

REGULATION OF THE MINISTER OF MANPOWER AND TRANSMIGRATION  
OF THE REPUBLIC OF INDONESIA

NUMBER: PER.31/MEN/XII/2008

CONCERNING

GUIDELINE FOR SETTLEMENT OF INDUSTRIAL RELATION DISPUTE  
THROUGH BIPARTITE NEGOTIATION

MINISTER OF MANPOWER AND TRANSMIGRATION OF  
THE REPUBLIC OF INDONESIA,

- Considering : a. That in order to settle the industrial relation dispute between the employer and the worker and/or trade union in the company, it is necessary to have dispute settlement effort through bipartite negotiation;
- b. That the bipartite negotiation shall be applied with the principle of deliberation to reach the consensus with family and openness nature;
- c. That to ensure the effectiveness of the bipartite negotiation as meant in Article 3 of the Act Number 2 Year 2004, it is necessary to formulate a guideline for settlement of industrial relation dispute through the bipartite negotiation;
- d. that based on the considerations in letters a, b, and c, it is necessary to stipulate a Ministerial Regulation.
- In view of : 1. Act Number 21 Year 2000 concerning Trade Unions ( State Gazette of the Republic of Indonesia Number 121, Supplement to the State Gazette of the Republic of Indonesia Number 3989);
2. Act Number 13 Year 2003 concerning Manpower (State Gazette of the Republic of Indonesia Year 2003 Number 39, Supplement to the State Gazette the Republic of Indonesia Number 4279);
3. Act Number 2 Year 2004 concerning the Industrial Relation Dispute Settlement (State Gazette of the Republic of Indonesia Year 2004 Number 6, Supplement to the State Gazette of the Republic of Indonesia Number 4356);

4. Decision of the President of the Republic of Indonesia Number 187/M Year 2004 concerning the Establishment of the United Indonesian Cabinet as amended several times, the latest by the Presidential Decision Number 31/P Year 2007.

Observing : 1. Presidential Instruction Number 5 Year 2008 concerning the Focus of Economic Program Year 2008 – 2009.

DECIDING:

To Stipulate : THE DECISION OF THE MINISTER OF MANPOWER AND TRANSMIGRATION OF THE REPUBLIC OF INDONESIA CONCERNING GUIDELINE FOR SETTLEMENT OF INDUSTRIAL RELATION DISPUTE THROUGH BIPARTITE NEGOTIATION.

CHAPTER I  
GENERAL PROVISION

ARTICLE 1

Under this Ministerial Decision, the following definitions shall apply:

1. Bipartite negotiation is the negotiation between the workers or trade union and the employer to settle the industrial relation dispute in one company.
2. Industrial relation dispute is the difference of opinion that causes a conflict between the employer or group of employers with the worker or trade union because of the dispute over the right, interest, employment termination, and dispute among trade unions in one company.

ARTICLE 2

Every occurrence of the industrial relation dispute must be conducted bipartite negotiation before the settlement through the mediation or conciliation and arbitration.

ARTICLE 3

- (1) In conducting bipartite negotiation, the parties must:
  - a. Have good faith;
  - b. Act politely and anarchy;
  - c. Obey the agreed negotiation procedure.
- (2) In case one of the parties has asked 2 (two) times subsequently in writing for bipartite negotiation, and the other party refused or did not response for the negotiation, then the dispute could be register to the institution that responsible for the manpower matter in the local office by attaching the evidence of the negotiation request.

ARTICLE 4

- (1) Bipartite negotiation shall be conducted in the following stages:
  - a. Preparation before the bipartite negotiation:
    - 1) The party whose felt that suffer loss takes initiative to communicate in writing his/her problem to the other party;

- 2) If the party whose felt that suffer lose is a worker who is not a member of trade union, then the worker could give mandate to the trade union official in the relevant company to assist the worker in the negotiation;
  - 3) If the employer or management in the company and/or the party that receive the mandate shall handle the dispute settlement directly;
  - 4) In the bipartite negotiation, the trade union or employer could ask assistance from their respective affiliation organizations;
  - 5) If the party whose felt that suffer lose is workers who are not members of trade union and the number is more than 10 (ten) workers, then it shall appoint representative in writing and agreed by at least 5 (five) person from the workers whose felt that suffer loss;
  - 6) In case of the dispute among the trade unions within one company, then the respective trade unions shall appoint their representatives maximum 10 (ten) persons.
- b. Negotiation stage:
- 1) Both parties shall make inventory and identification of the problems;
  - 2) Both parties could draft and agree in writing on the negotiation procedure and schedule;
  - 3) In the procedure, both parties could agree that during the negotiation, both parties shall continue to perform their obligations;
  - 4) Both parties shall conduct negotiation in line with agreed procedure and schedule;
  - 5) In case one of the parties does not want to continue the negotiation, then the parties or one of the parties could register the dispute to the local manpower office in the regency/city where the worker works although it is not achieve thirty (30) working days;
  - 6) After thirty (30) working days, the bipartite negotiation could be continued provided that both parties agree;
  - 7) A minute shall be drawn and signed by both parties in every negotiation step, and if one of the parties does not want to sign, then this should be documented in the minute;
  - 8) The final result of the negotiation shall be made in the final minute, which at least contains the following:
    1. Full name and address of the parties;
    2. Date and place of negotiation;
    3. Subject matter and object of the dispute;
    4. Opinion of the parties;
    5. Conclusion and the result of the negotiation;
    6. Date and signature of the parties to the negotiation.

9) The draft of the final minute shall be made by the employer and signed by both parties or one of the parties if the other party does not want to sign it.

c. After the negotiation:

1) In case the parties reached an agreement, then they shall make a Collective Agreement signed by the negotiators and registered in the Industrial Relation Court at the local District Court where the parties conducted the Collective Agreement;

2) If the negotiation failed, then one of the parties or both parties registered the dispute to the local manpower office at the Regency/City where the workers work by attaching the evidences that the efforts to settle the dispute through bipartite negotiation have been conducted.

(2) The sample of the request for bipartite negotiation, list of attendance, minute of bipartite negotiation to settle the industrial relation dispute, collective agreement, and sample of the request to register the industrial relation dispute contained in the Attachment I until Attachment V of this Ministerial Regulation.

#### ARTICLE 5

To prevent industrial relation dispute, the parties shall implement the following:

a. Employer to:

- 1) Fulfill the rights of the workers punctually; and
- 2) Develop good communication with the workers.

b. Workers to:

- 1) Implement and responsible for his/her duties;
- 2) Develop good communication with the employer and trade union(s).

#### ARTICLE 6

The bipartite negotiation related with the formulation of the Collective Labour Agreement, shall follow the procedure as stipulated in the Decree of the Minister of Manpower and Transmigration Number KEP.48/MEN/IV/2004 concerning the Procedure for Drafting and Legalization of the Company Regulation and Drafting and Registration of the Collective Labor Agreement, as amended by the Regulation of the Minister of Manpower and Transmigration No.PER.08/MEN/III/2006.

#### ARTICLE 7

This Ministerial Regulation shall come into effect from the date of its stipulation.

Stipulated in Jakarta  
on 30 December 2008

Minister of  
Manpower and Transmigration of  
The Republic of Indonesia,  
sgd.

Dr. Ir. ERMAN SUPARNO, MBA., M.Si

ATTACHMENT I  
REGULATION OF THE MINISTER OF MANPOWER AND TRANSMIGRATION OF  
THE REPUBLIC OF INDONESIA

NUMBER PER.31/MEN/XII/2008

CONCERNING

THE GUIDELINE FOR SETTLEMENT OF INDUSTRIAL RELATION DISPUTE  
THROUGH BIPARTITE NEGOTIATION

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REQUEST FOR BIPARTITE NEGOTIATION

Number: (place) (date).....  
Attachment: One (1) dossier To.  
Re.: Request for negotiation

Dear Sir/Madame,

In relation with the problem that need to be negotiated in bipartite, then we would like to request for negotiation on:

Day:

Date:

Time:

Place:

To resolve the following problems:

- 1.....
- 2.....
- 3.....

Thank you for your attention and cooperation.

Party

\*) Employer/Worker/Trade Union

Sgd.

(Name)

Stipulated in Jakarta  
on 30 December 2008

Minister of  
Manpower and Transmigration of  
The Republic of Indonesia,

sgd.

Dr.Ir.ERMAN SOEPARNO, MBA, M.Si

ATTACHMENT II  
REGULATION OF THE MINISTER OF MANPOWER AND TRANSMIGRATION OF  
THE REPUBLIC OF INDONESIA

NUMBER PER.31/MEN/XII/2008

CONCERNING

THE GUIDELINE FOR SETTLEMENT OF INDUSTRIAL RELATION DISPUTE  
THROUGH BIPARTITE NEGOTIATION

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ATTENDANCE LIST FOR NEGOTIATION

DAY:

DATE:

PLACE:

EVENT: HEARING (I,II,III)

PROBLEM:

N O	NAME	ADDRES S	EMPLOYER/WORK ER/TRADE UNION	SIGNATUR E	REMARK

Stipulated in Jakarta  
on 30 December 2008

Minister of  
Manpower and Transmigration Of  
The Republic of Indonesia,

sgd.

Dr.Ir.ERMAN SOEPARNO, MBA, M.Si

ATTACHMENT III  
REGULATION OF THE MINISTER OF MANPOWER AND TRANSMIGRATION OF  
THE REPUBLIC OF INDONESIA

NUMBER PER.31/MEN/XII/2008

CONCERNING

THE GUIDELINE FOR SETTLEMENT OF INDUSTRIAL RELATION DISPUTE  
THROUGH BIPARTITE NEGOTIATION

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MINUTES OF SETTLEMENT OF INDUSTRIAL RELATION DISPUTE THROUGH  
BIPARTITE NEGOTIATION

1. Company's name:
2. Company's address:
3. Name of workers/trade unions:
4. Address of workers/trade unions:
5. Date and Place of Negotiation:
6. Main issues/Reason of dispute:
7. Opinion of the workers/trade unions:
8. Opinion of the employer:
9. Conclusion or result of negotiation:

....., .....201...

Employer  
Sgd.

Worker/Trade Union  
Sgd.

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(Name)

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(Name)

Stipulated in Jakarta  
on 30 December 2008

Minister of  
Manpower and Transmigration Of  
The Republic of Indonesia,

sgd.

Dr.Ir.ERMAN SOEPARNO, MBA, M.Si

ATTACHMENT IV  
REGULATION OF THE MINISTER OF MANPOWER AND TRANSMIGRATION OF  
THE REPUBLIC OF INDONESIA

NUMBER PER.31/MEN/XII/2008

CONCERNING

THE GUIDELINE FOR SETTLEMENT OF INDUSTRIAL RELATION DISPUTE  
THROUGH BIPARTITE NEGOTIATION

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COLLECTIVE AGREEMENT

On this day.....date.....month.....year.....we the undersigned:

1. Name:

Position:

Company:

Address:

Hereinafter referred to as First Party (Employer)

2. Name:

Position:

Address:

Hereinafter referred to as Second Party (Workers/Trade Union)

Based on the provision of the Act Number 2 of 2004 Article 7 paragraph (1) between the First Party and the Second Party has conducted bipartite negotiation and reached agreement as follows:

.....  
.....

This agreement constitutes collective agreement and valid since the signing date with sufficient stamp duty.

Thus this collective agreement is made without force from any party, and to be implemented by the parties with full responsibility and good faith.

Employer

Sgd.

\_\_\_\_\_  
(Name)

Worker/Trade Union

Sgd.

\_\_\_\_\_  
(Name)

Stipulated in Jakarta  
on 30 December 2008

Minister of  
Manpower and Transmigration Of  
The Republic of Indonesia,

sgd.

Dr.Ir.ERMAN SOEPARNO, MBA, M.Si

ATTACHMENT V  
REGULATION OF THE MINISTER OF MANPOWER AND TRANSMIGRATION OF  
THE REPUBLIC OF INDONESIA  
NUMBER PER.31/MEN/XII/2008  
CONCERNING  
THE GUIDELINE FOR SETTLEMENT OF INDUSTRIAL RELATION DISPUTE  
THROUGH BIPARTITE NEGOTIATION

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REQUEST FOR REGISTRATION OF THE INDUSTRIAL RELATION DISPUTE

Number: (place) (date).....  
Attachment: One (1) dossier To.  
Re.: Request for registration of Mr./Mrs.  
Industrial relation dispute (Institution in charge for  
manpower field)

Dear Sir/Madame,

After maximum efforts to settle the industrial relation dispute between:

1. Company's name:
2. Type of business:
3. Address:

And

1. Name of worker/trade union:
2. Address of worker/trade union:

With the problem as follows:

.....  
.....  
.....etc.

The above problems have been negotiated in bipartite, however did not result any agreement, the in accordance with the provision under Act Number 2 of 2004, Article 4 paragraph (1), we hereby request your assistance to register and help in solving the industrial relation dispute (the minutes of negotiation is attached).

Union\*)

Sincerely yours,  
Employer/Worker/Trade

Sgd.

\_\_\_\_\_  
Name

Stipulated in Jakarta  
on 30 December 2008

Minister of  
Manpower and Transmigration Of  
The Republic of Indonesia,

sgd.

Dr.Ir.ERMAN SOEPARNO, MBA, M.Si