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## PRESS RELEASE

### National Tripartite Summit Recommendation

JAKARTA (Joint Release): That today, Wednesday, dated 19 January 2005, has been conducted National Tripartite Summit, attended by elements involved in industrial relations whose are trade unions leaders, employer organizations leaders (APINDO/KADIN), and government representatives as well as international labor institutions, companies receiving Bipartite Awards of 2005 and a number of observers.

The participants of the Summit have heard and learnt thoroughly the remarks conveyed by the Vice President of the Republic of Indonesia, ILO Jakarta Director, and the presentations conveyed by tripartite elements (representatives of government, trade unions and employer delegations), and then have an intensive discussion through open and equal communication processes, and based on the awareness of responsibility for common interest, tripartite has also discussed past experiences in implementing Pancasila Industrial Relations (HIP) and recent basic changes that demand fundamental changes in harmonious, dynamic, and fair industrial relations paradigm and system.

In light of the above, the Summit recommends the following items:

- 1. In order to realize harmonious, dynamic and fair industrial relations, it requires to formulate action plan that will be able to respond technology development in globalization era, encourage healthy and competitive business growth, and at the end will be able to open wider job opportunity, give protection, and improve workers' welfare and their families;*
- 2. The implementation of industrial relations shall be based on common interest and equal partnership between the employer and worker, respect each other, honest, trust, dialog and good faith bargaining and refuse the involvement of irrelevant parties;*
- 3. To be effective in applying industrial relations system, the tripartite actors, i.e., worker, employer and government, shall improve their role, function, and competence;*
- 4. The implementation of industrial relations needs to be supported by structural Tripartite/Bipartite Cooperation Institutions gradually from company level to the*

*national/global level based on representation system of social partner proportionally;*

- 5. Through collective bargaining between the representatives of employer and trade union supported by Bipartite Cooperation Institution in every company, it is required to realize work conditions based on non-discrimination, fair wages based on work productivity, social security system that uphold human dignity, development of workers' quality and career, and workers' family and their families;*
- 6. Action program of industrial relations implementation in the form of convention will discuss the following issues:
  - a. Wages negotiation mechanism and stipulation of minimum wages;*
  - b. Business competitiveness, production cost and wages system;*
  - c. Development of human resources, improvement of productivity and workers' welfare;*
  - d. Corporate social responsibility issue of industrial relations;*
  - e. Elimination of all forms that cause high cost economy.**
- 7. Conduct National Tripartite Summit annually with certain selected agenda theme;*
- 8. Review any laws and regulations especially in labor matter that can hamper the creation of favorable situation for Indonesia economic recovery.*

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