

**58th Session of the APO Governing Body**  
19–21 April 2016, Jakarta, Indonesia

**Inaugural Address**  
**Minister M. Hanif Dhakiri**  
**Ministry of Manpower of the Republic of Indonesia**

APO Chair,  
APO Secretary-General Mari Amano,  
Representatives of APO Members,  
Ladies and Gentlemen:

*Assalamu alaikum Wr. Wb.*  
Good afternoon and best wishes to all of us.

First of all, I would like to welcome our honorable guests and delegates to the 58th session of the APO Governing Body. It is an honor for Indonesia to host a high-level session of productivity representatives from the Asia-Pacific. This moment is very valuable for us to encourage the Indonesian people to accelerate the realization of our dream to become a developed country with a high level of social welfare.

Achievement of high productivity levels and high competitiveness is a top priority agenda of the Government of Indonesia today. We have been struggling with many efforts to achieve it, and in this era of “Jokowi (JK) leadership,” our efforts to make Indonesia a developed country have become more intense. All resources are dedicated to this. Public participation in determining policy direction and overseeing the development of the nation has also intensified. President Jokowi provides a good example to all Indonesians of how we must all be involved and how everything must move toward becoming a developed country with a prosperous society.

The efforts that we have made will inevitably show significant results. From the perspective of productivity, the Directorate of Productivity Development as the first productivity body and the only one responsible for the measurement of productivity in Indonesia, in cooperation with the National Statistical Bureau, found that the labor productivity level in Indonesia had increased from IDR67.84 million per worker per year in 2011 to IDR74.75 million per worker per year by 2014. The real estate sector reached the highest level of labor productivity compared with other sectors, at about IDR961.4 million per worker per year, followed by the information and communication sector and mining and quarrying sector. In terms of regional productivity, Jakarta ranks second after East Kalimantan. The East Kalimantan productivity level in 2014 was IDR312.59 million per worker per year, and in the province of DKI Jakarta it was IDR296.57 million per worker per year.

We realize that the reinforcement of the economic situation and the improvement of competitiveness in Indonesia can only be accomplished through the improvement of productivity in every sector and at every level of the national community. We are doing this through four basic strategies of productivity improvement: the first is refinement of management and bureaucracy systems or good governance; the second is technology engineering and innovation; the third is improvement of human resources competency; and the fourth is the development of a productivity culture.

The productivity movement in Indonesia was first promoted by the Ministry of Manpower a long time before the country became a member of the APO. Looking at the current developments and needs, the four basic strategies must be followed by engaging the well-planned involvement of the entire components of the nation, at the national and local, as well as macro and micro, levels. Hence, the idea arose to establish a coordinating body of productivity. This coordinating body called the National Productivity Board (or in Bahasa *Lembaga Produktivitas Nasional*) was finally established in 2005.

I am the chairman of this coordinating body, and the vice chair is one of the high-level officials from the Coordinating Ministry of Economic Affairs. We work together with LPN members who come from 17 ministries, employers' associations, trade unions, universities, and public organizations to assist the President by providing recommendations and considerations in terms of national productivity improvement policy formulation in order to reinforce national competitiveness. The NPO Indonesia has the position as the Secretariat of this coordinating body.

Aside from being the Secretariat of the LPN, to improve productivity in every sector at every level of the community, the NPO Indonesia is cooperating with stakeholders, focused on the effort to improve the public's awareness and understanding of productivity; spreading the application of productivity tools, techniques, methods, and approaches in companies or organizations; conducting productivity measurement and analysis; assessing the performance of companies or organizations in order to implement productivity award schemes; and improving the capacity of productivity human resources and networking between the NPO and other productivity units or agencies.

I hope that what we have done and will be doing in the future will make Indonesia a more productive, competitive, and prosperous nation.

Finally, in concluding these remarks, I officially declare the 58th session of the APO Governing Body open. Wishing you lively and constructive discussions, a productive and successful meeting, and a memorable stay in Jakarta.

Thank you!

*Wassalamu alaikum wr. Wb.*