

Indonesia: One year on, Jobs Law has failed to bring prosperity, create jobs: Trade Union

Thursday 21 October 2021, by [MASHABI Sania](#) (Date first published: 14 October 2021).

Sania Mashabi, Jakarta — Indonesian Trade Union Congress Alliance Confederation (KASBI) Chairperson Nining Elitos says that Law Number 11/2020 on Job Creation has had the totally opposite effect to the government's desire to increase prosperity and create job opportunities.

According to Elitos, because of the law many companies have cut back employees' rights, especially during the Covid-19 pandemic.

"What are the facts, the big companies, companies in a good position today are increasingly degrading the rights of their employees", said Elitos during a virtual discussion on Thursday October 14.

Elitos also said that she often received complaints from workers in various fields about companies cutting back their rights on the grounds of the pandemic and the stipulations in the Jobs Law.

This, she said, is evidence that the Jobs Law has not improved the rights and welfare of the ordinary people.

"So the Omnibus Law on Job Creation, which was said to be a solution to the problem of creating job opportunities, prosperity and protection, has done the exact opposite", she said.

"Moreover I'm sure that millions of workers have had their rights cut back and even been dismissed, many also are even now negotiating their termination of employment to replace permanent jobs with outsourcing", she said.

Under the Jobs Law, the time limit for contract workers or temporary employment contracts (PKWT) has been lengthened.

Based on the previous stipulations under Law Number 13/2003 on Labour, the maximum length of time for a PKWT was two years which could be extended once by one year.

Since the Jobs Law came into effect however, the maximum length of time for companies to employ contract workers has been extended to five years.

This is regulated under derivative legislation, namely Government Regulation Number 35/2021 on Temporary Employment Contracts, Outsourcing, Working Hours, Employment and Rest Periods and Termination of Employment.

The Jobs Law also does not explicitly restrict the job categories which can be outsourced.

Because of these stipulations, which are seen as harming workers, labour groups have already

submitted a judicial review of the Jobs Law with the Constitutional Court. Currently the hearings are at the stage of examining expert witnesses.

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