



**PRESIDENT OF REPUBLIC OF INDONESIA**  
**ACT NUMBER 21 YEAR 2000**  
**CONCERNING**  
**TRADE UNIONS**



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**ACT OF THE REPUBLIC OF INDONESIA  
NUMBER 21 YEAR 2000  
CONCERNING  
TRADE UNIONS**

**WITH THE GRACE OF GOD THE ALMIGHTY,  
THE PRESIDENT OF THE REPUBLIC OF  
INDONESIA,**

**Considering:**

- a. That freedom of association and the right to organize, to express one's thoughts either orally or in writing, to have a job and to earn a decent living from the viewpoint of humanity, and to have equal position in the eyes of the law are the rights of every citizen;
- b. That in order to realize the freedom to organize, workers/laborers have the right to establish and develop a trade union/labor union that is free, open, independent, democratic and responsible;
- c. That the trade union/labor union is a vehicle to further, protect and defend the interests and welfare of workers/laborers and their families, and to realize industrial relations that are harmonious, dynamic and uphold justice;
- d. That, based on considerations as referred to under points a, b, and c, it is necessary to establish an Act concerning Trade Unions;

**EXPLANATORY NOTES  
ON  
ACT OF THE REPUBLIC OF  
INDONESIA  
NUMBER 21 YEAR 2000  
CONCERNING  
TRADE UNION/LABOR UNION**

**I. GENERAL**

*Workers/laborers as citizens have rights and status that are equal to those of any other citizens in the eyes of the law. They have the right to have a job and to earn a living that is proper, the right to voice their opinion, the right to group together in one organization, and the right to establish and become members of a trade union/labor union.*

*The right to become a trade union/labor union member is a fundamental right of the worker/laborer that has been guaranteed under Article 28 of the 1945 Constitution. To exercise the right, to every worker/laborer, as many opportunities as possible must be given to establish, and to become members of, a trade union/labor union.*

*Trade unions/labor unions function as a structure to fight for, to protect, and to defend the interests of, and to improve the welfare of, workers and their families. In exercising this right, workers/laborers are demanded that they also be responsible for guaranteeing that the broader interests, that is, the interests of the State and the nation are looked after. Therefore, the exercise of such right shall be carried out within the framework of industrial relations that are harmonious, dynamic and uphold justice.*

*The worker/laborer's right to organize – as stipulated under the International Labor Organization (ILO) Convention Number 87 concerning the Freedom of Association and Protection of the Right to Organize and the ILO Convention Number 98 concerning the Right to Organize and Collective Bargaining which have been ratified by Indonesia – becomes part of national statutory rules and regulations. Until recently, however, there have been no regulations that specifically regulate the implementation of the worker/*

**In view of:**

1. Article 5 Subsection (1), Article 20 Subsection (2), Article 27, and Article 28 of the 1945 Constitution as amended by the First Amendment of the Year 1999;
2. Act Number 18 Year 1956 concerning the Ratification of the International Labor Organization Convention Number 98 concerning the Effectiveness of the Fundamentals of the Right to Organize and Collective Bargaining (State Gazette Year 1956 Number 42, Supplement to State Gazette Number 1050);
3. Act Number 39 Year 1999 concerning Human Rights (State Gazette Year 1999 Number 165, Supplement to State Gazette Number 3886).

By the Approval of

THE HOUSE OF REPRESENTATIVES OF  
THE REPUBLIC OF INDONESIA

DECIDES:

To stipulate:

**ACT CONCERNING TRADE UNIONS**

*laborer's right to organize. As a result, trade unions/ labor unions are still unable to carry out their functions maximally.*

*These above-mentioned ILO Conventions guarantee the civil servant's right to organize. However, due to their functions as servants of the public, this right has to be dealt with separately.*

*Workers/ laborers are very important working partners of employers in the production process when it comes to efforts to improve the welfare of workers/ laborers and their families, to ensure the enterprise's survival, and to improve the welfare of the Indonesian community in general.*

*Within this context, trade unions, as a vehicle to fight for the rights of the worker/ laborer, shall create industrial relations that are harmonious, dynamic, and uphold justice. Therefore, workers/ laborers and trade unions/ labor unions must have a sense of responsibility for the survival of the enterprise. On the other hand, employers must treat workers/ laborers as partners in a way that shows respect to their dignity and worth as humans.*

*Workers/ laborers' community, trade unions/ labor unions, and employers in Indonesia are part of the world community that is heading towards a free market era. To deal with this, all participants of the production process need to unite and to develop professional attitude. In addition, workers/ laborers and trade unions/ labor unions need to become aware that they have equal responsibility with other groups in the society in developing the nation and the State.*

*Trade unions/ labor unions are established in a free, open, independent, democratic, and responsible way by workers/ laborers to fight for the interests of workers/ laborers and their families. Trade unions/ labor unions may use other names such as workers' assemblies/ laborers' assemblies, workers' organizations/ laborers' organizations, as regulated under this act.*

**I. ARTICLE BY ARTICLE**

## CHAPTER I GENERAL PROVISIONS

### ARTICLE 1

Under this act, the following definitions shall apply:

1. A trade union/labor union is an organization that comes from, is established by and for either enterprise-bound or enterprise-free workers/laborers, which is free, open, independent, democratic and responsible to fight for, defend and protect the rights and interests of workers/laborers and improve the welfare of workers/laborers and their families.
2. A trade union/labor union within the enterprise is a trade union/labor union that are established by the workers/laborers of one enterprise or several enterprises.
3. A trade union/labor union outside the enterprise is a trade union/ labor union that are established by workers/laborers who do not work at an enterprise.
4. A federation of trade unions/labor unions is a grouping of trade unions/labor unions.
5. A confederation of trade unions/labor unions is a grouping of trade union/labor union federations.
6. A worker/laborer are any person who works for a wage or other forms of remunerative exchange.
7. An employer is:
  - a. An individual, a partnership, or a legal entity that operates a self-owned enterprise;
  - b. An individual, a partnership, or a legal entity that independently operates a non-self-owned enterprise;
  - c. An individual, a partnership, or a legal entity located in Indonesia and representing an enterprise as mentioned under point a and point b that is domiciled outside the territory of Indonesia.
8. An enterprise is any form of business undertaking, which operates either as a legal body or not, which is owned by an individual or a business partnership or a legal body, which is either privately-owned or state-owned, which employs workers/laborers and pays them a wage or other forms of exchange for their work and or service;

### ARTICLE 1

*From point 1 to point 10  
Sufficiently clear*

9. A dispute between labor unions, trade/labor union federations, and trade/labor union confederations is a dispute between a trade/labor union, trade/labor union federation, trade/labor union confederation and another trade/labor union, trade/labor union federation, trade/labor union confederation, due to the fact there is non-convergence regarding membership, implementation of rights and obligations of the union.
10. Minister is the minister responsible for manpower affairs.

## CHAPTER II

### STATUTORY BASIS, NATURE AND OBJECTIVES

#### ARTICLE 2

- (1) Trade unions/labor unions, federations and confederations of trade unions/labor unions accept the *Pancasila* as the state ideology and the 1945 Constitution as the constitution of the Unitary State of the Republic of Indonesia.
- (2) Trade unions/labor unions, federations and confederations of trade unions/labor unions have statutory basis that is not against the *Pancasila* and the 1945 Constitution.

#### ARTICLE 3

Trade unions/labor unions, federations and confederations of trade unions/labor unions shall be free, open, independent, democratic and responsible.

#### ARTICLE 2

*Subsection (1)*  
*Sufficiently clear*

#### *Subsection (2)*

*While trade unions/labor unions are free to determine the statutory basis of their organization, they must not run against the Pancasila and the 1945 Constitution because the Pancasila is the state ideology and the 1945 Constitution is the Constitution of the Unitary State of the Republic of Indonesia.*

#### ARTICLE 3

*What is meant by:*

- *Free means that in exercising its rights and fulfilling its obligations as an organization, the trade union/ labor union, federation and confederation of trade unions/ labor unions is not under influence or pressure from other parties.*
- *Open means that in admitting members and or defending the interests of its members, the trade union/ labor union, federation and confederation of trade unions/ labor unions does not discriminate on grounds of political allegiance, religion, ethnicity and sex.*
- *Independent means that the trade union/ labor union, federation and confederation of trade unions/ labor unions establishes, runs and develops union organization with its own strength and is not controlled*

## ARTICLE 4

- (1) Trade unions/ labor unions, federations and confederations of trade unions/ labor unions aim to protect, defend the rights and interests of, and improve the proper welfare of workers/ laborers and their family.
- (2) In order to achieve the objectives as referred to under Subsection (1), trade unions/ labor unions, federations and confederations of trade unions/ labor unions shall have the following functions:
  - a. As a party in the making of a Collective Labour Agreement and the settlement of an industrial dispute;
  - b. As workers/ laborers' representative in cooperation institutes in the area of manpower in accordance with the union's hierarchy;
  - c. As a structure to create industrial relations that are harmonious, dynamic, and uphold justice according to prevailing laws and regulations;
  - d. As a structure to channel aspirations in defense of the rights and interests of its members;
  - e. As the planner of, the actor of, and the party that is responsible for a strike in accordance with prevailing laws and regulations;
  - f. As workers/ laborers' representative in striving for the ownership of shares in the enterprise.

*by other parties outside of its organization.*

- *Democratic means that the establishment of union organization, the election of its officials, the efforts to fight for and implement the rights and obligations of the organization are carried out in accordance with democratic principles.*
- *Responsible means that in achieving its objectives and exercising its rights and obligations, the trade union/ labor union, federation and confederation of trade unions/ labor unions is responsible to its members, the society and the State.*

## ARTICLE 4

*Subsection (1)*

*Sufficiently clear*

*Subsection (2)*

*Point a*

*Sufficiently clear*

*Point b*

*The cooperation institutes in the area of manpower are, for instance, Bipartite Cooperation Institute, Tripartite Cooperation Institute and other tripartite institutes such as National Job Training Council, Occupational Safety Council, or Wage System Research Council. These councils/ institutes discuss manpower/ labor policies.*

*Point c*

*Sufficiently clear*

*Point d*

*Sufficiently clear*

*Point e*

*Sufficiently clear*

*Point f*

*Sufficiently clear*

### CHAPTER III UNION FORMATION

#### ARTICLE 5

- (1) Every worker/laborer has the right to form and become a member of a trade union/labor union.
- (2) A trade union/ labor union is formed by at least 10 (ten) workers/laborers.

#### ARTICLE 6

- (1) Trade unions/labor unions have the right to form and have membership in a federation of trade unions/labor unions.
- (2) A federation of trade unions/labor unions is formed by at least 5 (five) trade unions/ labor unions.

#### ARTICLE 7

- (1) Federations of trade unions/labor unions have the right to form and have membership in a confederation of trade unions/ labor unions.
- (2) A confederation of trade unions/labor unions is formed by at least 3 (three) federations of trade unions/ labor unions.

#### ARTICLE 8

The hierarchical arrangements of the organization of trade unions/labor unions, federations and confederations of trade unions/labor unions are regulated in their union constitutions and/or by-laws.

#### ARTICLE 9

Trade unions/labor unions, federations and confederations of trade unions/labor unions shall be formed of the free will of workers/laborers without pressure or intervention from the employer, the government, any political party and or any other parties.

#### *ARTICLE 5*

*Sufficiently clear*

#### *ARTICLE 6*

*Subsection (1)  
Sufficiently clear*

#### *Subsection (2)*

*A federation of trade unions/labor unions means a grouping of several trade unions/ labor unions either according to business sector, inter business sector or not, type of work or other forms according to the will of the worker/ laborer.*

#### *ARTICLE 7*

*Sufficiently clear*

#### *ARTICLE 8*

*Hierarchical arrangements of the organization of trade unions/ labor unions, federations and confederations of trade unions/ labor unions are made in accordance with those of regional state administration, i.e., regency/ city level, provincial level and national level.*

#### *ARTICLE 9*

*Sufficiently clear*

## ARTICLE 10

Trade unions/labor unions, federations and confederations of trade unions/labor unions may be established according to business sector, type of work (trade), or other categories according to the will of the worker/ laborer.

## ARTICLE 11

- (1) Every trade union/labor union, federation and confederation of trade unions/labor unions must have a constitution and by-laws.
- (2) The constitution as referred to under subsection (1) must at least contain the following:
  - a. The union's name and emblem/symbol;
  - b. The state ideology, the union statutory basis, and objectives;
  - c. The date the union was established;
  - d. The domicile/seat of the union;
  - e. Union membership and administration;

## ARTICLE 10:

- *The term business sector as referred to under this article shall include "service industry." An example of a trade union/labor union that is established according to business sector is a trade union/labor union in a textile manufacturing company that joins another trade union/labor union in another textile manufacturing company, or a trade union/labor union in a hotel or hotel-related service company that joins another trade union/labor union in another hotel or hotel-related service company.*
- *Trade/labor unions that are established according to type of work are, for instance, a trade/labor union of welders or a trade/labor union of drivers.*
- *Trade/labor unions that are established according to other forms of occupation are unions that are not based on any business sector or any type of work. For instance, if workers/laborers who work in a bakery, workers/laborers in a batik manufacturing company, and workers/laborers in a shoes making company or domestic workers join forces to establish one trade union/labor union, the resulting trade/labor union is said to be established according to other forms of occupation.*

## ARTICLE 11

*Trade/ labor unions that are members of a federation of trade/ labor unions may adopt the constitution and by-laws of the federation of trade/ labor unions to which they belong. In the same manner, federations of trade/ labor unions that are members of a confederation of trade/ labor unions may also adopt the constitution and by-laws of the confederation of trade/ labor unions to which they belong.*

- f. The union's financial sources and accountability; and
- g. Provisions concerning changes in the union's constitution and or by-laws.

**CHAPTER IV  
MEMBERSHIP**

ARTICLE 12

Trade unions/labor unions, federations, and confederations of trade unions/labor unions must be open to accept members without discriminating them on grounds of political allegiance, religion, ethnicity and sex.

ARTICLE 13

Membership in a trade union/labor union, a federation of trade unions/labor unions, and a confederation of trade unions/labor unions shall be regulated in the constitution and by-laws of the union, federation of trade unions/labor unions, and confederation of trade unions/labor unions in question.

ARTICLE 14

- (1) A worker/laborer are not allowed to have membership in more than one trade union/labor union at one enterprise.
- (2) In case a worker/laborer at an enterprise turns out to have been registered as a member in more than one trade union/labor union, he or she must make a written declaration stating the trade union/labor union in which he chooses to retain his membership.

ARTICLE 15

A worker/laborer whose position in the enterprise creates conflict of interests between the management and the enterprise's workers/laborers shall not be allowed to become trade/labor union official in the enterprise in question.

ARTICLE 12

*Trade unions/labor unions, federations and confederations of trade/labor unions are established to improve the welfare of, and to protect workers/laborers and their families. Therefore, trade unions/labor unions, federations and confederations of trade/labor unions must not limit their membership to certain groups of workers/laborers only.*

ARTICLE 13

*Sufficiently clear*

ARTICLE 14

*Subsection (1)  
Sufficiently clear*

*Subsection (2)*

*In the written declaration that he or she makes, a worker/laborer may state that he or she chooses not to belong to any available trade/ labor unions.*

ARTICLE 15

*"Certain positions" as referred to under this article refer to such positions as human resources manager, finance manager, or personnel manager as stipulated under the collective labour agreement.*

ARTICLE 16

- (1) Every trade union/labor union can only have membership in one federation of trade unions/labor unions.
- (2) Every federation of trade unions/labor unions can only have membership in one confederation of trade unions/labor unions.

ARTICLE 17

- (1) A worker/laborer may quit his union membership by submitting a written notification to this effect.
- (2) A worker/laborer may be dismissed from his/her trade union/labor union membership according to the stipulations of the constitution and or by-laws of his trade union/labor union.
- (3) A worker/laborer, in his/her capacity as either an official or as a member of a trade union/labor union, who quits or is dismissed from his/her union membership as referred to under subsection (1) and subsection (2), shall remain accountable for any unfulfilled obligations to the trade union/labor union.

CHAPTER V

NOTIFICATION AND RECORDING

ARTICLE 18

- (1) Upon its establishment, a trade union/labor union, a federation or a confederation of trade unions/labor unions shall give a written notification to the local government agency responsible for manpower affairs for the sake of record keeping.
- (2) The notification as referred to under subsection (1) shall be supplemented with:
  - a. A list containing the names of founding members;
  - b. The union's constitution and by-laws;
  - c. Its officials' lineup and names.

ARTICLE 19

A trade union/labor union, a federation and a

ARTICLE 16

*Sufficiently clear*

ARTICLE 17

*Subsection (1)*  
*Sufficiently clear*  
*Subsection (2)*  
*Sufficiently clear*

*Subsection (3)*

*The accountability referred to in the phrase "shall remain accountable for any unfulfilled obligations to the trade union/labor union" shall also include the accountability for all obligations/liabilities that the affected official and or member of the trade/labor union in question has not fulfilled, including his/her obligations that arise as a result of a transaction with a third party.*

ARTICLE 18

*Sufficiently clear*

ARTICLE 19

*Sufficiently clear*

confederation of trade unions/labor unions whose establishment is to be notified to the local government agency responsible for manpower affairs is not allowed to have a name and emblem that is the same as the name and emblem of any trade union/labor union, federation and confederation of trade unions/labor unions that have been previously recorded.

#### ARTICLE 20

- (1) The government agency as referred to under Article 18 subsection (1) is obliged to keep a record of, and issue a record number to, the trade union/labor union, federation and confederation of trade unions/labor unions that have fulfilled the requirements as referred to under Article 2, Article 5 subsection (2), Article 6 subsection (2), Article 7 subsection (2), Article 11, Article 18 subsection (2), and Article 19, within a period of no longer than 21 (twenty one) workdays since the date it received the union notification.
- (2) The government agency as referred to under Article 18 subsection (1) may postpone the recording and the issuance of record number in case the trade union/labor union, federation and confederation of trade unions/labor unions in question have not fulfilled the requirements as referred to under Article 2, Article 5 subsection (2), Article 6 subsection (2), Article 7 subsection (2), Article 11, Article 18 subsection (2), and Article 19.
- (3) The postponement as referred to under subsection (2) and the reasons for the postponement shall be communicated in writing to the trade union/labor union, federation and confederation of trade unions/labor unions in question within a period of at least 14 (fourteen) workdays since the date the union notification is received.

#### ARTICLE 21

Should changes in union constitution and or by-laws occur, the officials of the trade union/labor union, federation and confederation of trade unions/labor unions concerned shall inform the government agency as referred to under Article 18 subsection (1) within a period of no later than 30 (thirty) days since the date the changes in the constitution and or the by-laws of the union were made.

#### ARTICLE 20

*Sufficiently clear*

#### ARTICLE 21

*Sufficiently clear*

ARTICLE 22

- (1) The government agency as referred to under Article 18 subsection (1) must record trade unions/labor unions, federations and confederations that have met the requirements as referred to under Article 2, Article 5 subsection (2), Article 6 subsection (2), Article 7 subsection (2), Article 11, Article 18 subsection (2) and Article 19 in the union record book and maintain the book.
- (2) The union record book as referred to under subsection (1) must be open to inspection at all times and must be accessible to the public.

ARTICLE 23

The officials of trade unions/labor unions, federations and confederations of trade unions/labor unions that already have a record number must give a written notification of their existence to their working partners according to their hierarchical levels.

ARTICLE 24

Regulations concerning trade/labor union record-keeping procedures shall be stipulated further by means of a ministerial decision.

CHAPTER VI  
RIGHTS AND OBLIGATIONS

ARTICLE 25

- (1) A trade union/labor union, federation and confederation of trade unions/labor unions that has a record number has the right to:
  - a. Negotiate a collective labour agreement with the management;
  - b. Represent workers/laborers in industrial dispute settlements;
  - c. Represent workers/laborers in manpower institutions;
  - d. Establish an institution or carry out activities related to efforts to improve workers/laborers' welfare.

ARTICLE 22

*Sufficiently clear*

ARTICLE 23

*Sufficiently clear*

ARTICLE 24

*Sufficiently clear*

ARTICLE 25

*Subsection (1)*

*Point a*

*Sufficiently clear*

*Point b*

*Sufficiently clear*

*Point c*

*Sufficiently clear*

*Point d*

*Efforts to improve the welfare of the worker/ laborer include efforts to establish a cooperative, a foundation, or other forms of business activities.*

*Point e*

*Sufficiently clear*

- e. Carry out other manpower or employment-related activities that are not against prevailing laws and regulations.
- (2) The exercise of the rights as referred to under subsection (1) shall be carried out in accordance with prevailing laws and regulations.

*Subsection (2)  
Sufficiently clear*

**ARTICLE 26**

Trade unions/labor unions, federations and confederations of trade unions/labor unions may affiliate to and or cooperate with international trade unions/labor unions and or other international organizations on the condition that the affiliation or the cooperation is not against prevailing laws and regulations.

*ARTICLE 26  
Sufficiently clear*

**ARTICLE 27**

A trade union/labor union, a federation or a confederation of trade unions/labor unions that has already a record number is obliged to:

*ARTICLE 27  
Sufficiently clear*

- a. Protect and defend its members from any violations of their rights and further their interests;
- b. Improve the welfare of its members and their families;
- c. Present its accountability on organizational activities to its members in accordance with its constitution and by-laws.

**CHAPTER VII**

**PROTECTION OF THE RIGHT TO ORGANIZE**

**ARTICLE 28**

Everybody is prohibited from preventing or forcing a worker/ laborer from forming or not forming a trade union/ labor union, becoming union official or not becoming union official, becoming union member or not becoming union member and or carrying out or not carrying out trade/labor union activities by:

*ARTICLE 28  
Sufficiently clear*

- a. Terminating his employment, temporarily suspending his employment, demoting him, or transferring him to another post, another division or another place in order to discourage or prevent him from carrying out union activities or make such activities virtually impossible;

- b. Not paying or reducing the amount of the worker/ laborer’s wage;
- c. Intimidating him or subjecting him to any other forms of intimidation;
- d. Campaigning against the establishment of trade unions/ labor unions.

ARTICLE 29

- (1) The employer must provide opportunity to the officials and members of a trade/labor union to carry out trade/ labor union activities during working hours that are agreed upon by both parties and or arranged in the collective labour agreement.
- (2) The agreement by both parties and or the arrangement in the collective labour agreement as referred to under subsection (1) must regulate:
  - a. Types of union activities for which the opportunity is provided;
  - b. Procedures for the provision of the opportunity;
  - c. Which provisions of opportunity shall be entitled to pay and which ones shall not be entitled to pay.

CHAPTER VIII  
FINANCES AND ASSETS

ARTICLE 30

Trade unions/labor unions’ finances come from:

- a. Membership fee (union dues) whose amount shall be determined in the union constitution/by-laws;
- b. Profits earned from the union’s legitimate money-making activities;
- c. Unconditional financial assistance from members or other parties.

ARTICLE 31

- (1) In case the financial assistance from other parties as referred to under Article 30 point (c) comes from overseas sources, the officials of the trade union/labor union concerned must

ARTICLE 29

*The term to provide opportunity as referred to under this article shall mean to free trade/labor union officials and members from their main duties as workers/laborers for certain period of time so that they can carry out union activities.*

ARTICLE 30

*Sufficiently clear*

ARTICLE 31

*Sufficiently clear*

report it in writing to the government agency responsible for manpower affairs according to prevailing laws and regulations.

- (2) The assistance as referred to under subsection (1) shall be used to improve the quality and welfare of union members.

ARTICLE 32

Finances and assets of a trade union/labor union, a federation and a confederation of trade unions/labor unions must be separate from the private finances and assets of their officials and members.

ARTICLE 32

*Sufficiently clear*

ARTICLE 33

The disposal or transfer of union finances and assets to another party, investments of union funds and other legitimate business transactions by the union can only be made in accordance with what is stipulated in the constitution and or by-laws of the trade union/labor union, the federation and the confederation of trade unions/labor unions in question.

ARTICLE 33

*Sufficiently clear*

ARTICLE 34

- (1) Union officials shall be responsible for the utilization and the management of finances and assets of the trade union/labor union, the federation and the confederation of trade unions/labor unions.
- (2) Union officials are under an obligation to keep the records of the finances and assets, and to periodically present financial reports to union members in accordance with the constitution and or by-laws of the trade/labor union, the federation and the confederation of trade/labor unions concerned.

ARTICLE 34

*Sufficiently clear*

**CHAPTER IX  
DISPUTE SETTLEMENT**

ARTICLE 35

Every dispute between one trade union/labor union, federation and confederation of trade unions/labor unions and another shall be settled through deliberations by the trade/labor unions, the federations and the confederations of trade/labor unions that are involved in the conflict.

ARTICLE 35

*Sufficiently clear*

## ARTICLE 36

If the deliberations as referred to under Article 35 fail to reach an agreement, the inter-trade/labor union, trade/labor union federation, trade/labor union confederation dispute shall be settled in accordance with prevailing laws and regulations.

## CHAPTER X DISSOLUTION

## ARTICLE 37

A trade union/labor union, a federation and a confederation of trade unions/labor unions is dissolved:

- a. If it is so declared by its members in accordance with the constitution and or by-laws of the union.
- b. If the enterprise is closed or stops its activities for good and this results in the termination of all employment relationships with all workers/laborers in the enterprise after the employer has fulfilled all his obligations to his workers/laborers in accordance with prevailing laws and regulations.
- c. If it is so declared by a court decision.

## ARTICLE 38

- (1) The court as implied under Article 37 point c may dissolve a trade/labor union, a federation and a confederation of trade/labor unions in case:
  - a. The trade/labor union, federation and confederation of trade/labor unions has a statutory basis that against the *Pancasila* and the 1945 Constitution;
  - b. Its administrators and or members prove to be guilty of committing a crime – in the name of the trade/labor union, federation and confederation of trade/labor unions – that harms the security of the State, and by the imprison sentences of at least 5 (five) years as attested by the legally and permanently binding court decisions that have been issued against them.
- (2) In case the court decisions imposed on the perpetrators of the crime as referred to under subsection (1) point b stipulate different terms, the decisions carrying the eligible

## ARTICLE 36

*Sufficiently clear*

## ARTICLE 37

*Point a*

*Sufficiently clear*

*Point b*

*Sufficiently clear*

*Point c*

*Nobody except workers/laborers can dissolve a trade union/ labor union, a federation and a confederation of trade/ labor unions. This, however, cannot be applied absolutely. The interests of the State and the general public must continue to be protected. Hence, this act authorizes the court as a judiciary body to dissolve a trade union/ labor union, a federation and a confederation of trade/ labor unions on certain conditions.*

## ARTICLE 38

*Subsection (1)*

*Point a*

*Sufficiently clear*

*Point b*

*A crime that harms the security of the State as referred to under this subsection refers to crimes as referred to in Book II Chapter I of the Criminal Code and Act No 27 Year 1999 concerning Amendment to Criminal Code which is related with Crimes Against State Security.*

*Subsection (2):*

*The different terms of imprisonment as referred to under this article can be illustrated as follows. If, for instance, five perpetrators are sentenced to two years, three years, four years, five years and six years in prison respectively, then the eligible imprison terms that can be used as the bases for the dissolution*

terms for legally demanding the dissolution of the trade/labor union, federation and confederation of trade/labor unions shall be used as the basis for the dissolution.

- (3) The lawsuit demanding the dissolution of trade/labor union, federation and confederation of trade/labor unions as referred to under subsections (1) and (2) shall be filed by government agency to the district court where the affected trade/labor union, federation and confederation of trade/labor unions domicile.

ARTICLE 39

- (1) The dissolution of a trade/labor union, federation and confederation of trade/labor unions does not free its officials from their responsibilities and obligations to the union's members as well as to other parties.
- (2) The officials and or members of a trade/labor union, federation and confederation of trade/labor unions who prove to be guilty of a wrongdoing according to a court decision and who cause the dissolution of the trade/labor union, federation and confederation of trade/ labor unions are subjected to a 3 (three)-year suspension, during which they are not allowed to establish and become officials of another trade/labor union, federation and confederation of trade/labor unions. The three-year suspension is effective starting from the point at which the court decision concerning the dissolution of the trade/labor union in question is officially declared to be permanently and legally binding.

CHAPTER XI

INSPECTION AND INVESTIGATION

ARTICLE 40

To guarantee workers/ laborers' right to organize and trade unions/labor unions' right to carry out union activities, government labor inspectors shall carry out inspection in accordance with prevailing laws and regulations.

*of the perpetrators' trade/labor union are those stipulating the five-year sentence and the six-year sentence.*

*Subsection (3)  
Sufficiently clear*

ARTICLE 39

*Subsection (1)  
The phrase "does not free its administrators from their responsibilities" implies that the officials have to, for instance, pay their debts and collect back union money that they have lent. Also, they have to settle other administrative responsibilities such as completing the bookkeeping or organizational documents.*

*Subsection (2)  
Sufficiently clear*

ARTICLE 40

*The phrase "prevailing laws and regulations" here refers to Act No. 3 of the year 1951 concerning Declaration of the Coming into Force of the Labor Inspection Act No. 23 of the year 1948 of the Republic of Indonesia that is applicable to all Indonesia.*

## ARTICLE 41

In addition to the special authority of the investigating police officers from the Police of the Republic of Indonesia, special authority to function as investigators according to prevailing laws and regulations to carry out investigations of crimes is also given to certain civil servants within the jurisdiction of the government agencies whose jobs and responsibilities on manpower affairs.

## CHAPTER XII SANCTIONS

## ARTICLE 42

- (1) Violation against Article 5 subsection (2), Article 6 subsection (2), Article 7 subsection (2), Article 21 or Article 31 may result in the revocation of the union record number of the violating trade/labor union, federation and confederation of trade/labor unions as an administrative sanction.
- (2) Trade/labor unions, federations and confederations of trade/labor unions whose record number is revoked lose their rights as referred to under Article 25 subsection (1) points a, b, and c until the trade/labor unions, federations and confederations of trade/labor unions in question fulfil what is required under Article 5 subsection (2), Article 6 subsection (2), Article 7 subsection (2), Article 21 or Article 31.

## ARTICLE 43

- (1) Everybody who bars or forces workers/laborers as referred to under Article 28 is subjected to a sentence of at least 1 (one) year and no longer than 5 (five) years in prison and or a fine of at least Rp100,000,000 (one hundred million Rupiahs) and no more than Rp500,000,000 (five hundred million Rupiahs).
- (2) The criminal act as referred to under subsection (1) is a grave criminal offense.

## ARTICLE 41

*The phrase prevailing laws and regulations as referred to under this article refers to Act No. 8 Year 1981 concerning Law of Criminal Procedure.*

## ARTICLE 42

*Subsection (1)*

*The revocation of the union record number of a trade/ labor union, federation and confederation of trade/ labor unions does not dissolve the trade/ labor union, federation and confederation of trade/ labor unions in question. However, the revocation causes them to lose their rights as referred to under Article 25 subsection (1) points a, b, and c. The government agency responsible for manpower affairs notifies the revocation to the working partners of the affected trade/ labor union, federation and confederation of trade/ labor unions.*

*Subsection (2)*

*After the trade/ labor union has fulfilled what is stipulated under Article 5 subsection (2), Article 6 subsection (2), Article 7 subsection (2), Article 21, and Article 31, the union record number that applies is the old one.*

## ARTICLE 43

*Sufficiently clear*

**CHAPTER XIII  
MISCELLANEOUS PROVISIONS**

**ARTICLE 44**

- (1) Civil servants have freedom of association and the right to organize.
- (2) The implementation of the freedom of association and the right to organize as referred to under subsection (1) shall be regulated in a separate act.

*ARTICLE 44*

*Sufficiently clear*

**CHAPTER XIV  
TRANSITIONAL PROVISIONS**

**ARTICLE 45**

- (1) Upon the enactment of this act, any trade union/labor union, federation and confederation of trade/labor unions that has been issued a union record number must report in order to be given a new union record number according to what is stipulated under this act within a period of no later than 1 (one) year after the date this act comes into effect.
- (2) Within a period of 1 (one) year since this act starts to come into effect, any trade union/labor union that fails to comply with what is stipulated under this act is assumed to have no union record number.

*ARTICLE 45*

*Sufficiently clear*

**ARTICLE 46**

Any notification concerning the establishment of a trade union/labor union, federation and confederation of trade/labor unions that has been made but is still being processed at the time this act takes effect must be processed in accordance with what is stipulated under this act.

*ARTICLE 46*

*Sufficiently clear*

**CHAPTER XV  
CLOSING PROVISIONS**

**ARTICLE 47**

This act shall be effective upon the date of its

*ARTICLE 47*

*Sufficiently clear*

promulgation. For the cognizance of the public, orders the promulgation of this act by having it placed on the State Gazette of the Republic of Indonesia.

*SUPPLEMENT TO THE STATE  
GAZETTE OF THE REPUBLIC OF  
INDONESIA NUMBER 3989*

Legalized in Jakarta

On 4 August 2000

PRESIDENT OF THE REPUBLIC OF INDONESIA

**ABDURRAHMAN WAHID**

Promulgated in Jakarta

On 4 August 2000

STATE SECRETARY OF THE REPUBLIC OF  
INDONESIA,

**DJOHAN EFFENDI**

STATE GAZETTE OF THE REPUBLIC  
OF INDONESIA NUMBER 121 OF 2000