



YOUR GUIDE TO INDONESIA'S MOST IMPORTANT NEWS OF THE DAY

Wednesday, Oct. 21th, 2020

GENERAL NEWS AND HEADLINES

Revisions made to final jobs law draft proposed by State Secretariat: PKS

CNN Indonesia (https://tinyurl.com/y5wxjs4g)

House of Representatives member Mulyanto of the Prosperous Justice Party (PKS) has affirmed that amendments made to the final draft of the Job Creation Law were proposed by the State Secretariat.

This was revealed after the State Palace denied allegations of having edited the final draft. Presidential expert staff member Ade Irfan Pulungan said he had never heard of revisions being made to the jobs law and that the draft had not changed since it was passed on Oct. 5.

Having previously formed a special team, the PKS House faction is still reviewing the differences between the two drafts – the 905-paged draft passed by the House and the 812-paged draft sent to the President. Mulyanto made an assurance that the findings would be made public sometime this week.

The PKS and the Democratic Party were the only political parties that opposed the jobs law.

Prabowo meets Austrian defense minister to explore Eurofighter deal

CNN Indonesia (https://tinyurl.com/yxa77664)

Defense Minister Prabowo Subianto is said to have met with Austrian Defense Minister Klaudia Tanner to discuss the purchase of a used Eurofighter Typhoon jet fighter, which Prabowo had been eyeing since June.

The two met at the Austrian Defense Ministry's office in Vienna on Oct. 20. Prabowo was accompanied by Indonesian Ambassador to Austria Darmansjah Djumala and Sugiono, House of Representatives Commission I member of the Gerindra Party.

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Plans to purchase second-hand weapon systems have drawn criticism in Indonesia, as the jet fighter was produced some dozen years ago. Despite arguments that used weapons can be acquired in bigger numbers and with faster deployments, doing so may risk security issues and taint the ministry's budget accountability.

Nine police personnel resign to join 2020 regional races

The Jakarta Post (https://tinyurl.com/y6taoapw)

Nine members of the National Police registered as candidates in the upcoming regional elections have resigned from their positions within the force to guarantee the institution's neutrality during the elections, the police have confirmed.

Police personnel who want to run as regional head candidates should submit a resignation letter to the National Police chief prior to registering at the General Elections Commission (KPU), the police's human resources department assistant, Insp. Gen. Sutrisno Yudi Hermawan, said.

"Without a resignation notice issued by the National Police chief, one cannot sign up as a candidate in the regional elections," he added.

The KPU has named nine former police personnel candidates in the 2020 regional elections in several regions, including West Sumatra, Central Java, South Sulawesi and North Maluku.

This year's regional elections are scheduled to take place simultaneously on Dec. 9 in 270 regions, including nine provinces, 224 regencies and 37 cities.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Unions demand 8 percent minimum wage increase in 2021

CNBC Indonesia (<u>https://tinyurl.com/y6szxex6</u>); Tempo (<u>https://tinyurl.com/y5e3zfgy</u>); Detik (<u>https://tinyurl.com/y6tcshnl</u>)

Confederation of Indonesian Trade Unions (KSPI) president Said Iqbal has demanded an 8 percent minimum wage hike for 2021, despite the negative impact of the COVID-19 pandemic. Said argued that, during the 1998 monetary crisis, then-president Bacharuddin Jusuf Habibie had ordered his manpower minister to increase Jakarta's minimum wage by 16 percent. At the time, the gross domestic product contracted by 17.6 percent. He also argued that an increase in

the minimum wage was necessary to maintain household spending, which in turn would boost economic growth.

Darmawan Junaiadi appointed as Bank Mandiri head

Kontan (<u>https://tinyurl.com/y2bsbxvl</u>); Bisnis Indonesia (<u>https://tinyurl.com/yytc9yg4</u>); CNBC Indonesia (<u>https://tinyurl.com/y344564e</u>)

The State-Owned Enterprises (SOEs) Ministry has appointed Darmawa Junaidi as president director of state-owned lender Bank Mandiri, replacing the previous president director Royke Tumilaar, who was appointed as the president director of state-owned lender Bank Negara Indonesia (BNI). Previously, Darmawan served as the bank's director of treasury, international banking and special asset management. Following Darmawan appointment, Panji Irawan was appointed to fill the vacant position. Besides Darmawan and Panji, the SOEs Ministry also appointed Alexandra Askandar as vice president director, Susana Indah as corporate director, Sigit Prastowo as finance director and Tony Eko Boy Subari as operational director.

Finance Ministry: Tax revenue collection behind target

Kontan (<u>https://tinyurl.com/y3khs4t3</u>)

The Finance Ministry announced that tax revenue collection from January to September this year had reached Rp 720.62 trillion (US\$49.15 billion), or 62.61 percent of the full-year target of Rp 1.198 quadrillion. To meet the target, the tax office must collect tax revenue amounting Rp 448.2 trillion. Finance Minister Sri Mulyani Indrawati said tax revenue collection in September was down 16.86 percent year-on-year (yoy), marking an improvement over July and August, when the annual contraction was 26.1 and 21.5 percent, respectively.

Completion of Adaro's Batang power plant delayed until next year

Kontan (https://tinyurl.com/y3ll3evb)

The completion of the 2,000 megawatt Batang coal-fired power plant is delayed until next year, coal mining firm PT Adaro Energy announced. Adaro president director Garibaldi "Boy" Thohir said the delay was due to the COVID-19 pandemic and electricity oversupply, which burdened state-owned electricity company PLN. Boy expressed hope that the power plant could begin operations by the end of next year.

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