



CLIENT NEWSFLASH

Minimum Wage for DKI Jakarta Province Increased to Rp2,700,000 for 2015

The Governor of DKI Jakarta has determined a new Provincial Minimum Wage (“UMP”) that applies to every employer in DKI Jakarta, except those covered by special sectoral minimum wages. The UMP is stipulated under Governor of DKI Jakarta Regulation No. 176 of 2014 regarding Provincial Minimum Wage for 2015, dated November 17, 2014 (“Governor Regulation”).

Based on the Governor Regulation, the UMP for DKI Jakarta Province in 2015 will be Rp2,700,000/month, starting from January 1, 2015. This is an increase of almost 11% over the 2014 UMP of Rp2,441,301/month, which was stipulated under Governor of DKI Jakarta Regulation No. 123 of 2013 regarding Provincial Minimum Wage for 2014.

The increase is lower than that for surrounding regions, such as Banten and Jawa Barat, where the UMP will increase almost 21% and 18%, respectively.

In the event an employer believes it is unable to pay the new UMP, the employer may request a suspension from the relevant manpower service office no later than 10 (ten) days before the UMP becomes effective on January 1, 2015.

December 1, 2014

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