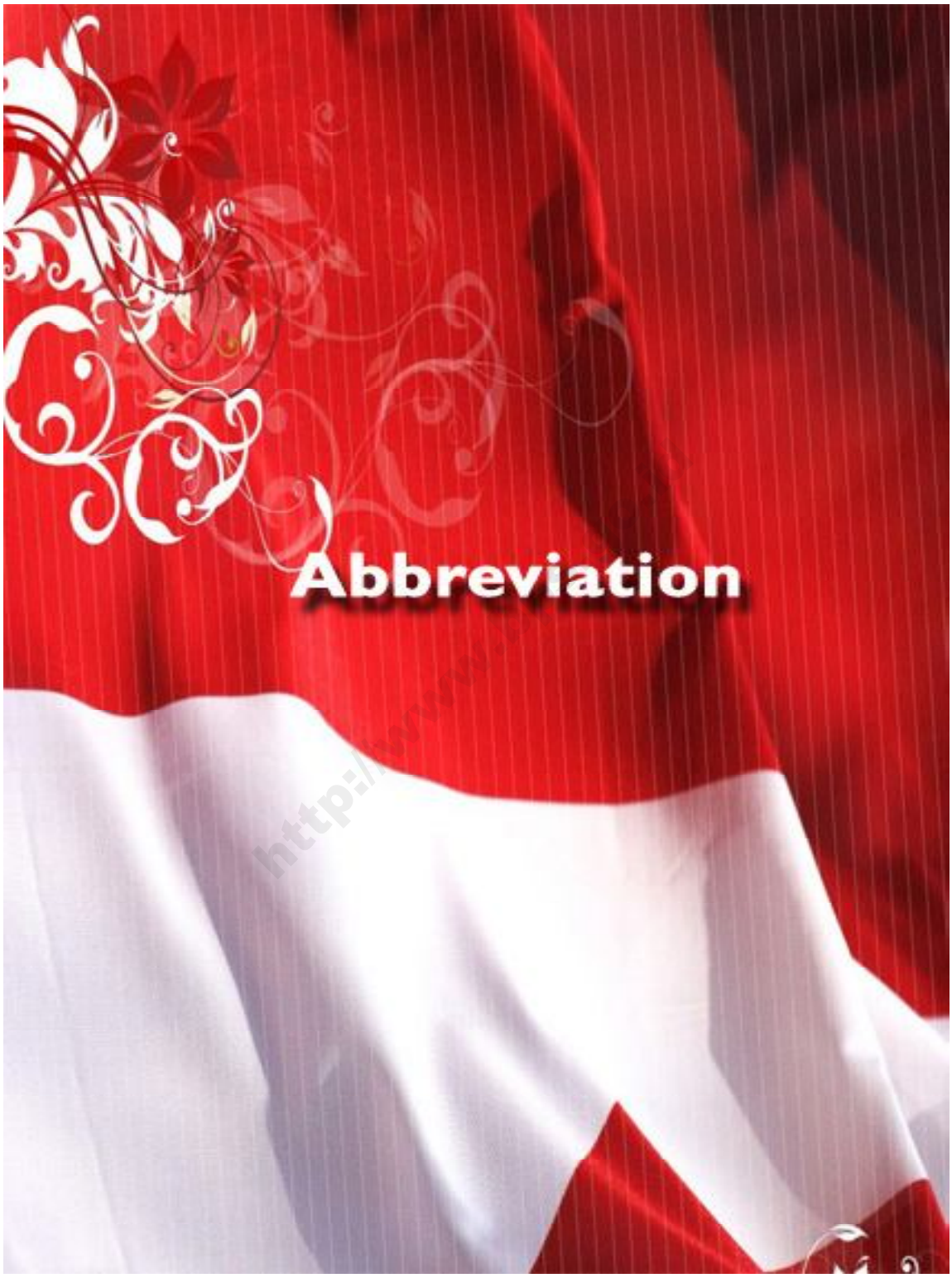
leased on early of November in the current year. When ARAM III is released, ARAM II is amended.

d. Preliminary Figures (called ASEM for Angka Sementara)
ASEM is production data of the previous year, generated from real production in January–December, released on early of March in the next year (along with the ARAM I of the current year). When ASEM is released, ARAM III is amended. Since ASEM is generated in early of a current year (in February), the filled questionnaires usually has not been collected 100 percent so that the figures are not final.

e. Final Figures (called ATAP for Angka Tetap)
ATAP is production data of the previous year, generated from real production in January–December, released on early of July in the next year (along with the ARAM II of the current year). When ATAP is released, ASEM is amended.

The release schedule of food crops production data (ARAM, ASEM, and ATAP) through the Official Statistics News (called BRS for Berita Resmi Statistik) is presented on the following table:

Figure Status (year t)	BRS Release Schedule	Sub Round		
		Jan-Apr	May-Aug	Sep-Dec
1. ARAM I	Early of March (t)	FORECAST		
2. ARAM II	Early of July (t)	REAL	FORECAST	
3. ARAM III	Early of November (t)	REAL		FORECAST
4. ASEM	Early of March (t+1)	REAL (Not Final)		
5. ATAP	Early of July (t+1)	REAL (Final)		


Abbreviation

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
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
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
NPL	Nonfood Poverty Line
OUR	Open Unemployment Rate
P_1	Poverty Gab Index
P_2	Poverty Severity Index
PEB	Export Declaration Form
PIB	Import Declaration Form
PL	Poverty Line
PPP	Purchasing Power Parity

PPS	Probability Proportional to Size
NLFS	National Labor Force Survey
SITC	System of International Trade Classification
SNA	System of National Accounts
PC	Population Census
IPS	Intercensal Population Census of Surveys
NSES	National Socio Economic Survey
UNSD	United Nations Statistical Division
y on y	year on year