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Practical cross-border insights into employment and labour law

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Contributing Editors:
Stefan Martin & Jo Broadbent
Hogan Lovells

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Indonesia


Indra Setiawan


Ridzky Firmansyah Amin

ABNR – Counsellors at Law

1 Terms and Conditions of Employment

1.1 What are the main sources of employment law?

The main sources of employment law in Indonesia are as follows:

a) Law No. 13 of 2003 on Manpower as amended by Law No. 11 of 2020 on Job Creation ("Manpower Law");
b) Law No. 2 of 2004 on Industrial Relations Dispute Settlement ("IRDS Law"); and
c) Law No. 21 of 2000 on Employee/Labour Union ("Labour Union Law").

1.2 What types of worker are protected by employment law? How are different types of worker distinguished?

In principle, employment laws and regulations provide protection to employees who are performing, or about to perform, their work for employers existing in Indonesia. The Manpower Law recognises two types of employee based on the period of the employment agreement, i.e., permanent employees and fixed-term employees. Expatriates are employed under a fixed-term employment agreement subject to their work permit.

1.3 Do contracts of employment have to be in writing? If not, do employees have to be provided with specific information in writing?

An employment agreement for permanent employees may be made orally or in writing. If the agreement is made orally, the employer must issue an appointment letter to the employee containing (i) the name and address of the employee, (ii) the starting date of employment, (iii) the type of work, and (iv) the amount of wage. An employment agreement for a specified period (for fixed-term employees) must be made in writing.

1.4 Are any terms implied into contracts of employment?

There are no implied terms in employment agreements.

1.5 Are any minimum employment terms and conditions set down by law that employers have to observe?

The minimum terms and conditions in an employment agreement are as follows:

a) name, address and line of business of the employer;
b) name, sex, age and address of the employee;
c) title or type of work;
d) place where the work is to be carried out;
e) amount of wages and how the wages will be paid;
f) work terms, stating the rights and obligations of both the employer and the employee;
g) effective date and validity period of the employment agreement;
h) place and date where the employment agreement is made; and
i) signatures of the parties.

1.6 To what extent are terms and conditions of employment agreed through collective bargaining? Does bargaining usually take place at company or industry level?

The Manpower Law recognises Collective Labour Agreements ("**CLA**") as an instrument of collective bargaining between a registered labour union or several registered labour unions with an employer or several employers or employer organisations.

The CLA contains the rights and obligations of the employer, labour union and employees, however, in more detail compared to those regulated in the prevailing laws and regulations. Nevertheless, more specific terms and conditions of employment may be agreed in the employment agreement individually.

As a general rule, the quality and quantity of the content regulated in the CLA must not be less than that regulated under the prevailing laws and regulations.

Although there are some instances where bargaining takes place at industry level, the majority of bargaining for CLA takes place at company level.

Insofar as terms and conditions of employment are concerned, the Manpower Law also recognises the Company Regulation ("**CR**") for companies that have yet to have a registered labour union. A CR is obligatory for companies employing at least 10 employees, and its formulation is the responsibility of the employer. The same general rule applies in that the quality and quantity of the content regulated in the CR must not be less than that regulated under the prevailing laws and regulations.

2 Employee Representation and Industrial Relations

2.1 What are the rules relating to trade union recognition?

Trade unions are recognised as employee or labour unions under Indonesian law ("**labour union**"). Rules related to labour

unions are primarily regulated under the Labour Union Law. Under the Labour Union Law, a labour union will be recognised if, following its establishment:

a) it notifies its establishment in writing to the local office of the Manpower Agency, for registration purposes; and
b) it notifies its establishment and registration number to its employer, to which the employer has no right to object.

2.2 What rights do trade unions have?

A recognised labour union is entitled to:

a) negotiate a CLA with management;
b) represent employees in industrial relations dispute settlements;
c) represent employees in manpower institutions;
d) establish an institution or carry out activities related to efforts to improve employee welfare;
e) carry out other manpower or employment-related activities that do not violate prevailing laws or regulations;
f) establish and become a member of a labour union federation; and
g) affiliate or cooperate with an international labour union or other international organisation.

2.3 Are there any rules governing a trade union's right to take industrial action?

As a general rule, the Manpower Law recognises the right of employees to take industrial action, i.e., strike. Strikes should be carried out:

a) legally, by giving written notice of at least seven days prior to the strike to the employer and local office of the Manpower Agency, informing them of the schedule, place, reason and person in charge of the strike;
b) in an orderly and peaceful fashion, by not disrupting security and public order or threatening the life and property of others; and
c) as a result of a failed negotiation, i.e., no agreement to settle an industrial relations dispute.

A strike for employees who are working for companies serving the public or companies whose type of activities may endanger human lives shall be arranged in such a way so as not to disrupt the public interest or endanger the safety of other people.

2.4 Are employers required to set up works councils? If so, what are the main rights and responsibilities of such bodies? How are works council representatives chosen/appointed?

Works councils are recognised as Bipartite Cooperation Bodies ("**BCB**") under the Manpower Law. Companies that employ more than 50 employees are obliged to establish a BCB, which functions as a communication and consultative forum between employer and representatives of labour union and/or employees within the framework of improving industrial relations.

Members of a BCB consists of representatives of the employer and employees/labour union with a 1:1 composition and at least six members.

2.5 In what circumstances will a works council have co-determination rights, so that an employer is unable to proceed until it has obtained works council agreement to proposals?

Given that the BCB only serves as a communication and consultative forum, there are no circumstances in which the BCB has co-determination rights that could render an employer unable to proceed.

2.6 How do the rights of trade unions and works councils interact?

Depending on the number of members of a labour union and how many labour unions there are in the company, the labour union appoints the representatives of employees in the BCB.

If the company only has one labour union and all employees are members of the labour union, then the management of the labour union will have the right to appoint their representatives in the BCB. If the company has more than one labour union, the representatives in the BCB will be appointed by each labour union proportionately.

2.7 Are employees entitled to representation at board level?

There are no laws and regulations on the entitlement of employees to be represented in the company's board level or management of the company.

3 Discrimination

3.1 Are employees protected against discrimination? If so, on what grounds is discrimination prohibited?

Yes, employees are protected against discrimination. Law No. 21 of 1999 on Ratification of ILO Convention No. 111 of 1958 on Discrimination in Respect of Employment and Occupation defines "discrimination" as:

a) any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation; and
b) such other distinction, exclusion or preference which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation as may be determined by the concerned after consultation with representatives of employers' and workers' organisations, where such exist, and other appropriate bodies.

The same protection against discrimination is also stipulated under the Manpower Law.

3.2 What types of discrimination are unlawful and in what circumstances?

Unlawful discrimination includes:

a) discrimination on the opportunity to obtain a job and receive same treatment from the employer;
b) discrimination over salaries between male and female employees; and
c) discrimination against employees with HIV/AIDS.

3.3 Are there any special rules relating to sexual harassment (such as mandatory training requirements)?

There are no special rules related to sexual harassment in the workplace. The Manpower Law generally stipulates that

employees are entitled to protection against sexual harassment. Sexual harassment is regulated as a general crime under the Criminal Code.

3.4 Are there any defences to a discrimination claim?

There are no available defences to a discrimination claim. However, should the employee submit a claim of employment termination on the basis of discrimination which is then later rejected by the Industrial Relations Court, the employer may opt to terminate the employment.

3.5 How do employees enforce their discrimination rights? Can employers settle claims before or after they are initiated?

Employees can initiate an industrial relations dispute settlement as regulated under the IRDS Law or file a report with the local office of the Manpower Agency, given that provisions on discrimination under the Manpower Law carry administrative sanction for employers. The employers can settle the claims before or after they are initiated.

3.6 What remedies are available to employees in successful discrimination claims?

The Manpower Law does not contain provisions on such specific remedies. This being the case, reference should be made to the provisions of the Indonesian Civil Code ("**ICC**") regarding tort. Under the ICC, a person who commits an unlawful act that causes harm to another person must pay compensation for damages to that person. However, if the employee chooses to submit a claim of employment termination with the Industrial Relations Court, they may receive a severance package should the claim be accepted by the court.

3.7 Do "atypical" workers (such as those working part-time, on a fixed-term contract or as a temporary agency worker) have any additional protection?

There is no additional protection for atypical workers under Indonesian law. Atypical workers enjoy the same protection as full-time and permanent employees.

3.8 Are there any specific rules or requirements in relation to whistleblowing/employees who raise concerns about corporate malpractice?

There are no statutory provisions in relation to whistleblowing on corporate malpractice. However, in practice, many companies stipulate their own internal whistleblowing system, particularly for harassment and corporate malpractice issues.

4 Maternity and Family Leave Rights

4.1 How long does maternity leave last?

The Manpower Law stipulates that maternity leave lasts for one-and-a-half months prior to delivery and one-and-a-half months after delivery, based on the estimate of an obstetrician or a midwife; however, in practice, employers will permit maternity leave to be taken for three months all at once after delivery. Maternity leave may be extended if it is required and attested by a written statement from an obstetrician or a midwife either prior to or after delivery.

4.2 What rights, including rights to pay and benefits, does a woman have during maternity leave?

During maternity leave, the employee will be entitled to a full wage (consisting of basic salary and fixed allowances) and medical reimbursement/insurance, as applicable. Additional benefits may be regulated under the employment agreement, CR and/or CLA.

4.3 What rights does a woman have upon her return to work from maternity leave?

Upon returning from maternity leave, employees are entitled to be given proper opportunities to breastfeed their children or to pump breastmilk during working hours. An employee cannot be terminated on the basis that she breastfeeds her baby. Employers are obliged to support employees by providing flexible time and special facilities.

4.4 Do fathers have the right to take paternity leave?

Fathers are entitled to two days of paternity leave, exclusive of annual leave.

4.5 Are there any other parental leave rights that employers have to observe?

Yes, other parental rights concern marriage, circumcision, baptism and the death of employees' children, in which case employees will be entitled to two days of paid leave.

4.6 Are employees entitled to work flexibly if they have responsibility for caring for dependants?

There are no laws and regulations on work flexibility. However, it may be stipulated under the employment agreement, CR and/or CLA.

5 Business Sales

5.1 On a business sale (either a share sale or asset transfer) do employees automatically transfer to the buyer?

Employees do not automatically transfer to the buyer in business sales. They are entitled to be given an option to continue working for the buyer or to have their employment terminated. In the case of the latter, employees are entitled to a severance package.

5.2 What employee rights transfer on a business sale? How does a business sale affect collective agreements?

Under the Manpower Law, in a business sale, all the rights of the employees become the responsibility of the purchaser, unless agreed otherwise in the respective sale and purchase agreement, without diminishing the rights of the employees concerned. CLA will not be directly affected by the business sale, as amendments of the CLA will need consent of the parties concerned.

5.3 Are there any information and consultation rights on a business sale? How long does the process typically take and what are the sanctions for failing to inform and consult?

Pursuant to Law No. 40 of 2007 on Limited Liability Companies, a company must announce in writing the acquisition plan to its employees at least 30 days prior to the call on a general meeting of shareholders approving the acquisition. There are no sanctions for failing to perform the announcement under the prevailing laws. The Manpower Law does not require employers to consult employees on the business sale.

5.4 Can employees be dismissed in connection with a business sale?

Yes, employees can be terminated upon a business sale if the employer no longer intends to continue the employment, for which employees are entitled to a severance package.

5.5 Are employers free to change terms and conditions of employment in connection with a business sale?

No. Changes to the terms and conditions of employment can only be made with the consent of the employees.

6 Termination of Employment

6.1 Do employees have to be given notice of termination of their employment? How is the notice period determined?

Employers must notify the intention and reason of termination to an employee and/or labour union at the latest 14 business days prior to the intended effective termination date. The employee then has the opportunity to reject termination by way of a rejection letter within seven business days of receipt of the termination notice.

If, after being notified, the employee rejects termination, settlement must be reached by way of bipartite negotiation and, further, industrial relations dispute settlement mechanism under the IRDS Law. See the response to question 9.2 below.

6.2 Can employers require employees to serve a period of "garden leave" during their notice period when the employee remains employed but does not have to attend for work?

Garden leave is not recognised under the Manpower Law. However, a similar concept exists in which employees may be suspended during the termination process while the company is still obligated to pay the employee's salary.

6.3 What protection do employees have against dismissal? In what circumstances is an employee treated as being dismissed? Is consent from a third party required before an employer can dismiss?

If termination cannot be agreed, employees may initiate an industrial relations dispute settlement mechanism under the IRDS Law over dispute of termination. Employees will be considered terminated if: (i) they do not reject the termination upon receiving notice; (ii) a final and binding court decision has been obtained; or (iii) they signed a mutual employment termination agreement.

6.4 Are there any categories of employees who enjoy special protection against dismissal?

There are no specific categories of employees who enjoy special protection; however, employees cannot be terminated for the following reasons:

a) prolonged illness not exceeding 12 months;
b) fulfilment of an obligation to the country;
c) practising religious service;
d) getting married;
e) pregnancy, giving birth, miscarriage or breastfeeding a baby;
f) being related by blood or through marriage to another employee in the company;
g) establishment, becoming a member and/or management of a labour union, performing labour union activities outside of working hours, or during working hours based on the employment agreement, CR or CLA;
h) reporting the employer to the authorities for crimes it has committed;
i) differences of understanding, religion, political orientation, ethnicity, colour, race, sex, physical condition or marital status; and
j) permanent disability, illness due to a work accident, or illness due to occupational disease, for which the period of recovery cannot be ascertained, as attested to by a physician.

6.5 When will an employer be entitled to dismiss for: 1) reasons related to the individual employee; or 2) business related reasons? Are employees entitled to compensation on dismissal and if so, how is compensation calculated?

An employer can initiate termination of an employee:

1) For reasons related to the individual employee, as follows:
   a) based on a request from the employee for reasons that the employer:
      i) assaults, violently insults or threatens the employee;
      ii) persuades and/or orders the employee to perform actions in contravention of the law;
      iii) did not pay the salary on time for three consecutive months or more;
      iv) did not perform its obligations to the employee as agreed;
      v) orders the employee to work outside the agreed scope of work; and/or
      vi) assigns work that endangers the life, safety, health and morality of the employee, outside the agreed scope of work;
   b) existence of a final and binding court decision declaring that the employer has not committed actions as mentioned in point a) above, and the employer decides to terminate the employment;
   c) resignation;
   d) absence for five consecutive days or more without written notification accompanied by valid evidence, and has been properly summoned by the employer twice;
   e) violation of the employment agreement, CR or CLA, after having received warning letters;
   f) detainment by the authorities for six months;
   g) prolonged illness or disability due to a work accident for more than 12 consecutive months;
   h) has reached retirement age; and
   i) the death of the employee.

2) For business-related reasons, as follows:
   a) merger, consolidation, acquisition, or spin-off of the employer and the employees are not willing to continue the employment, or the employer is not willing to accept the employees;
   b) redundancy, regardless of whether it is followed by closing down of the employer due to losses;
   c) the employer permanently closes down the business due to continuous losses for two years;
   d) the employer permanently closes down the business due to *force majeure*;
   e) the employer is under a state of suspension of payment; and/or
   f) the employer is declared bankrupt.

Employees are entitled to compensation upon termination, which consists of severance pay, service appreciation pay and compensation of rights. The amount of compensation depends on the length of service period.

6.6 Are there any specific procedures that an employer has to follow in relation to individual dismissals?

Employers must notify the intention and reason for termination to the employee and/or labour union and, if the termination is rejected, follow the industrial relations dispute settlement mechanism under the IRDS Law. See the answers to questions 6.1 above and 9.2 below.

6.7 What claims can an employee bring if he or she is dismissed? What are the remedies for a successful claim?

Employees may initiate the industrial relations dispute settlement process over a termination dispute. Remedies for a successful claim may vary from payment of severance package, payment of compensation, to reinstatement, depending on the relief sought by the employees.

6.8 Can employers settle claims before or after they are initiated?

Yes, settlement can take place at any time during the process.

6.9 Does an employer have any additional obligations if it is dismissing a number of employees at the same time?

There are no additional obligations under the Manpower Law.

6.10 How do employees enforce their rights in relation to mass dismissals and what are the consequences if an employer fails to comply with its obligations?

There is no differentiation between mass and individual dismissals under the Manpower Law. Enforcement of rights can be performed by way of initiating the industrial relations dispute settlement process. If a final and binding court decision is obtained and the employer fails to comply with its obligations, the court may order executorial attachment over the employer's assets for fulfilment of its obligations. The Manpower Law also imposes criminal sanction in the form of imprisonment and/or fine, to employers who do not fulfil their obligation to pay for the severance package.

7 Protecting Business Interests Following Termination

7.1 What types of restrictive covenants are recognised?

The Manpower Law does not specifically regulate restrictive covenants. However, in practice, restrictive covenants may be agreed in employment agreements or mutual termination agreements. Restrictive covenants commonly agreed in practice by employers and employees are non-competition, non-solicitation and confidentiality clauses.

7.2 When are restrictive covenants enforceable and for what period?

Given that there are no specific regulations on restrictive covenants, and it is based on parties' agreement as mentioned in question 7.1 above, the enforceability and validity period are subject to general contract law. In this regard, restrictive covenants are enforceable when a breach occurs.

7.3 Do employees have to be provided with financial compensation in return for covenants?

Provision of financial compensation in return of the restrictive covenants are subject to parties' agreement. In practice, we have found instances where the employer provides financial compensation during the validity period of the restrictive covenants following termination.

7.4 How are restrictive covenants enforced?

As they are contractual in nature, restrictive covenants can be enforced by way of filing a lawsuit with the relevant court.

8 Data Protection and Employee Privacy

8.1 How do employee data protection rights affect the employment relationship? Can an employer transfer employee data freely to other countries?

Employee data protection rights are not specifically regulated under labour-related laws and regulations. The use of an individual's private or personal information through electronic media is primarily regulated under Law No. 11 of 2008 on Electronic Information and Transaction as amended by Law No. 19 of 2016 ("**EIT Law**") and its implementing regulations.

The EIT Law strictly requires the consent of the individual concerned to use their private or personal information through electronic media. Consequently, an employer cannot transfer employee data to other countries without the prior consent of the data owner. Employee consent on the use or transfer of private or personal information, in practice, is usually included in the employment agreement.

Also note that under Ministry of Communications and Informatics ("**MOCI**") Regulation No. 20 of 2016 on the Protection of Personal Data in Electronic Systems ("**MOCI Regulation No. 20/2016**"), a party domiciled in Indonesia that wishes to effect the offshore transfer of personal data must coordinate with the MOCI or an authorised official/institution, which encompasses: (i) reporting the planned data transfer,

including at least information on the receiving state, the receiver, the date of transfer, and the purpose of such offshore transfer; (ii) requesting advocacy, if necessary; and (iii) reporting the result of the data transfer, and implementing the regulatory provisions on offshore data transfers.

8.2 Do employees have a right to obtain copies of any personal information that is held by their employer?

The Manpower Law is silent on this matter. However, MOCI Regulation No. 20/2016 generally stipulates that data subjects are entitled to obtain historical data on personal information that has been provided. Therefore, employees/labour unions are entitled to request records about their personal information kept by the employers, entitlement to which can be set forth in detail under the employment agreement, CR or CLA.

8.3 Are employers entitled to carry out pre-employment checks on prospective employees (such as criminal record checks)?

Pre-employment checks on prospective employees are not specifically regulated under Indonesian law. In practice, some employers carry out pre-employment checks on their prospective employees. Nevertheless, if pre-employment checks are to be carried out through a database stored electronically that is not officially published by an authorised institution, the employers must obtain express consent from the prospective employees to carry out such pre-employment checks.

8.4 Are employers entitled to monitor an employee's emails, telephone calls or use of an employer's computer system?

Interception of employee emails, telephone calls and computer system, in general, requires consent of the employee concerned. The use of an employer's network, emails, telephone and computer system must be clearly regulated under the CR or CLA or a separate policy. However, the view of the authors of this chapter is that the monitoring of employee's emails, telephone calls and computer system shall only be limited to communications and activities that are conducted through the employer's facilities.

8.5 Can an employer control an employee's use of social media in or outside the workplace?

There are no laws and regulations governing this issue. However, an employer's control over an employee's use of social media can be regulated under the CR or CLA.

9 Court Practice and Procedure

9.1 Which courts or tribunals have jurisdiction to hear employment-related complaints and what is their composition?

The Industrial Relations Court hears and examines industrial relations disputes. Each case will be heard and examined by a panel of three judges, consisting of a career judge as the chairperson of the panel and two *ad hoc* judges as members, one of whom is nominated by the labour union and the other by the employers' organisation.

9.2 What procedure applies to employment-related complaints? Is conciliation mandatory before a complaint can proceed? Does an employee have to pay a fee to submit a claim?

The IRDS Law recognises four types of industrial relations dispute, i.e., disputes over rights, interests, termination of employment, and disputes between labour unions within one company.

Pursuant to the IRDS Law, settlement of industrial relations disputes must first be attempted through bipartite negotiations between the employer and the employee in the spirit of deliberation to reach a consensus. The negotiations should not exceed 30 business days from their commencement, and will be deemed to have failed if one of the parties refuses to negotiate or if, at the conclusion of 30 business days, the parties have not reached a consensus.

If the bipartite negotiation is unsuccessful, either party or both may submit the dispute to the local office of the Manpower Agency by enclosing evidence of the negotiation, for its registration. Following the registration, parties have the choice of dispute settlement by way of *conciliation*, *arbitration*, or *mediation*. If the parties, at the conclusion of seven business days, do not express their choice, the manpower agency will forward the case to an inhouse mediator. In practice, disputing parties tend to opt for the mediation process as the preferred means of their dispute resolution, as it is free of charge.

Upon completion of this stage, the mediator/conciliator will issue a recommendation. If either party disagrees with the recommendation, the disputing party may bring this dispute to the Industrial Relations Court. A court fee will not be charged for claims under IDR 150 million. For a claim above IDR 150 million, a court fee will be charged at the panel of judges' discretion.

If the disputing party chooses to settle their dispute through arbitration, upon the issuance of arbitration award, the parties can no longer bring their dispute to the Industrial Relations Court. However, they may submit an application for setting aside the award to the Supreme Court.

9.3 How long do employment-related complaints typically take to be decided?

Under the IRDS Law, the Industrial Relations Court must render its decision within 50 business days of the first hearing. However, in practice, it may take longer due to the heavy caseload of the Industrial Relations Court.

9.4 Is it possible to appeal against a first instance decision and if so, how long do such appeals usually take?

Yes, there is one stage of appeal available to the Supreme Court. However, appeal is limited to disputes over termination and rights. Under the IRDS Law, the Supreme Court must render its decision within 30 business days of receipt of a petition for appeal. However, in practice, it may take longer due to the heavy caseload of the Supreme Court and complicated administrative process between the Industrial Relations Court and the Supreme Court.

10 Returning to the Workplace After COVID-19

10.1 Can employers require employees to be vaccinated against COVID-19 in order to access the workplace?

While there are no regulations mandating employers to require employees to be vaccinated against COVID-19, employers can use several provisions under the existing law as a basis to require its employees to be vaccinated against COVID-19 before the employees are permitted to work.

Law No. 1 of 1970 on Occupational Safety ("**Occupational Safety Law**") stipulates that employers must prevent and control the emergence of occupational disease whether physical or psychological, poisoning, infections or transmission of disease. The Occupational Safety Law also requires employees to fulfil and obey all occupational health and safety terms obligated by the employers.

A similar stipulation also exists under the Manpower Law, which requires an employer to take care of welfare, safety and health, both mentally and physically, of its employees. On the other hand, the Manpower Law also stipulates that employees are entitled to protection of occupational health and safety.

Note, however, that several regional governments in provincial or regency/city levels may have several more specific regulations on this aspect. For example, in the Jakarta province, its Head of Manpower Agency has issued Decree No. 1972 of 2021 which mandates that all working activities in essential and critical sectors resume following the completion of COVID-19 vaccination for all employees.

The foregoing laws and regulations may be used by employers to require its employees to be vaccinated against COVID-19.

In addition, general law and regulations on the prevention and control of COVID-19 may also be used. For example, Law No. 14 of 1984 on Infectious Disease and Law No. 16 of 2018 on Health Quarantine carry sanctions of imprisonment and fines for those who impede the handling of epidemics and those who refuse health quarantine measures, which include vaccination. Similar sanctions may also be regulated by regional governments, e.g., Jakarta Regional Government Regulation No. 2 of 2020 on the Handling of Covid-19, which carries more severe sanctions than the law at national level.

10.2 Can employers require employees to carry out COVID-19 testing or impose other requirements in order to access the workplace?

On the same basis as explained in question 10.1 above, employers can also require employees to carry out COVID-19 testing or impose other requirements in order to access the workplace.

10.3 Do employers need to change the terms and conditions of employment to adopt a "hybrid working" model where employees split their working time between home and the workplace?

If the working time and work locations are specifically agreed upon in the employment agreement, an amendment of the employment agreement would be required. Otherwise, employers can change the terms and conditions of employment in the CR or by way of other instruments, e.g., standard operating procedure ("**SOP**") or manually.

10.4 Do employees have a right to work from home if this is possible even once workplaces re-open?

Employees will have such right if it is agreed in the employment agreement or regulated in the CLA or CR. Otherwise, employees must obey the prevailing working conditions, i.e., to work at the office once the workplace is reopened.

Indra Setiawan is a key figure in ABNR's employment practice, advising an extensive portfolio of blue-chip domestic and multinational corporations across the entire spectrum of manpower law.
He helps clients to understand and comply with the complex rules governing the employment of both locals and expatriates in Indonesia, advising on the employment aspects of corporate transactions, such as M&A, asset acquisitions and spin-offs, and assisting clients with the development of redundancy strategies and packages, including communications strategies so as to avoid industrial relations dispute.
He also frequently represents employers directly during negotiations with employees and labour unions in relation to industrial disputes and strikes, and regularly acts for clients at bipartite meetings, mediation, before the Industrial Relations Court and on appeal in the Supreme Court.
Indra is ranked for Employment by *Chambers Asia Pacific 2022* and as a "Leading Individual" for Labour & Employment by *The Legal 500 Asia Pacific*.

ABNR – Counsellors at Law
Graha CIMB Niaga, 24th Floor
Jalan Jendral Sudirman Kav. 58
Jakarta 12190
Indonesia

Tel: +62 21 250 5125
Email: isetiawan@abnrlaw.com
URL: www.abnrlaw.com

Ridzky Firmansyah Amin joined ABNR in February 2008 and is currently a Senior Associate in the firm. He graduated from the Faculty of Law, Padjadjaran University, in 2008. He received the New Zealand – ASEAN Scholars Award ("NZAS") for postgraduate study, and in January 2013 completed his LL.M. with Honours at the University of Auckland, New Zealand, majoring in Litigation and Dispute Resolution.
Ridzky's main practice areas encompass commercial litigation, arbitration and dispute resolution, shipping and maritime, as well as employment matters. His employment practice within ABNR includes drafting and reviewing employment contracts, employee handbooks and manuals, collective labour agreements, as well as providing advice and assistance in employment termination and negotiations, including complex employment matters arising from mergers, acquisitions, restructuring and reorganisation. He also represents clients before the employment authorities and the Industrial Relations Court in employment disputes.

ABNR – Counsellors at Law
Graha CIMB Niaga, 24th Floor
Jalan Jendral Sudirman Kav. 58
Jakarta 12190
Indonesia

Tel: +62 21 250 5125
Email: tamin@abnrlaw.com
URL: www.abnrlaw.com

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