

# NEWSLETTER

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## PROVINCIAL SECTORAL MINIMUM WAGE FOR 2015

The Governor of the Jakarta Special Capital City Region has determined the minimum wage for specific industrial sectors under the Governor Regulation No. 20 of 2015 concerning the Provincial Sectoral Minimum Wage (*Upah Minimum Sektoral Provinsi / UMSP*) (“**Governor Regulation No. 20/2015**”).

The Governor Regulation No. 20/2015 regulates the statutory minimum wage for the following industrial sectors in Jakarta:

1. Construction and Public Works;
2. Chemical, Energy and Mining;
3. Metal Work, Electronics and Machinery;
4. Automotive Industry;
5. Insurance and Banking;
6. Food and Beverage;
7. Pharmaceuticals and Health Service;
8. Textiles, Apparel and Leather;
9. Tourism;
10. Telecommunications; and
11. Retail.

The following are the Provincial Sectoral Minimum Wages:

<b>Construction And Public Works</b>	Ranging from IDR 102,920 to IDR 157,901 per day
<b>Chemical, Energy and Mining</b>	Ranging from IDR 2,800,000 to IDR 2,835,000 per month
<b>Metal Work, Electronics and Machinery</b>	Ranging from IDR 2,916,000 to IDR 3,550,000 per month
<b>Automotive</b>	Ranging from IDR 3,377,000 to IDR 3,399,000 per month
<b>Insurance and Banking</b>	The monthly wage is IDR 2,835,000
<b>Food and Beverage</b>	The monthly wage is IDR 2,835,000
<b>Pharmaceuticals and Health Services</b>	Ranging from IDR 2,781,000 to IDR 2,902,500 per month
<b>Textiles, Apparel and Leather</b>	Ranging from IDR 2,700,000 to IDR 2,835,000 per month
<b>Tourism or Hospitality</b>	The monthly wage is IDR 2,835,000
<b>Telecommunication</b>	The monthly wage is IDR 2,835,000
<b>Retail</b>	The monthly wage is IDR 2,951,000

The Governor Regulation No. 20/2015 further regulates the minimum wage for the subsectors of each of the above sectors.

An employer is prohibited to pay an employee's salary lower than the provincial sectoral minimum wages ("**Minimum Wages**"). The Minimum Wages only apply for employees, who have been working for less than 1 (one) year. The review of employee's wage, who has been working for more than 1 (one) year is determined based on written agreement between the employee and the employer.

The Governor Regulation No. 20/2015 came into force on 2 February 2015 and applies retroactively from 1 January 2015.

Please contact us for further inquiries.