

Geneva, 22 March 2017

Mr. Joko Widodo, President
Republic of Indonesia

webmaster@setneg.go.id; redaksi_balitfo@depnakertrans.go.id ;
info@indonesia-bern.org; konsuler@indonesia-bern.org mission.indonesia@ties.itu.int

IndustriALL Global Union calls on Government of Indonesia to include unions in minimum-wage setting process

Dear Mr. President,

I am writing to you on behalf of [IndustriALL Global Union](http://www.industriall-union.org), which represents more than 50 million workers in mining, energy and manufacturing industries in some 140 countries, including Indonesia, to call on the Government of Indonesia to include trade unions in the minimum-wage setting process, as stipulated in Law No. 13 of 2003 on Employment (Employment Law), and withdraw Regulation 78/2015.

IndustriALL Global Union had already written to you on 10 November 2015 urging your administration to withdraw Regulation 78/2015, which ended workers' involvement in setting the minimum wage, and was, as a result, in violation of Convention 87 on Freedom of Association and Protection of the Right to Organize and Convention 98 on the Right to Organize and Collective Bargaining of the International Labour Organization (ILO).

Furthermore, the provisions set out in Regulation 78/2015 contradict the Employment Law's provisions, which clearly stipulate that the calculation mechanism for the determination of minimum wages should be decided at a tripartite meeting, organized by the Regional Wage Council (Dewan Pengupahan Daerah), and not by utilizing the formula stated in Regulation 78/2015.

The lack of participation of unions in setting the minimum wage has had an adverse effect on the minimum wage at the regional level, thus keeping wages far behind in relation to the rate of growth of the economy.

Therefore, IndustriALL Global Union calls again on the Government of Indonesia to include trade unions in the minimum-wage setting process, in full accordance with the Employment Law, and, in consequence, withdraw Regulation 78/2015.

Sincerely yours,



Valter Sanches
General Secretary