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PRESS RELEASE

Indonesia to Improve Labour Dispute Settlement

JAKARTA (ILO News): Key labour and ad hoc judges from Indonesia and Timor Leste will meet in Jakarta, commencing on Tuesday (23/8), to look at ways of promoting effective settlement and resolution of labour disputes. It is in line with the Act No. 2 of 2004 on Industrial Dispute Settlement which will take effect in 2006.

The three-day Labour Judges Training on International Labour Standards and Modern Labour Court Administration will be held from 23 – 25 August 2005 in Mandarin Hotel, Jakarta. It will be officially opened by H.E. Fahmi Idris, Minister of Manpower and Transmigration. The training is organized by the ILO under its ILO/USA Declaration Project on Industrial Relations.

The aim of this workshop is to improve industrial relations and labour adjudication through sharing comparative information on how labour courts use the ILO's fundamental international labour standards on freedom of association and collective bargaining, elimination of forced labour and child labour, and ending discrimination. The other aim is to better deliver justice through modern labour court administration.

The Act No. 2 of 2004 introduces five Dispute Settlement Procedures, namely Bipartite Settlement, Mediation, Conciliation, Arbitration and Industrial Court. A new element under this Act is the establishment of a new labour judicial system consisting of labour judges and ad hoc judges in line with the existing tripartite arbitration system. The new system is expected to provide quick, inexpensive and fair resolution of disputes.

According to the Act, a labour court at the Supreme Court level composed of a Supreme Court judge and ad hoc judge. At the district level, it is composed of a judge and 10 ad hoc judges (five each from employers' organization and trade unions). With about 300 districts in all of the 32 provinces, the total number of judges to be appointed in the long run comes to more than 3,000 judges.

Also participating in the training will be representation of the District Court and Labour Relations Board of Timor Leste. In Timor Leste, contraventions of the Labour Code are settled using conciliation, mediation and arbitration services of the Ministry of Labour and Community Reintegration, and thereafter the Labour Relations Board. Final appeals are possible to the

Competent Court, which is defined as “the District Court in the District in which the worker performs his or her duties and, in the absence of such District Court, the Dili District Court”. Judicial staff of the District Courts has an important role to play in implementing the Labour Code.

“It’s important to address these issues given recent changes to the industrial relations climate in both countries. The key issues in dispute settlement are speed, cost and justice. Therefore, there is an urgent need for modern procedures and administrative systems as justice delayed is justice denied,” said Alan Boulton, Country Director of the ILO for Indonesia.

He added that the ILO always stands ready to provide technical assistance in support of the national drive in both countries towards sound industrial relations in the context of on-going economic and social reforms.

The training will be attended by around 42 judges from Indonesia and Timor Leste. It will be conducted by Jane Hodges, the Senior Labour Law Specialist from ILO Geneva, together with national resource persons from the Supreme Court of Indonesia, Timor Leste District Court, the Ministry of Manpower and Transmigration and the Ministry of Labour and Reintegration Community.

The ILO’s Declaration project on Improving Industrial Relations in Indonesia has developed national and regional programmes to promote the creation of a sound, harmonious industrial relations, aiming at promoting economic growth while guaranteeing workers’ right. Established in May 2001, the Project has conducted trainings and workshops for government officials on labour inspection and labour mediation; for trade unions officials on collective bargaining and negotiation skills, for employers on human resources management, collective bargaining and negotiation skills.