

**MINISTER OF MANPOWER AND TRANSMIGRATION REPUBLIC OF INDONESIA
DECREE**

OF THE MINISTER OF MANPOWER AND TRANSMIGRATION

OF THE REPUBLIC OF INDONESIA

NUMBER: KEP. 100/MEN/VI/2004

**REGARDING PROVISIONS FOR THE IMPLEMENTATION OF THE CERTAIN
TIME WORK AGREEMENT**

Considering:

- a. As the implementation of Article 59 paragraph (8) of Act Number 13 Year 2003 on Manpower, it is necessary to stipulate procedures regarding work agreement for certain time
- b. That for said purpose, it needs to be promulgated with a Ministerial Decree.

In view of:

1. Act Number 3 Year 1951 regarding the Validation of the Labor Supervision Act Number 23 Year 1948 of the Republic of Indonesia throughout the whole territory of Indonesia (The Republic of Indonesia State Gazette Year 1951 Number 4);
2. Act No. 22 of 1999 on Local Government (State Gazette of the Republic of Indonesia Year 1999 Number 60, Supplement to the Republic of Indonesia Number 3839);
3. Act Number 13 Year 2003 on Manpower (The Republic of Indonesia State Gazette Year 2003 Number 39, the Republic of Indonesia State Gazette Amendment Number 4279).
4. Government Regulation No. 25 of 2000 on the Authority of Provinces as Autonomous Regions (State Gazette of the Republic of Indonesia Year 2000 Number 54, Supplementary State Gazette of the Republic of Indonesia Number 3952);
5. Decree of the President of the Republic of Indonesia Number 228 / M Year 2001 regarding cabinet reforms.

Observing:

1. Principal Thoughts of the National Tripartite Cooperation Body dated April 6th 2004.
2. Agreement reached at the Plenary Meeting of the National Tripartite Cooperation Body dated April 19th May 2004

DECIDES :

THE DECREE OF THE MINISTER OF MANPOWER AND TRANSMIGRATION REGARDING PROVISIONS FOR THE IMPLEMENTATION OF THE CERTAIN TIME WORK AGREEMENT

Article 1

In this Ministerial Decree, the meaning of:

1. Certain Time Work Agreement, hereinafter referred to PKWT is an agreement between the workers with employers to establish working relationships within a certain time or to a particular worker.
2. Indefinite Term Employment Agreement, hereinafter referred to PKWTT is an agreement between the workers with employers to establish working relationships that are fixed
3. Employers are:
 - a. Individual, association, or corporation that operates a self-owned enterprise;.
 - b. Orang individual, association or legal entity that is independently run company;
 - c. Individual, association, or corporation who is in Indonesia represent a company as referred to in paragraphs a and b are domiciled outside the territory of Indonesia.
4. The company is:
 - a. Every form of business incorporated or not, owned by an individual, owned by a partnership or a legal entity, either private or state owned, which employs the workers by paying wages or compensation in other forms;
 - b. social enterprises and other businesses that have a board and hire someone else to pay wages or compensation in other forms.
5. Unions are every person who works with pay or compensation in other forms.

Article 2

- (1) Conditions agreed in PKWT, should not be lower than the provisions in laws and regulations.
- (2) The Minister may establish special PKWT provisions for the business sector and / or certain jobs.

CHAPTER II

PKWT FOR WORK THAT ONCE FINISHED OR TEMPORARY NATURE WHICH COMPLETION LONGEST FOR 3 (THREE) YEARS

Article 3

- (1) PKWT for work once completed or temporary nature is PKWT based upon completion of certain jobs.
- (2) PKWT referred to in paragraph (1) made for a maximum of 3 (three) years.
- (3) In the event that certain jobs are contracted in PKWT as referred to in paragraph (1) can be completed earlier than from which contracted, then the PKWT is broken by law at the completion of the work.
- (4) In PKWT which based upon completion of certain work should make limitations of which the work

is stated completed

(5) In the event PKWT is made based on the completion of certain jobs, but because of certain conditions the work yet not being completed, the PKWT can be renewed.

(6) The renewal referred to in subsection (5) conducted after the grace period exceeding 30 (thirty) days after the end of the working agreement.

(7) During the grace period of 30 (thirty) days referred to in paragraph (6) there is no employment relationship between workers and employers.

(8) The parties may set other than the provisions of paragraph (5) and subsection (6) as outlined in the agreement.

CHAPTER III

PKWT FOR SEASONAL NATURE OF WORK

Article 4

(1) The work which seasonal nature is a work whose implementation depends on the season or weather.

(2) PKWT made to work as referred to in paragraph (1) can only be performed for one type of work in a particular season.

Article 5

(1) jobs need to do to fulfill order or specific targets can be done with PKWT as seasonal employment.

(2) PKWT made to work as referred to in paragraph (1) only applied to workers who do the extra work.

Article 6

Employers who hire workers based on PKWT referred to in Article 5 should make a list of workers who do the extra work.

Article 7

PKWT as referred to in Article 4 and Article 5 can not be renewed.

CHAPTER IV

PKWT FOR WORK RELATED WITH NEW PRODUCTS

Article 8

(1) PKWT can be done by the workers to do work relating to new products, new activities, or

additional products which still in the experimental or exploratory.

(2) PKWT referred to in paragraph (1) can only be done for a maximum period of 2 (two) years and renewable for one-time maximum of 1 (one) year.

(3) PKWT referred to in paragraph (1) can not be renewed.

Article 9

PKWT as referred to in Article 8 shall apply only to workers who perform work outside activities or outside of regular work done by the company.

CHAPTER V DAILY WORK AGREEMENT OR FREELANCE

Article 10

(1) For certain jobs changing in terms of time and volume of work and wages are based on attendance, it can be done by contract or daily work freelance.

(2) Daily/Freelance work agreement as referred to in paragraph (1) performed with the provisions of the workers worked less than 21 (twenty one) days within 1 (one) month.

(3) In the event that the workers work 21 (twenty one) days or more for 3 (three) consecutive months or more then the casual labor agreement turned into PKWTT.

Article 11

Daily/Freelance work agreement that meets the provisions referred to in Article 10 paragraph (1) and paragraph (2) exempted from the general provisions of PKWT period..

Article 12

(1) Employers who employ workers in jobs as referred to in Article 10 shall make Daily/Freelance work agreement in writing with the workers.

(2) Daily/Freelance work agreement as referred to in paragraph (1) may be made in the form of a list of workers who do the work as referred to in Article 10 at least the following:

1. name / address of company or employer.
2. name / address workers.
3. type of work performed.
4. amount of wages and / or other benefits.

(3) List of employees referred to in paragraph (2) submitted to the government agency responsible for the local labor affairs no later than 7 (seven) business days since hiring workers.

CHAPTER VI PKWT LISTING

Article 13

PKWT shall be recorded by employers to the government agency responsible for labor affairs district council no later than 7 (seven) working days after the signing.

Article 14

For Daily/Freelance work agreement as referred to in Article 10, which listed is a list of employees referred to in Article 12 paragraph (2).

CHAPTER VII CHANGES OF PKWT TO BE PKWTT

Article 15

- (1) PKWT which not made in the Indonesian language and Latin letters turned into PKWTT since the employment relationship.
- (2) In the event PKWT made does not meet the provisions referred to in Article 4 paragraph (2), or Article 5 paragraph (2), then turn into PKWTT since the employment relationship exist.
- (3) In the event PKWT done for the work associated with new product to deviate from the provisions of Article 8 paragraph (2) and paragraph (3), then turn into PKWTT PKWT since done aberration.
- (4) In the case of renewal PKWT not through the grace period of 30 (thirty) days after the end of the PKWT extension and not agreed otherwise referred to in Article 3, then the PKWT turned into PKWTT since the unfulfilled of PKWT requirements.
- (5) In the event that employers terminate the employment of workers with PKWT employment relationship as referred to in paragraph (1), subsection (2), paragraph (3) and paragraph (4), then the rights of workers and settlement procedures carried out in accordance with laws and regulations for PKWTT.

CHAPTER VIII TRANSITIONAL PROVISIONS

Article 16

Workplace agreements made under the specified time the Minister of Manpower Regulation No. PER-06/MEN/1985 on the Protection of Workers' Day Off, Minister of Manpower Regulation No. PER-02/MEN/1993 concerning Certain Time Work Agreements and Regulation of the Minister of Manpower No. PER-05/MEN/1995 concerning Certain Time Work Agreement on Mining Companies Oil and Gas, still remain in force until the expiry of certain time employment agreement.

CHAPTER IX FINAL PROVISIONS

Article 17

With the enactment of this Ministerial Decree, the Regulation of the Minister of Manpower No. PER-06/MEN/1985 on the Protection of Workers' Day Off, Minister of Manpower Regulation No. PER-02/MEN/1993 concerning Certain Time Work Agreements and Regulation of the Minister of Manpower No. PER-05/MEN/1995 concerning Certain Time Work Agreement on Mining Companies Oil and Gas, is no longer valid.

Article 18

Decree of the Minister is valid from the date of enactment.

Stipulated in Jakarta
on June 21, 2004
MINISTER
Manpower and Transmigration
REPUBLIC OF INDONESIA
Jacob Nuwa Wea