

President Joko Widodo
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Omnibus Law on Job Creation

Dear Mr President,

I write to you on behalf of the Australian trade union movement to call on your Government to repeal the Omnibus Law on Job Creation. The Omnibus Law was passed on 5 October, despite the strong opposition of Indonesian workers and their communities. We are alarmed that your Government has instituted vast, deregulatory changes to the economy when priority should be given to addressing COVID-19; a crisis that has been exacerbated by deregulated trade and labour laws and the underfunding of public services.

The size, complexity and extensive reach of the Omnibus Law, which amends 79 laws and more than 1200 articles, poses a threat to genuine democratic processes, particularly at a time when public meetings must be constrained. We have serious concerns about a range of the provisions and clusters, including the labour cluster, the electricity cluster, the education cluster, and the provisions deregulating environmental protection.

Overall, the law appears to put the interests and demands of foreign investors ahead of workers, communities and the environment. We are concerned that the procedure and substance of the Omnibus Law are not in keeping with Indonesia's obligations under international human rights law.

We understand that trade unions have participated in discussions with the legislative body, yet no changes have been made to reflect their range of concerns. Unions strongly believe that the labour cluster of the Omnibus Law will significantly undermine the labour rights and welfare of Indonesian workers and contravenes the existing Employment Act No. 13/2003.

We are also concerned that the electricity cluster is designed to liberalise and ultimately privatise electricity in Indonesia and contravenes Constitutional requirements for public energy. The law reduces labour rights in the sector and will lead to higher prices for consumers and reduced capacity of government to plan for a just and equitable transition to renewable energy.

Indonesian trade unions have resolved to take mass action across the country demanding the repeal of this law. We call on your Government to take the following measures as a matter of urgency to avoid mass demonstrations:

1. Repeal the Omnibus Law on Job Creation;
2. Ensure that any future legislation does not diminish existing rights and benefits, which are guaranteed by the Employment Act No. 13/2003 as well as international labour standards;

3. Renegotiate and open constructive dialogues with trade unions to discuss any issues which are not covered under Employment Act No. 13/2003;
4. Respect the constitutional requirement and constitutional court decision (MK No. 111/PUU-XIII/2015) protecting energy as a public good and state-controlled service; and
5. Commence a consultation process involving unions, community representatives and social movements on developing a COVID-19 recovery plan designed to stimulate decent work, quality public services and sustainable development.

We stand in solidarity with Indonesian workers and their trade unions in their struggle to protect their rights, and will continue to monitor the worker and human rights situation in Indonesia.

Yours sincerely



Michele O'Neil
President

CC:

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