

## DECISION OF THE GOVERNOR OF WEST JAVA NUMBER: 561/KEP.644-Yanbangsos/2017 ON LABOUR INTENSIVE MINIMUM PARTICULARLY FOR GARMENT

## LABOUR INTENSIVE MINIMUM PARTICULARLY FOR GARMENT INDUSTRY IN REGIONAL DISTRICT OF PURWAKARTA 2017

## **GOVERNOR OF WEST JAVA**

Considering:

- a. That District / City Minimum Wage in West Java Province 2017 has been determined based on West Java Governor's Decree No. 561 / Kep.1191-Bangsos / 2016;
- That in order to maintain business continuity in the garment industry and to avoid termination of employment at garment industry companies in Purwakarta Regency, it is necessary to stipulate a Labour Intensive Minimum Wage Particularly for Garment Industry;
- c. That based on the considerations mentioned in letters a and b, it is necessary to stipulate a Decree of the Governor of West Java on the Labour Intensive Minimum Wage particularly for Garment Industry in Purwakarta Regency of 2017;

In view of :

1. Law Number 11 of 1950 on the Establishment of West Java Province (Official Gazette of the Republic of Indonesia dated July 4, 1950) in conjunction with Law Number 20 of 1950 concerning the Government of Greater Jakarta (State Gazette of the Republic of Indonesia of 1950 Number 31, Supplement to State Gazette of the Republic of Indonesia Number 15) as amended several times, most recently by Law Number 29 of 2007 concerning the Government of the Province of Special Capital Region Jakarta as the Capital of the Republic of Indonesia (State Gazette of the Republic of Indonesia of 2007 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 4744) and Law No. 23 of 2000 on the Establishment of Banten Province (State Gazette of the Republic of Indonesia of 2000 Number 182, Supplement to State Gazette

- Republic of Indonesia number 4010)
- 2. Law Number 13 of 2003 (State Gazette of the Republic of Indonesia of 2003 Number 39, Supplement to the State Gazette of the Republic of Indonesia Number 4279);
- 3. Law Number 23 of 2014 regarding Regional Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to State Gazette of the Republic of Indonesia Number 5587) as amended several times, most recently by Law No. 9 of 2015 concerning Second Amendment of Number 23 of 2014 on Regional Government (State Gazette of the Republic of Indonesia of 2015 Number 58, Tembahan Gazette of the Republic of Indonesia Number 5679);
- 4. Act No. 30 of 2014 on Government Administration (Official Gazette of the Republic of Indonesia Year 2014 Number 292, Supplement to the State Gazette of the Republic of Indonesia Number 5601);
- 5. Government Regulation No. 79 of 2005 on Guidelines for the Development and Supervision on Regional Government (State Gazette of the Republic of Indonesia of 2005 Number 165, Supplement to the State Gazette of the Republic of Indonesia Number 4593);
- 6. Government Regulation No. 78 of 2015 on Wage (State Gazette of the Republic of Indonesia Year 2015 Number 237, Supplement to State Gazette of the Republic of Indonesia Number 5747);
- 7. Presidential Decree No. 107 of 2004 on Wage Council;
- 8. Regulation of Minister of Manpower and Transmigration No. 7 of 2013 on Minimum Wage (State Gazette of the Republic of Indonesia 2013 no 1239);
- 9. Regulation of the Minister of Industry Number 51/M-IND/PER/10/2013 on the Definition and Criteria and Classification of Particular Labour Intensive Industry (State Gazette of the Republic of Indonesia Year 2013 Number 1187);

- 10. Decree of the Minister of Manpower and Transmigration No. Kep. 321/MEN/2003 on Minimum Wage Postponement Procedure;
- 11.West Java Provincial Regulation No. 6 of 2014 on the Employment Management (Official Gazette of the West Java Provincial No. 6 Series E, Supplement to West Java Province Gazette No. 166), as amended by the West Java Provincial Regulation No. 16 of 2015 on the Amendment on the West Java Provincial Regulation No. 6 of 2014 on the Employment Management (West Java Provincial Gazette 2015 No. 16, Series E, Supplement to West Java Province No. 192);
- 12. West Java Governor Decree No. 561 / Kep.481-Bangsos / 2015 on West Java Provincial Wage Council with effective term from 2015 to 2018, as amended by West Java Governor Decision No. 561 / Kep.977-Bangsos / 2016 on Amendment to West Java Governor Decree No. 561 / Kep.481-Bangsos / 2015 on Wage Council of West Java province with effective term from 2015 to 2018;
- 13. West Java Governor Decree No. 561 / Kep.1191-Bangsos / 2016 on the minimum wage of West Java province in 2017;
- 14. West Java Governor Decree No. 561 / Kep. 102-Yanbangsos / 2017 on the Postponement of minimum wage implementation for Purwakarta District in 2017;

## Taking into account:

- 1. Presidential Instruction Number 9 of 2013 on Minimum Wage Determination Policy for Business Sustainability and Improvement of Workers' Welfare;
- 2. Minutes of Coordination Meeting on Labour Intensive Minimum Wage Determination particularly for Garment Sector in the District of Bogor, District of Purwakarta, City of Bekasi, and City of Depok for 2017, chaired by Mr. Vice President of the Republic of Indonesia Thursday on July 13, 2017, at the office of

the Vice President of the Republic of Indonesia, Jl. Veteran Number 14, Central Jakarta;

- 3. Recommendation of Purwakarta Regent Number 561/1773/Disnakertrans on July 17, 2017 regarding Labour Intensive Minimum Wage Determination particularly for Garment Industry in Purwakarta District 2017;
- 4. A collective agreement between the West Java provincial board of APINDO and West Java provincial Trade Unions on Provincial Sectoral Minimum Wage for Garment in 2017;

DECIDE

to Enact:

ONE: The Labour Intensive Minimum Wage Particularly for Garment Industry in Purwakarta District in 2017 is Rp 2,546,744 (two mil lion five hundred and forty six thousand seven hundred forty four rupiah).

TWO: The Labour Intensive Minimum Wage Particularly for Garment Industry mentioned in Dictum ONE, shall be implemented with the following conditions:

- a. A company with a workforce of at least 200 (two hundred) persons;
- b. Percentage of labor cost in the production cost of at least 15% (fifteen percent); and
  - c. Agreement between the Employer and Trade Union or Employees of the concerned company.

THREE: The company shall carry out the provisions of the Labour Intensive Minimum Wage Particularly for Garment Industry in Purwakarta District in 2017 as referred to in the Dictum ONE and TWO as from January 2017.

FOUR: For companies that do not meet those mentioned in the dictum ONE, they must implement 2017 Purwakarta District's minimum wage of which is based on the decision of West Java Governor 561 / Kep.1191-Bangsos / 2016 with reference to West Java Decree 561 / Kep .102-Yanbangsos / 2017.

No. Governor's

FIVE: This decree shall come into force as from the date of enactment.

Enacted in Bandung on July 24, 2017

Governor of West Java

Signature

AHMAD HERYAWAN