

WAVES OF NATIONWIDE UNIONIZED LABOUR PROTESTS

14 September and 21 September 2023 until 25 January 2024

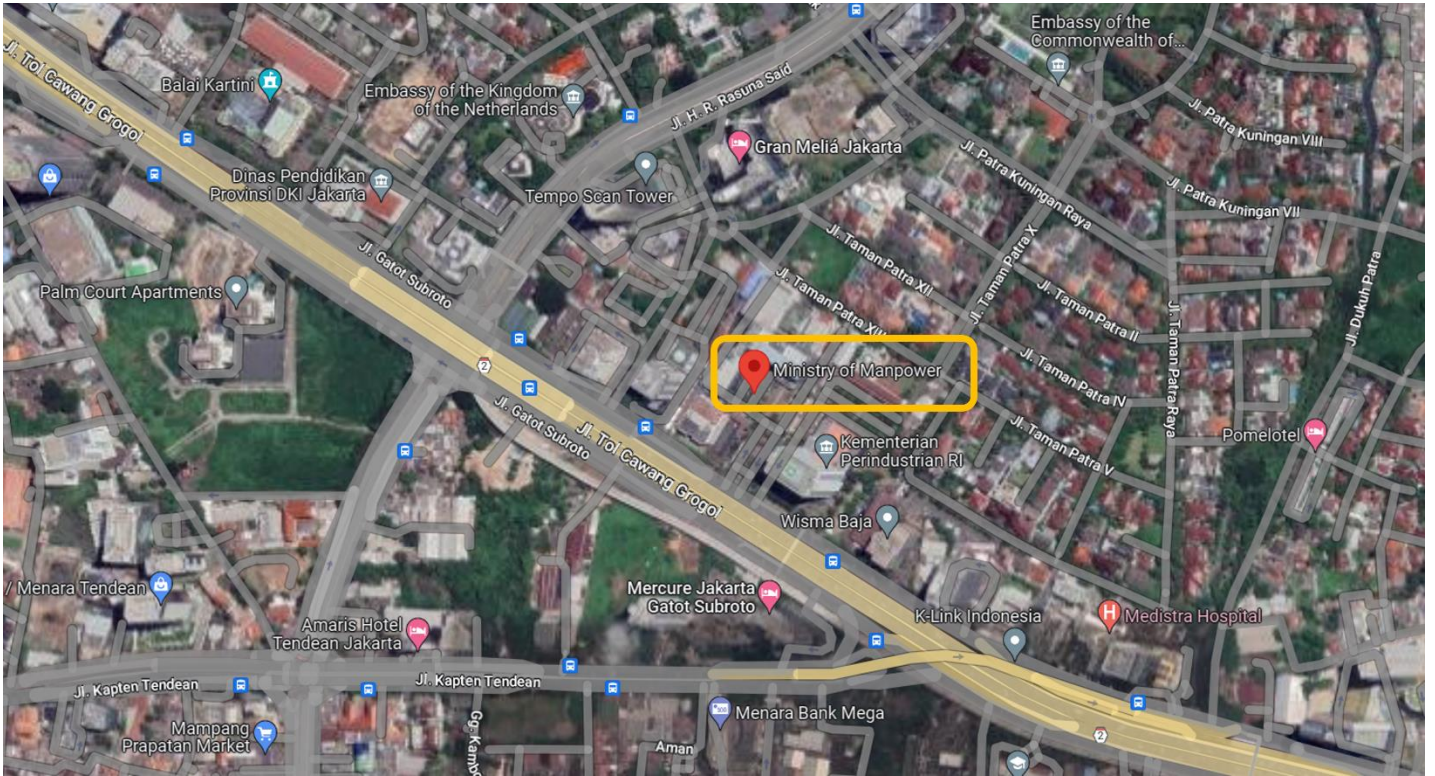


Unionized labours associated with the Labour Party and the Confederation of Indonesian Trade Unions (KSPI) are set to stage waves of protests nationwide from Thursday 21 September to demand the repeal of the Job Creation Law and the increase in the minimum wage in 2024 by 15%. Said Iqbal, the Labour Party President cum chairman of KSPI, at the press conference on Monday 11 September said the action is set to last until 25 January 2024 with tens of thousands of workers could participate in each action.

The All-Indonesian Workers Union Confederation (KSPSI), chaired by Andi Gani Nena Wea, along with the Confederation of Indonesian Prosperity Trade Unions (KSBSI), will commence the waves of protests on Thursday 14 September at the State Palace, Jl. Medan Merdeka Utara and the Constitutional Court (MK), Jl. Medan Merdeka Barat, Central Jakarta. Andi Gani stated that around 5,000 workers would take to the streets and partake in the protest. Said Iqbal added that similar rallies would be carried out concurrently in several cities across the country. Further detail on the timing of the protest was not immediately available.



According to Said Iqbal, the protests held by members of the Labour Party and KPSI will be concentrated at the State Palace and the Manpower Ministry's premises at Jl. Gatot Subroto, South Jakarta.



After 21 September, the protests will resume in Bandung, West Java; Tangerang, Banten; Bekasi, West Java; Surabaya, East Java; and so on. The rallies will likely occur at government buildings, such as provincial, regency, and city councils, the offices of governors, regents, and mayors, and prominent roadways. In addition, labour unions may also call for strikes, which could cause production

disruptions in affected areas. Workers could demonstrate near factories and industrial zones and block access to sites during the labour action. Short-term delivery and order fulfilment delays are possible.

ANALYSIS

The petition on the Job Creation Law was filed by 121 petitioners, consisting of ten workers' unions and 111 individuals following the passing of the bill on the Government Regulation in lieu of Law No. 2 of 2022 concerning Job Creation to become a law at the 19th plenary meeting of session IV on Tuesday 21 March 2023 and the Omnibus Health Draft Bill into law on 11 July 2023 by the House of Representatives (DPR). The petitioners allege that the enactment of Article 81 of the Job Creation Law has led to actual or at least potential losses on the part of the petitioners and could lead to the loss of jobs. They allege that the Law has harmed many workers because its implementation facilitates layoffs. Several organisations, notably trade unions, such as KSPI and the Labour Party, have been holding related protests in several large cities in the past few months, with the largest turnouts in Jakarta. Gathering sites include the House of Representatives (DPR/MPR RI) building, Jl. Gatot Subroto, Central Jakarta; the Arjuna Wijaya Horse Statue; and the State Palace, Jl. Medan Merdeka Utara. Various labour groups will likely continue to stage protests nationwide voicing several demands including revoking the Omnibus Law on Job Creation, rejecting the Omnibus Health Bill, passing the Bill on the Protection of Domestic Workers, revoking the Minister of Manpower Regulation No. 5 of 2023, and revoking the parliamentary threshold. The previous protests were staged in a measured and constitutional manner. The rallies took place peacefully and lawfully.

Separately, Manpower Minister Ida Fauziyah has responded to the labour organisations' demand to increase the minimum wage by 15% in 2024. According to her, the demand will be processed by the National Wages Council (Depenas) while drafting the amendment of Government Regulation No. 36 of 2021 concerning wages. Minister Fauziyah mentioned that the ministry has heard the aspirations of several provinces and all stakeholders, including companies who opposed the proposition. According to her, if economic growth and inflation are maintained, a minimum wage rise is inevitable.

It is predicted that the determination of the 2024 provincial minimum wage (UMP) will be decided 60 days before 1 January 2024 or around the beginning of November 2023. Meanwhile, the decision on the district/city minimum wage (UMK) will be announced 40 days before 1 January 2024, or on 15 November 2023.

SECURITY MEASURES

A massive police presence was established prior to each demonstration. In Jakarta, around 800-1,500 police and military personnel were deployed in and around the capital, with the largest concentration of forces near Arjuna Wiwaha Horse Statue Roundabout. Roads leading to the State Palace were blocked. The Jakarta Police have also implemented the closure of several roads and diversions of traffic in anticipation of traffic congestion that may occur during the protests.

The protesters will likely gather in the vicinity of the Arjuna Wiwaha Horse Statue Roundabout, hence Jl. Medan Merdeka Barat leading to the Constitutional Court (MK) and the State Palace will be closed by means of barbed wire barricades and water barriers. Hundreds of police and military personnel will be deployed in and around the Constitutional Court (MK) and Arjuna Wiwaha Horse Statue Roundabout. Transport disruptions may occur along Jl. Medan Merdeka Selatan, Jl. Medan Merdeka Utara, and Jl. MH. Thamrin. The Jakarta Police may implement the closure of several roads and diversions of traffic around the protest venue.

The traffic engineering measures are usually as follows:

1. Traffic on Jl. MH. Thamrin heading towards Jl. Medan Merdeka Barat will be diverted to Jl. Budi Kemuliaan or Jl. Medan Merdeka Selatan
2. Traffic from Tugu Tani towards Jl. Medan Merdeka Selatan will be diverted to Jl. Perwira
3. Vehicles coming from Jl. Hayam Wuruk towards Jl. Majapahit will have to make a detour through Jl. Juanda or Jl. Suryopranoto
4. Traffic passing through Jl. Abdul Muis towards Jl. Gajah Mada will be directed to Jl. Tanah Abang Satu

PEGASUS ADVICE

- Avoid passing the Arjuna Wiwaha Horse Statue area on 14 and 21 September as a precaution and to minimise travel delays.
- Expect robust security and overland travel disruptions near the protest venue.
- Allow additional time for journeys in the affected area.
- Plan for transport and business disruptions nearby protest locations, as well as possible strikes and shipping delays.
- Expect road closures and significant traffic disruptions.
- Depart the area at the first sign of any security disturbance.
- Stay current with media coverage of local events, be aware of your surroundings, and practise personal security awareness at all times.
- Bear in mind that terrorists may use the situation to launch attacks at anytime and anywhere.
- Be advised that foreigners who join protests in Indonesia may be arrested and/or deported.

RELEVANT AUTHORITY CONTACTS

- Emergency Call Center: 112
- Police Call Center: 110
- National Police Traffic Corps (NTMC): Call Centre 1500669 | SMS: 9119 | Twitter: @NTMCLantasPolri
- Jakarta Police (Polda Metro Jaya): 021-52960770 | Twitter: @TMCPoldaMetro
- Elshinta Radio Jakarta (90.0 MHz FM): Phone: 021-5869000 | SMS/WhatsApp: 0811 806 543 | Twitter: @RadioElshinta
- Sonora Radio Jakarta (92.0 MHz FM): SMS/WhatsApp: 0812 112 9200 | Twitter: @SonoraFM92
- Ambulance: 118

Pegasus will continue to monitor the situation during events and will inform the clients through SMS alerts if major incidents occur.

Contact Us

Should you have any query, please contact Pegasus Business Risk Management Solutions on (+62 21) 27814181 or send email to pegasus.info@pegasusbrms.com or SMS to (+62) 81316388576

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