

COMPARISON BETWEEN PKWT & PKWTT



ABOUT	PKWT	PKWTT
<p>CONTRACT PERIOD</p>	<p>the PKWT can only be made for certain work, which as to the type and characteristics or work activities concerned will be completed within a certain period of time:</p> <p>a) period of time, namely:</p> <ul style="list-style-type: none"> i. work which is estimated to be completed in a short period of time, maximum of 5 years; ii. work that is seasonal in nature; or iii. work related to new products, new activities, or additional products that are still in trial or exploration. <p>b) completion of certain works, namely:</p> <ul style="list-style-type: none"> i. a one-time work; or ii. work that is temporary in nature 	<p>There is no time limit until retirement age or workers die.</p>
<p>PROBATION PERIOD</p>	<p>PKWT cannot include a probation period. If a probation period is stipulated in a PKWT, the probation period is deemed null and void.</p>	<p>Can include an up to 3 months probationary period. Once the probationary period is over, the employer must issue a letter to the employee that they are now a permanent employee.</p>



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<p>COMPENSATION</p>	<p>PKWT who have worked for at least one consecutive month, the employer shall be obligated to provide compensation money at the expiration of the PKWT or if either party terminates the employment relationship prior to the expiration of the said PKWT.</p> <p>PKWT employees shall be compensated by the company under the following formulation, depending on the period of PKWT. If there is a mid-term termination of a PKWT, the compensation is calculated on the actual number of months of service completed by the employee.</p> <p>(a) 12 consecutive months will be eligible for one month wage compensation;</p> <p>(b) Less than or more than 12 months will be eligible for compensation on a pro-rated basis, as follows:</p> $\frac{\text{Working period (monthly)}}{12} \times \text{one month wage}$	<p>Unregulated</p>



Compensation for Contract Employee

Exception of Compensation Money for Contract Employee:

1. Employee passed away (already given mourning money);
2. Court decisions and/or Industrial institution decisions that have permanent legal force;
3. Certain condition that written on work agreement & Company Regulation;
4. Foreign worker.

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Maximum Working Hours	<ul style="list-style-type: none">• 8 hours per day and maximum 40 hours per week (Five Days Work Week).• 7 hours per day and maximum 40 hours per week (Six Days Work Week). <p>Any extra hours in a day/week are considered overtime hours.</p>	Same between PKWT & PKWTT
Overtime	Changed to Maximum 4 hours in 1 day and 18 hours in 1 week	Same between PKWT & PKWTT

Employer required to pay overtime to all employees. However, certain categories of employees are not entitled to receive overtime payment provided that they receive higher salaries.

These employees are, literally translated, employees with responsibilities as thinkers, planners, executors and controllers of the company's operations whose working hours cannot be limited. It is widely thought that employees with these responsibilities are those at or above the management level or professional employees.



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<p>OBLIGATION FOR EMPLOYEE TERMINATION</p>	<ul style="list-style-type: none"> In PKWT, The party who terminated the employment contract before the end of the contract must pay compensation in the amounts of wages until the end of the contract. (THE EXCEPTION REGULATION IN ARTICLE 61 EMPLOYMENT LAW) Termination of Employment not be reported to the Industrial Relations Dispute Settlement Agency (LPPHI) because only two parties between Company and employee 	<ul style="list-style-type: none"> Company is required to provide severance pay, service pay and compensation pay to PKWTT employees; <p>Type of Compensation Pay:</p> <ol style="list-style-type: none"> Unused annual leave that has not yet expired; Cost for employee & their family to where they're accepted to work; and Another adjustment in Contract or Company Regulations. <ul style="list-style-type: none"> Termination of Employment must be reported to the Industrial Relations Dispute Settlement Agency (LPPHI) as third party.
<p>ARTICLE 61 EMPLOYMENT LAW</p>	<p>The employment agreement ends when:</p> <ol style="list-style-type: none"> Employee passed away; End of contract Period; Court decisions and/or Industrial institution decisions that have permanent legal force; Certain condition that written on work agreement & Company Regulation; 	



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CONTRACT REGISTRATION & REPORT	<ul style="list-style-type: none">• Company must register PKWT with the Ministry in the field of Employment online maximum of 3 working days from the signing of the PKWT;• If online registration of PKWT is not yet available, registration is carried out by the entrepreneur written in the district/city Manpower office, no later than 7 working days from the signing of the PKWT.	Unregulated

