

CBA ANALYSIS OF THE PT SULAWESI MINING INVESTMENT

YEAR OF EDITION: 2023-2025

Profile:

COLLECTIVE BARGAINING AGREEMENT (CBA) PT. SULAWESI MINING INVESTMENT 2023–2025

PT. Sulawesi Mining Investment is a company headquartered in South Jakarta Administrative City, established under Notary Deed No. 22, dated September 7, 2009, by Notary Merryana Suryana, SH, in Jakarta. It was officially ratified under Decree AHU-46072.AH.01.01.Year 2009, issued in Jakarta on September 16, 2009.

1. BEST PRACTICES FOR FREEDOM OF ASSOCIATION

Article 9: Recognition

1. The Employer recognizes that labor unions are legitimate worker organizations authorized to represent their members in accordance with the union's functions, roles, and responsibilities, as implemented under applicable regulations.
2. Labor Unions and Employers mutually respect one another and will not interfere in each other's internal affairs.

Article 10: Protection

1. The Employer acknowledges that the PUK/PK/PSP of PT. Sulawesi Mining Investment is a legitimate labor union authorized to represent its members. Workers grant power to the labor union that has an employment relationship with the company to act on their behalf.
2. The Employer ensures fair labor practices and imposes sanctions on those who suppress unions, defame, damage union publications, or obstruct union activities.
3. Workers elected as union officials or appointed to represent the union will not face discriminatory actions or reprisals, directly or indirectly, from the Employer or their superiors due to their functions and responsibilities.
4. At the union's request, the Employer provides dispensations to officials or members designated by the union to perform organizational tasks, such as consultations or attending meetings, training, seminars, and workshops related to union interests, without reducing their rights as workers.
5. Before imposing sanctions on union officials or members registered with the Manpower Office for violations of this CLA, the Employer must first notify the union's management.

Article 11: Facilities

The Employer provides the following facilities for labor unions:

1. Membership Fee Deductions:
 - a. The Employer assists in deducting union membership fees from workers'

- wages based on authorization letters provided by workers.
- b. These deductions are recorded by the Employer through payroll mechanisms.
- c. If a worker resigns from union membership, they must provide a withdrawal authorization to stop the wage deductions.
2. Financial Assistance: The Employer provides financial assistance based on requests and approved needs to support the operational/development activities of labor unions (PUK/PK/PSP) within the company.
 3. Notice Boards: The Employer ensures the union has a notice board in an accessible area within the workplace. All union publications must receive prior approval from the Employer.
 4. Meeting Spaces: At the union's request, the Employer allows union meetings to be held in company-owned spaces and loans necessary equipment, subject to availability and approval.
 5. Meetings During Work Hours: Union officials may summon members for union-related matters during work hours, provided prior notification and approval are obtained from the responsible supervisor.
 6. Introduction During Employee Induction: Unions are given time to introduce themselves during new employee induction programs, with the technical arrangements coordinated with the Employer.

Note:

Articles on recognition, protection, and facilities demonstrate acknowledgment of the existence of labor unions, founded on the principles of freedom of association and assembly, as well as freedom of expression, enshrined in Articles 28 and 28E(3) of the 1945 Constitution and Law No. 21 of 2000. These provisions must be implemented effectively and tangibly, not merely exist on paper.

2. BEST PRACTICES ON WAGES

Article 49: Wages

The company pays employees' wages at the end of each month or no later than the 3rd day of the following month. Any changes will be communicated through a written notice. Wage components include:

- a. Basic Salary
- b. Fixed Allowances:
 - i. Location Allowance
 - ii. Housing Allowance
 - iii. Family Allowance
- c. Non-Fixed Allowances:
 - i. Attendance Allowance
 - ii. Night Shift Allowance
 - iii. Length of Service Allowance

Note:

Fixed allowances such as location, housing, and family allowances are mandated

under labor laws and Circular Letter SE-07/MEN/1990. However, it would be better to specify the percentage or nominal amount for each allowance within the Collective Labor Agreement (CLA).

Article 55: Family Visit Leave

1. Employees are entitled to Family Visit Leave after a certain period of employment, with accommodation assistance provided as regulated in the implementation details.
2. Employees will receive full wages during Family Visit Leave.
3. Employees whose employment ends are not entitled to compensation for unused Family Visit Leave.
4. To ensure smooth company operations, employees in the 30-day notice period after submitting a resignation cannot take Family Visit Leave.

3. BEST PRACTICES ON SOCIAL SECURITY

Article 50: Non-Wage Income and Benefits

Non-wage income is provided to certain employees in the form of:

- a. Performance Bonuses based on Position.
- b. Performance Bonuses based on Work Performance.
- c. Production Bonuses.

The company provides Holiday Attendance Allowance, Health and Employment BPJS, and Family Visit Leave.

Note:

The above-mentioned bonuses should be detailed regarding their amounts. Similarly, BPJS Employment programs should be explained, including the details of participation. The terms for Family Visit Leave should also be clearly outlined.

Article 51: Assistance for Employees

Employees detained by law enforcement on suspicion of committing a criminal act will not receive wages. However, financial assistance will be provided to the employee's lawful dependents as follows:

1. For one dependent: 25% of monthly wages.
2. For two dependents: 35% of monthly wages.
3. For three dependents: 45% of monthly wages.
4. For four dependents: 50% of monthly wages.
5. The calculation basis is Basic Salary plus Fixed Allowances.
6. Assistance is provided for a maximum period of six months starting from the first day the employee is detained.

Note:

This provision aligns with Article 53(1) of Government Regulation No. 35 of 2021, which states that if a worker is detained by authorities on suspicion of a criminal act, the employer is not obligated to pay wages. However, the employer must provide assistance to the worker's dependents.

4. BEST PRACTICES ON GENDER

Article 32: Prevention of Violence and Sexual Harassment in the Workplace

1. The company provides a mechanism for reporting sexual violence within the workplace.
2. The company maintains the confidentiality of victims, reporters, and witnesses.
3. The company enforces zero tolerance for sexual harassment and violence in the workplace.

Article 33: Handling Violence and Sexual Harassment in the Workplace

1. Handling of violence and sexual harassment within the company is based on the following principles:
 - a. Fairness for victims and perpetrators.
 - b. Confidentiality.
 - c. Prevention of recurrence.
 - d. Comprehensive resolution.
2. The company, employees, and unions ensure the confidentiality of reports.
3. The company, employees, and unions protect victims.

Note:

In many cases of violence and sexual harassment, unions are often excluded by management, especially in office settings. Therefore, it is essential to conduct more extensive outreach, promote best practices, and raise awareness of gender equality by organizing seminars or workshops on sexual harassment, violence, and gender equality.

5. BEST PRACTICES ON OCCUPATIONAL HEALTH AND SAFETY (K3)

Article 23: Personal Protective Equipment (PPE)

1. The company is obligated to provide personal protective equipment (PPE), which is part of the company's inventory, to employees according to the type of work and potential hazards in their respective workplaces.
2. Employees are required to use the PPE provided in accordance with the company's regulations on PPE, considering the type of work and potential hazards in their respective workplaces.
3. Employees are prohibited from altering/modifying and/or defacing PPE at their own initiative.
4. Employees are prohibited from selling PPE provided by the company to third parties for personal gain.
5. Detailed regulations regarding PPE will be outlined in the Implementation Guidelines.

Article 30: Occupational Health and Safety

1. The company establishes and documents regulations and requirements for Occupational Health and Safety (K3) within the workplace in accordance with applicable laws and regulations.

2. The company prevents workplace accidents throughout its premises by implementing controls, training, and outreach on K3 based on the job requirements in each workplace, and by providing appropriate safety equipment for the working environment.
3. The company prevents occupational diseases by monitoring working conditions and employee health, improving working conditions, and providing health services when necessary, in accordance with applicable regulations.
4. The company conducts "safety talks," which are informational sessions on K3 to inform employees about workplace hazards and how to mitigate them.
5. Employees are required to attend safety talks in their respective work areas.
6. Employees must adhere to K3 regulations implemented by the company, including participating in training and outreach if designated by the company.
7. Employees must promptly prevent unsafe actions or conditions. If such conditions or actions are identified, they must be reported immediately to their supervisor or the K3 officer to prevent workplace accidents or occupational diseases that may harm people or damage company property.
8. Competent employees must provide first aid immediately in the event of a workplace accident, ensuring the area is safe and free from additional hazards.
9. Employees are prohibited from using communication devices other than those authorized by the company while performing their duties, such as (but not limited to) mobile phones/smartphones, tablets, mini laptops, and similar devices, which could pose workplace safety risks.
10. Employees are prohibited from consuming alcohol during working hours or entering the workplace after consuming alcohol.
11. Employees are prohibited from using, possessing, carrying, and/or distributing narcotics, psychotropics, and other addictive substances during working hours or within the workplace.

Note:

*It is crucial to include provisions in the CLA regarding the establishment of the **Occupational Health and Safety Committee (P2K3)**, which serves as an advisory body in the workplace. This committee provides a platform for cooperation between employers and employees to promote mutual understanding and effective participation in implementing occupational health and safety measures. Additionally, forming a **K3 Committee**, comprising representatives from employees and management, is essential. This committee would be responsible for monitoring and implementing K3 policies. The chairperson of the K3 Committee should be a senior management representative, while the secretary should be a certified general K3 expert.*