

# Exploring Labor Union Rights and Protection: An Analysis of Indonesian Employment Law

Kelly Mutiara Illahi<sup>1\*</sup>, Ninne Zahara Silviani<sup>2</sup>, Lina Maulidiana<sup>3</sup>, Ledy Famulia<sup>4</sup>

\*Corresponding Author

## ABSTRACT

Received: 21-7-2023

Revised: 17-8-2023

Accepted: 15-9-2023

### Citation:

Illahi, K. M., Silviani, N. Z., Maulidiana, L., & Famulia, L. (2023). Exploring Labor Union Rights and Protection: An Analysis of Indonesian Employment Law. *Barelang Journal of Legal Studies*, 1(2), 130-150.

Specifically, for a labor union to participate in negotiations, it must meet the requirements stipulated in the provisions of the legislation governed by Indonesian Employment Law. As these regulations do not have interrelated provisions and can be considered as normative conflicts, this study is conducted to examine the validity of the application of collective labor agreements in a company and the legal protection for labor unions under such agreements. This research employs a normative research method, examining legal documents and literature with a legal and conceptual approach. The findings indicate that the validity of a collective labor agreement depends on its relationship with the validity of a norm under the principle of *lex superior derogate lex inferior* in legislation. Thus, Employment Law are enacted, but not without the role of labor minister regulations. The validity of the terms of a collective agreement is also necessary to underpin such an agreement. Legal protection for labor unions can take the form of both preventive and repressive measures outlined in the content of the collective labor agreement, providing supervision and legal protection.

**Keywords:** Collective Labor Agreement; Legal Regulations; Labor Union

DOI: <https://doi.org/10.37253/barjoules.v1i2.8880>

---

<sup>1</sup> Faculty of Law, Universitas Internasional Batam, Indonesia, [2051105.kelly@uib.ac.id](mailto:2051105.kelly@uib.ac.id)

<sup>2</sup> Faculty of Law, Universitas Internasional Batam, Indonesia

<sup>3</sup> Faculty of Law, Universitas Sang Bumi Ruwa Jurai, Indonesia

<sup>4</sup> Faculty of Law, Universitas Sang Bumi Ruwa Jurai, Indonesia

## INTRODUCTION

The economic mechanism behind the significance of transfers and capital income taxes in resolving these differences is quite straightforward in the legal context. The primary reason why the standard version of the incomplete market model predicts a highly negative correlation between wealth and employment is that most poor households that are counterfactually wealthy choose to work despite their low productivity (Yum, 2018). The rapid process of globalization in the 1990s, which continues to the present day, has led to crucial changes in the transformation of employment structures in both developed and developing economies (Gozgor, 2018). Considering employee performance management as a system implies a cycle in which various stages of performance management are coordinated (Van Thielen, Bauwens, Audenaert, Van Waeyenberg, & Decramer, 2018). Employee engagement is a key component influencing employee performance and the financial success of the organization (Kang & Busser, 2018).

Employee performance refers to the actions related to the expected tasks of an employee and how these actions are carried out (Iqbal & Asrar-ul-Haq, 2018). The expected contributions of employees may not align with the contributions of their leaders (Audenaert et al., 2018). The indirect workforce effect involves upstream and downstream industry expenditures related to the overall production cycle in the supply chain (Wang, Zhang, Cai, & Xie, 2013). In addition to individual capacity to be creative in their work, perceived support at the organizational level is another crucial factor in encouraging employees to engage in communicative actions (Lee, Mazzei, & Kim, 2018). Training and development are essential activities in the hospitality organization due to the high costs associated with employee turnover (Jaworski, Ravichandran, Karpinski, & Singh, 2018). Considerations refer to Law Number 13 of 2003 concerning Employment, which states that the workforce plays a very important role and position as an actor in development and the goal of development (Khakim, 2014).

Therefore, employment development is needed to enhance the quality of the workforce and its participation in development, as well as to improve the protection of workers and their families in accordance with human values and dignity (Khakim, 2014). This is because workers expect a decent livelihood provided by the government through employers in a company (Taniady,

Anggraini & Riwayanti, 2021). Hence, to mutually agree within a company, to support a good working system and avoid work-related issues, employment relationships need to be strengthened and assured through an individual employment agreement, as employment agreements only bind the employer and the employee as individuals (Mustamin, Santoso, & Sajidin, 2022).

An agreement can be called an employment agreement if it regulates employees, wages, and instructions. Article 1338 of the Civil Code states that any valid agreement is a law for those who make it (Subekti, R. & Tjitrosudibio, 2014). Agreements cannot be made based on the agreement of the parties but must fulfill the parties' ability to perform legal actions, the conditions promised in the job, and not contradict public order, morals, and applicable laws and regulations. & Tjitrosudibio, 2014). Employment agreements made by these parties sometimes benefit one party (employer) more and limit the interests of the workers themselves. Similarly, with the existence of Collective Labor Agreements (*Perjanjian Kerja Bersama/PKB*), which is one of the means of industrial relations resulting from joint industrialization and is crucial in the industrial relations process. Collective labor agreements can provide safer job protection and guarantees for both parties, workers, and employers (Nita, & Susilo, 2020). The existence of collective labor agreements has been guaranteed through Employment Law, especially if there is a workers' union in a company that requires the establishment of a collective labor agreement. By understanding the intrinsic value of the existence of PKB in a company, it is hoped that both workers and employers will take the initiative to realize and maintain the implementation of PKB (Manurung, Noviyana, Fauzi, Sumiaty, Kamarulzaman & Tanjung, 2022). The purpose of establishing a PKB is to; determine working conditions and job requirements; regulate the relationship between employers and workers; regulate the relationship between employers or employer organizations and workers' organizations. To engage in negotiations for mutual agreement, workers' unions need to meet the requirements stipulated in the laws and regulations.

The provisions in question are found in Article 119 and Article 120 of the Employment Law. In brief, it is stated that the entity authorized to represent negotiations is a company with a single labor union comprising more than 50% of the total members within the company. If this condition is not met, a vote will be conducted, and if unsuccessful, it must be done within the next 6 months. Companies with more than one labor union must meet the same requirements, and if not fulfilled,

coalition formation is mandated, and a negotiating team can be formed with its members determined proportionally. It is noteworthy that Articles 18 and 19 of Ministerial Regulation No. 28 of 2014 differ from the Employment Law. In the case of a company having a single labor union, it must consist of more than 50% of the members with support organized by a committee comprising union executives and worker representatives, excluding union members. Companies with more than one labor union can negotiate with a maximum of 3 unions, each requiring a minimum of 10% membership. Failure to meet these requirements, i.e., lack of support through a vote or failure to meet the specified criteria, can be detrimental to the workers themselves. Furthermore, the Employment Law addresses coalition formation in the event of workforce/employee shortage in a company, whereas Ministerial Regulation No. 28 of 2014 is silent on this matter, providing no further clarification, thereby jeopardizing legal certainty and protection for labor unions. Essentially, Ministerial Regulation No. 28 of 2014 serves as an implementation of Article 133 in the Employment Law. However, an examination of the content of both laws reveals uncertainties or norm conflicts in regulating the implementation of PKB, leading to disharmony among labor unions in achieving the objectives of PKB. Normative inconsistencies and conflicts can prove detrimental to stakeholders, as legal conditions that should apply in various situations differ across companies and their respective labor unions.

Thus, this research aims to comprehend norm conflicts in order to provide legislation and legal protection for labor unions. This study is a normative legal study, meaning that its object consists of legal regulations and literary documents, or in other words, it examines the laws or regulations applicable to a specific legal issue (Soerjono & Abdurrahman, 2003). In this paper, the researcher reviews both the Employment Law and Ministerial Regulations that are interrelated regarding the provisions for labor unions in the creation of collective labor agreements. However, there is a lack of synchronization between these two regulations. It is necessary to review and hopefully identify which provisions can offer equivalent legal protection for the rights of both labor unions and employers.

## **METHOD**

The author employs the normative legal research method in composing this article. Normative legal research is a methodological approach in legal studies that focuses on analyzing

existing legal norms, principles, and doctrines to derive theoretical insights and understand the structure of the legal system. In normative legal research, scholars delve into legal sources such as statutes, regulations, judicial decisions, and legal doctrines to examine the normative framework governing a particular area of law. Unlike empirical legal research that relies on observable data and social phenomena, normative legal research is concerned with the evaluative and prescriptive aspects of law. Researchers engaged in normative legal studies aim to contribute to legal theory, critique existing legal norms, propose reforms, or develop a deeper understanding of the normative foundations that guide legal systems. Through a rigorous examination of legal principles, normative legal research seeks to provide normative guidance and contribute to the ongoing discourse on the development and improvement of legal frameworks. This choice is attributed to the presence of legal rules, principles, and legal doctrines within the content, all of which prove instrumental in addressing the legal topics raised by the author. Additionally, the article relies on secondary data sources, as opposed to primary sources, to support its arguments (Disemadi, 2022). The nature of this article is descriptive, characterized by sentences that depict a particular issue or situation.

## **DISCUSSION AND ANALYSIS**

### **Validity of Collective Labor Agreements in a Company**

Validity implies the legal strength, credibility, and quality of something that makes it a legal support and is more related to the law. Therefore, legal principles or regulations that exist in society must fulfill the elements stated by Soekanto as follows (Tobing, 2012): The law applies juridically, sociologically, and philosophically. In connection with collective labor agreements, it is necessary to have legislation or written legal norms created to regulate community life. Legislation must meet certain requirements, namely openness in its creation and granting the right to members of the community to propose various suggestions. Thus, a legal product produced in response to the desires of the community is called a responsive legal product (MD, 1999), meaning that the law must be authoritative and just; it must be able to recognize public will and be committed to achieving substantive justice (Nonet, Philippe, & Selznick, 2003). Effective legislation must substantively consider several principles, namely (Husni, 2000): The

law must not be retroactive; *lex superior derogat lex priori*; *lex specialis derogat lex generalis*; and *lex posteriori derogat lex priori*.

Legal principles according to Klanderman, as stated in the book by Mertokusumo, function to legalize and have normative influence and bind the parties involved (Mertokusumo, 1996). A collective labor agreement, as understood, is a part of an agreement involving one or more parties with another party to establish rights and obligations that can provide legal certainty. The Collective Labor Agreement is one of the alternative means under government auspices for a company to provide greater welfare for its employees. Therefore, it is declared as a binding agreement with a legal basis, establishing written norms about the process of making collective labor agreements.

In the provisions of the Employment Law, the normative reasons for the importance of the existence of collective labor agreements within a company are outlined persuasively. These agreements are crucial to support the labor-employer relationship encompassing elements such as work, wages, and directives. They articulate the terms of work, the rights and obligations of both parties, establishing an equal footing between workers and employers through negotiations and consultations. Moreover, these agreements serve as instruments for the implementation of industrial relations and form the basis and obligation for labor unions, workers, and employers to abide by them. They provide guidelines for crafting employment agreements. In connection with labor laws and regulations, whether conflicting or otherwise, it is imperative to scrutinize the content of each regulation to ascertain any possible inconsistencies and ensure a comprehensive understanding of their intended meaning.

During negotiations, execution, and the formulation of the content or clauses of collective labor agreements, labor unions collaborate with employers. However, unions are not free to execute these agreements without regulations; specific conditions must be met. Legislative provisions are outlined in both Article 119 and Article 120 of Employment Law Number 13 of 2003, as well as Article 18 and Article 19 of Ministerial Regulation No. 28 of 2014. In the practical establishment of Collective Labor Agreements within a company, the number of union members may not be proportionate to the total number of workers. Therefore, meeting the required membership number becomes challenging due to constraints.

Not all workers are willing to become union members, and despite various alternatives, there is no guarantee that unions can successfully negotiate. The divergence in the aforementioned regulations poses a dilemma for labor unions and workers themselves, as they navigate legal challenges in their pursuit of well-being. Referring to Article 119 and Article 120 of the Employment Law, as well as Article 18 and Article 19 of Ministerial Regulation No. 28 of 2014, the limitations on the number of assigned members make it challenging for labor unions to reach collective agreements. This situation aligns with the legal principle of *lex superior derogate lex inferiori*, where higher rules override lower laws, creating a complex scenario for unions and workers in their quest for prosperity.

In acknowledgment of employees' participation in policy-making within the realm of labor relations at the company; as a means to facilitate employers, labor unions, and workers in understanding their respective rights and obligations; as a legal foundation in the creation of employment agreements; as a tool to prevent or reduce industrial relations disputes, thereby ensuring greater tranquility and smoothness, including the peace of mind of business owners in devising company development plans; and as a mechanism to facilitate the resolution of industrial relations disputes at the company level. Furthermore, Collective Labor Agreements (PKB) aim to (Anonymous, 2003): Strengthen and clarify the rights and obligations of workers towards labor unions and employers; create a harmonious industrial relationship within the company; jointly establish terms and conditions of employment, and/or develop conditions of employment that have not been regulated, both in statutory regulations and in the improvement of conditions regulated by statutory regulations; and create job security for workers and business certainty for employers due to clear regulation of the rights and obligations of both parties. The benefits of collective labor agreements include (Anonymous, 2003): Certainty of rights and obligations in all matters related to industrial relations and the implementation of applicable laws and regulations; fostering a sense of work by avoiding potential arbitrariness and harmful actions by one party against another and various uncertainties in employment relationships; and promoting increased work productivity. Based on the above explanation, the researcher argues that the validity of Collective Labor Agreements has benefits as a juridical foundation for employers and labor unions; thus, the juridical foundation will solve operational issues within the company.

The existence of legislation regarding the terms of collective labor agreements, which is one of the supporting means for enhancing productivity and the well-being of workers, is inseparable from the roles of employers and workers in the industrial relations process. This is based on cooperation principles such as "Partner in Production," "Partner in Profit," and "Partner in Responsibility," as outlined by Sumanto (2014). In the realm of legal theory, collective labor agreement rules must satisfy certain elements and be accepted by society, adhering to the natural law theory (Bruggink within the broader sense of legal theory). However, current legislation falls short of delivering justice for workers' unions in implementing these agreements, primarily because the fundamental legal requirement, the constitutional rule of the rule of law, is not fulfilled. This leads to a lack of synchronization among various legal norms.

In its formation, a collective labor agreement holds an equivalent position to a general agreement and must meet subjective and objective criteria, prerequisites for the validity of any agreement as stipulated in Article 1320 of the Civil Code (Khakim, 2014). This involves commitments from both parties involved in the labor agreement, namely workers and employers. To establish a collective labor agreement, the parties are required to reach an agreement, particularly in agreeing on the negotiation procedures. This is crucial since the formulation of negotiation rules is a strategic and highly significant aspect of any collective labor agreement. The success of such an agreement within a company is influenced by how well-crafted and precise the negotiation guidelines set by the involved parties are (Khakim, 2014).

Not through coercion, but through mutual agreement in forming a mutual agreement that gives rise to rights and obligations for each party. And, without agreement, there will be no contract or agreement. Skillful in making agreements; In the provisions of Article 52 paragraph (b) of the Employment Law, it stipulates that the parties, namely the company as the employer, must have the capability or capacity to perform legal acts. Therefore, employees who are present or affiliated with labor unions must be capable of performing legal acts, and if there are child workers who sign agreements, it must be done by their parents or guardians.

In relation to collective labor agreements, the object of the agreement is the determination of equal rights and obligations to provide mutual benefits between workers and employers in a company with provisions that can determine matters outside the law as long as they do not violate applicable legislation. Valid reasons; Certainly, in a collective labor agreement, the regulated



matters are related to labor, including wages, holidays, working hours, permits, guarantees, pensions, and others that are mutually beneficial to each party and do not contradict morality, public order, and applicable laws and regulations. Valid reasons; Certainly, in a collective labor agreement, the regulated matters are related to labor, including wages, holidays, working hours, permits, guarantees, pensions, and others that are mutually beneficial to each party and do not contradict morality, public order, and applicable laws and regulations.

Considering the theory of contract law and agreements in general, a collective labor agreement must adhere to the principles of contract law. These principles include the principle of freedom of contract (Ibrahim, Johannes., & Sewu, 2007); the principle of *pacta sunt servanda* (Kaligis, 2013); the principle of good faith; and the principle of consensualism (Subekti, 1992). A collective labor agreement is not a duplication of statutory regulations but discusses matters stipulated in normative provisions and descriptive behaviors in the form of commands and prohibitions (Khakim, 2013). Thus, a Collective Labor Agreement (PKB) holds a vital position as a result of an agreement between labor unions and employers who seek high productivity and competitiveness on one side and the well-being of workers and their families on the other (Sridadi, 2016).

The validity of a collaboration agreement can be realized if it meets the legal elements of an agreement, as well as the fundamental principles of joint employment agreements, so that the employment agreement made does not give rise to legal conflicts or industrial relations disputes that could disrupt the performance and productivity of a company but can enhance the well-being, goals, and functions of a joint employment agreement. Therefore, to ensure that the existence of the PKB can provide legal legitimacy, giving rise to stronger job protection and guarantees, it is necessary to implement relevant labor regulations, especially those related to PKB.

In conclusion, the validity of collective labor agreements (PKB) in a company holds significant importance in establishing a framework for harmonious and productive labor relations. These agreements, when carefully crafted and mutually accepted by both employers and employees, serve as a cornerstone for fostering a collaborative work environment. The negotiation and formalization of collective labor agreements allow for the consideration of the rights and interests of both parties, laying the groundwork for fair employment practices and dispute

resolution mechanisms. Furthermore, the validity of collective labor agreements contributes to stability within the company, as it provides a clear set of rules and expectations for all parties involved. This legal framework helps prevent potential conflicts and misunderstandings by outlining the rights and responsibilities of both employers and employees. The enforceability of these agreements ensures that the agreed-upon terms are adhered to, creating a sense of trust and predictability in the workplace. This stability, in turn, fosters a conducive environment for increased productivity and sustained growth. In essence, recognizing the validity of collective labor agreements is not only a legal necessity but also a strategic imperative for companies seeking long-term success. These agreements reflect a commitment to social responsibility and ethical employment practices, demonstrating a company's dedication to cultivating a positive work culture. By upholding the validity of collective labor agreements, companies can cultivate a collaborative atmosphere that not only protects the rights of workers but also enhances overall organizational performance and employee satisfaction.

## **Legal Framework for Employment Agreements in Indonesia**

In Indonesia, the regulations governing the formation of collaboration or outsourcing employment agreements are outlined in Article 64 of Law Number 13 of 2003 concerning Manpower. This provision explicitly states that employment agreements or the provision of labor services must be documented in writing. Over time, the term "contract" has acquired a more specific meaning, referring to a written agreement. Therefore, the term "contract" always implies both an agreement and a written document (Djoko Triyanto, 2004). An outsourcing agreement is a pact between the employer and the vendor regarding outsourcing business, resulting in rights and obligations in the outsourcing practice between the two parties, including their obligations to fulfill the rights of outsourced workers.

For an outsourcing collaboration agreement to be legally valid, it must meet four conditions as stipulated in Article 1320 of the Civil Code: 1. There must be consent from the parties involved; 2. There must be the capacity to enter into an agreement; 3. There must be a specific subject matter; 4. There must be a valid and acceptable cause, permitted and/or not contradictory to statutory regulations, public order, and morality. The first and second conditions are referred to as subjective conditions because they relate to the "individuals" or the parties, while the third

condition is termed as an objective condition as it pertains to the subject matter of the agreement. Failure to meet subjective conditions results in the annulment of the agreement by either party. This means that even though the agreement has been signed, a party dissenting with the agreement's process can file for the annulment of the agreement in court. On the other hand, if the objective conditions are not met, the agreement is legally void, implying that the agreement's content has no legal consequences for both parties because, legally, the agreement is considered never to have existed.

The provisions above constitute objective requirements, as they are explicitly and clearly regulated in labor legislation. Violations of these conditions, in whole or in part, can result in the nullification of the outsourcing cooperation agreement. This means that the content of the agreement has no legal effect for both parties because, legally, the agreement is considered to have never existed. According to Article 65 paragraph (8) and Article 66 paragraph (4), if the provisions intended for the outsourcing cooperation agreement are not fulfilled, everything related to labor, especially the employment relationship between workers and the labor provider, changes to the employment relationship between workers and the company that assigns the labor provider. To provide legal certainty regarding the rights and obligations of employers and suppliers, the outsourcing contract/agreement must include all the details of the cooperation agreement or agreement that is the object of cooperation to meet the provisions and requirements of outsourcing, including the willingness of the parties to fulfill the basic rights of workers in accordance with labor laws and regulations. In practice, cooperation agreements/outsourcing contracts only include agreements to perform a specific job with a specified general payment without specifying detailed clauses regarding the nature and types of work. They also do not outline the workflow, job protection, and conditions for workers. Unclear and vague outsourcing contracts/agreements regarding the nature and types of subcontracted work allow principals to freely and arbitrarily employ outsourced workers for the company's core activities. Similarly, cooperation agreements/outsourcing contracts that do not include clauses on protection and working conditions will result in the non-fulfillment of the protection and working conditions that are fundamental rights of workers.

## Legal Requirements for Corporate Entities Engaging in Outsourcing Activities

The legal subject refers to individuals with rights and obligations, possessing authority and capability to perform or refrain from certain actions. The authority and capability of outsourcing companies (vendors) to conduct their operations are regulated and constrained by Article 65 paragraph (3) and Article 66 paragraph (3) of Law Number 13 of 2003 concerning Employment Law. Article 65 paragraph (3) states: "Other companies as referred to in paragraph (1) must be legal entities." Meanwhile, Article 66 paragraph (3) states: "Labor supply providers must be legal entities with permission from the government agency responsible for labor affairs/Employment Law." Both provisions essentially stipulate that only legal entities can carry out labor or workforce outsourcing to ensure that outsourcing companies do not easily evade responsibilities and obligations towards workers and other third parties (Sehat Damanik, 2006).

For service providers, operational legitimacy requires legal entity status and operational permits from the relevant government agency in the field of Employment Law in the district/city corresponding to the service provider's domicile. According to the provisions of Minister of Manpower and Transmigration Decree Number 101/Men/V/2004 on the Licensing Procedure for Service Provider Companies, companies must submit the following documents to obtain a labor service license: a. Photocopy of the company's legal entity certification as a Limited Liability Company or cooperative; B. Photocopy of the Articles of Association containing the labor service business activities; C. Photocopy of the Business License (SIUP); D. Copy of the Mandatory Manpower Report.

The Labor Office in the city/district must issue a business license upon fulfilling the above requirements within 30 (thirty) days from the application date. Legal entity status applies to Limited Liability Companies (PT), foundations, and cooperatives. Sole proprietorships, partnerships, and (CV) are not legal entities as corporations, lacking the legal authority and capability to act as legal subjects in outsourcing business. As CV and Partnerships are individual businesses, lacking the authority, capability, and rights to engage in outsourcing relationships, any outsourcing contract involving non-legal entities is legally void as it violates the purpose conditions of an agreement. Since the agreement is legally void, all legal consequences arising from

the agreement, including the fulfillment of outsourcing worker rights, become the responsibility of the employing company (principal), as stated in Article 4 paragraph (8) and Article 66 paragraph (4).

The application of legal entities in outsourcing practice necessitates the full responsibility of the employer in guaranteeing the fulfillment of basic worker rights, as regulated by the law, which must be at least equal to protection and employment conditions provided by law and regulations. Violation of legal entity requirements constitutes a breach of objective conditions in outsourcing contracts, rendering the juridical agreement between the principal and vendor null and void. Consequently, the principal is responsible for fulfilling the rights of outsourcing workers. Workers are legally bound in an employment relationship with the employer since these conditions are not met. One of the factors leading to the prevalence of non-legal entities is the conflict between the Minister of Manpower and Transmigration Decree Number 220/Men/X/2004 regarding the Conditions for Partial Transfer of Work Implementation to Other Companies and Article 65 paragraph (5) of Law Number 13 of 2003 concerning Employment Law. According to Article 65 paragraph (5) of Law Number 13 of 2003 concerning Employment Law, the Minister of Manpower and Transmigration can only amend and/or add provisions as stipulated in paragraph (2). However, in addition to adding provisions as regulated in paragraph (2) of Law Number 13 of 2003 concerning Employment Law, the Minister also provides an exception to the provisions of Article 65 paragraph (3), namely an exemption from legal entities for labor-receiving companies.

The contradiction in outsourcing regulations creates opportunities for businesses to overlook requirements, especially regarding legal conditions for vendors. Moreover, it is also inconsistent with the principles of legislation. In legal norms, there is no justification for the contradiction between lower and higher legal norms (Warasih, 2005). Therefore, Minister of Manpower and Transmigration Decree Number 220/Men/X/2004 regarding the Conditions for Partial Transfer of Work Implementation to Other Companies must be set aside. Hence, concerning legal certainty (regarding legal requirements in outsourcing practice), the requirements that vendors must adhere to are the provisions of Article 65 paragraph (3) and Article 66 paragraph (3) of Law Number 13 of 2003 concerning Employment Law.

## Legal Protection for Workers Based on Collective Labor Agreements (PKB)

Legal protection is an action or effort to safeguard the general public from arbitrary actions by authorities that are inconsistent with legal regulations, aiming to establish order and decency, allowing society to enjoy its dignity as human beings (Setiono, 2004). The object of legal protection for labor, according to the Employment Law, includes the protection of rights at work; the protection of basic rights of workers to negotiate with employers and engage in strikes; protection of occupational safety and health; special protection for female/child workers and persons with disabilities; protection of wages, welfare, social security for labor; and protection of the right to termination of employment (Nopliardy & Justicecka, 2022). Protection of labor is intended to guarantee the basic rights of workers and ensure opportunities, while also preventing discrimination based on any grounds, in order to achieve the well-being of workers and their families. This should be done while considering the development of business globally and the interests of employers (Febrianti, Hamzah, Zaharnika & Seruni, 2022).

The importance of legal protection for labor cannot be overstated as it serves as a fundamental pillar in upholding the basic rights of workers (Zulkarnaen, 2018). Legal safeguards are essential to ensure that employees are treated fairly and equitably in the workplace, preventing any form of discrimination. These protections create an environment where workers can exercise their rights without fear of reprisal, fostering a workplace culture that values the well-being and dignity of every individual. By establishing a robust legal framework for the protection of labor, societies contribute to the overall enhancement of social justice and economic stability (Chamdani, Endarto, Kusnadi, Indrajaja, & Syafii, 2022).

Furthermore, legal protection for labor is crucial in providing equal opportunities and fostering a sense of security for workers and their families. This is particularly significant in a rapidly evolving global business landscape where the interests of employers must be balanced with the welfare of the workforce (Arifin, Handayani, & Firdaus, 2020). The legal framework ensures that workers have access to fair wages, safe working conditions, and protection against unfair practices. By prioritizing legal safeguards for labor, societies create an environment conducive to sustainable economic development, where a motivated and secure workforce can

contribute meaningfully to the growth and prosperity of the nation (Nurita, Lubis, Ali, & Novita, 2022).

All provisions for labor protection are regulated and based on the strength of legal regulations. However, it is possible that a significant number of workers have not yet experienced the form of legal protection applied by these regulations. One of the protective measures that workers should have within an organization regulated by law is to form labor unions. Many laborers, in a vulnerable position, find themselves obliged to accept any rules established by the company where they work without prior negotiation. The government, through the law (as positive law), has regulated and mandated that every company with a registered labor union must establish a collective labor agreement, and companies are not allowed to refuse to make such agreements.

Considering the Employment Law and Ministerial Regulations, which constitute a form of legal protection for labor unions in Indonesia, according to the researcher, there are constraints related to the provisions of collective labor agreements concerning the number of members regulated by laws such as the Employment Law and Ministerial Regulations. The conditions stated in Article 119 and 120 of the Employment Law, as well as Article 18 and 19 of Ministerial Regulation No. 28 of 2014, cannot be fulfilled by labor unions. Workers must comply with company regulations, which are created without input or consideration from workers' representatives, if any, it is merely a formality. Therefore, in this case, laborers find themselves in a very weak position. Workers' positions are weakened within the organization because labor unions cannot meet negotiation requirements. Based on Indonesian labor laws, according to the researcher, legal protection for labor unions can take the form of ongoing government supervision/control of the implementation of collective labor agreements; formulation of sanctions stipulated in labor laws related to companies employing labor unions that refuse to establish collective labor agreements.

In a company, according to the Employment Law, only one collective labor agreement is allowed, made by a registered labor union responsible for labor relations with the employer or several employers. Other agreements within the company must not contradict the collective labor agreement; if they do, they are considered legally void. Following Philipus M. Hadjon's concept, there are at least two parties, where legal protection is focused on one party, acting against the

people who are the target of the government's actions. Any means, including legal regulations, facilitating objections from the people before the government's decision becomes definitive, is a preventive legal protection. Handling legal protection for the people by the courts is repressive legal protection (Budiarta, 2016).

The intended preventive legal protection involves providing legal certainty and protection of rights that workers should obtain through labor union organizations when negotiating workers' rights in collective labor agreement clauses. Repressive legal protection relates to industrial relations disputes between workers/labor unions and employers/companies. Furthermore, it also refers to both external and internal legal protection that significantly influences the parties in collective bargaining. Internally, legal protection relates to rights and obligations agreed upon in the collective labor agreement, allowing the parties to protect themselves. External legal protection is the role of the government through legal regulations related to collective labor agreements, serving as a legal basis for the parties to determine legal protection through these agreements.

## **Requirements for Social Security for Workers as Economic and Social Protection**

The Workers' Social Security Program (Jamsostek) is a form of economic and social protection. This is because the program provides protection in the form of compensation for income reduction and services or care in the event of specific risks faced by workers. The definition of Jamsostek, as stipulated in Article 1 letter a of Law Number 3 of 1992 concerning Workers' Social Security, is protection for workers in the form of monetary compensation as a substitute for lost or reduced income and services due to events or conditions experienced by workers, such as work accidents, illness, pregnancy, childbirth, old age, and death.

As stated in Article 2 paragraph (3) of Government Regulation Number 14 of 1993 concerning the Implementation of the Workers' Social Security Program, employers who employ 10 (ten) or more workers or pay wages of at least IDR 1,000,000 per month must enroll their workers in the Workers' Social Security Program, which includes monetary guarantees such as



Work Accident Insurance (JKK), Death Insurance (JKM), and Old Age Insurance (JHT), as well as service guarantees such as Health Maintenance Insurance (JPK) for all workers and their families. Considering the above provisions, the obligation to enroll workers in the Workers' Social Security Program also applies to outsourcing vendors. One fact indicating the lack of economic and social protection for outsourcing workers is the exclusion of vendors (outsourcing) in the Workers' Social Security Program (Jamsostek) at companies "A" and "B," while outsourcing workers at company "C" are only included (by the vendor) in the Jamsostek Package A, covering Work Accident Insurance (*Jaminan Kecelakaan Kerja*/JKK), Death Insurance (*Jaminan Kematian*/JKM), and Old Age Insurance (*Jaminan Hari Tua*/JHT).

Social security for workers constitutes a vital component of economic and social protection, playing a pivotal role in safeguarding individuals against various risks and uncertainties. One primary requirement for an effective social security system is comprehensive coverage, ensuring that a broad spectrum of workers, including those in the informal sector, is included. This inclusivity promotes social equity and addresses the diverse needs of the workforce, enhancing the overall effectiveness of social protection measures (Sudrajat, 2020). Another essential requirement is the provision of financial benefits to workers during times of need, such as illness, disability, or unemployment. Adequate and timely financial support ensures that workers and their families can maintain a decent standard of living, even in challenging circumstances. Establishing a robust framework for these benefits involves clear eligibility criteria and fair distribution mechanisms, fostering a sense of security and stability among the working population. Moreover, transparency, accessibility, and administrative efficiency are critical requirements for a successful social security system (Prabowo, 2009). Workers should have a clear understanding of their entitlements and how to access them. The administrative processes must be streamlined to minimize bureaucratic hurdles, ensuring that benefits are disbursed promptly (Pamungkas, 2018). By meeting these requirements, a social security system not only protects individual workers but also contributes to the broader goals of social development and economic resilience.

## CONCLUSION

Based on the above discussion, the conclusion is as follows: The validity of a collective labor agreement in a company as a means to support increased productivity and worker welfare refers to the roles of employers and labor unions as essential components of the collective labor agreement. Legal protection for labor unions in collective labor agreements can be found through the Employment Law No. 13 of 2003 and Minister of Employment Law No. 28 of 2014, with the most crucial aspect being legal protection through the collective labor agreement. This includes continuous supervision by relevant stakeholders and the formulation of sanctions and the concept of legal protection, both internally and externally. Outsourcing by delegating some tasks to another company, either through employment contract agreements or general worker service agreements, has not uniformly adhered to all provisions and regulations regarding outsourcing as stipulated in the Employment Law No. 13 of 2003. Furthermore, the implementation of protection and working conditions for outsourced workers has not been in accordance with the prevailing laws and regulations, resulting in economic and social harm to the workers.

## ACKNOWLEDGMENTS

None.

## REFERENCES

- Anonymous. (2003). *Pedoman Penyuluhan Peraturan Perusahaan, Bagian Proyek Pengembangan Syarat-Syarat Kerja*, Direktorat Jenderal Pembinaan Hubungan Industrial, Departemen Tenaga Kerja dan Transmigrasi RI. Jakarta.
- Arifin, Z., Handayani, E. P., & Firdaus, S. (2020). Penyelesaian Perundingan Perjanjian Kerja Bersama (PKB) yang tidak Menemui Kesepakatan (Studi Kasus di PJT I Malang). *ADHAPER: Jurnal Hukum Acara Perdata*, 6(1), 147-164.
- Audenaert, M., Carette, P., Shore, L. M., Lange, T., Van Waeyenberg, T., & Decramer, A. (2018). Leader-employee congruence of expected contributions in the employee-organization relationship. *Leadership Quarterly*, 29(3), 414-422.

- Budiarta, I. N. P. (2016). *Hukum Outsourcing: Konsep Alih Daya Bentuk Perlindungan Hukum dan Kepastian Hukum*. Malang: Setara Press.
- Chamdani, C., Endarto, B., Kusnadi, S. A., Indrajaja, N., & Syafii, S. (2022). Perlindungan Hukum Terhadap Pekerja/Buruh Yang Putus Hubungan Kerja Sebelum Masa Kontrak Kerja Berakhir. *Jurnal Kepastian Hukum dan Keadilan*, 4(1), 1-16.
- Disemadi, H. S. (2022). Lenses of Legal Research: A Descriptive Essay on Legal Research Methodologies. *Journal of Judicial Review*, 24(2), 289-304, <http://dx.doi.org/10.37253/jjr.v24i2.7280>
- Djoko Triyanto. (2004). *Hubungan Kerja Di Perusahaan Jasa Konstruksi (Working Relationship In Construction Service Company)*, Bandung: Mandar Maju
- Febrianti, L., Hamzah, R., Zaharnika, F. A., & Seruni, P. M. (2022). Perlindungan Hukum Terhadap Upah Pekerja Kontrak Di Tinjau Dari Undang-Undang Ketenagakerjaan Indonesia Dan Hukum Islam. *Journal of Economic, Bussines and Accounting (COSTING)*, 5(2), 1755-1764, <https://doi.org/10.31539/costing.v6i1.4120>
- Gozgor, G. (2018). Does the structure of employment affect the external imbalances? Theory and evidence. *Structural Change and Economic Dynamics*, 45, 77–83.
- Husni, L. (2000). *Pengantar Hukum Ketenagakerjaan Indonesia*. Jakarta: Raja Grafindo Persada.
- Ibrahim, Johannes., & Sewu, L. (2007). *Hukum Bisnis Dalam Persepsi Manusia Modern*. Bandung: PT. Refika Aditama.
- Iqbal, A., & Asrar-ul-Haq, M. (2018). Establishing relationship between TQM practices and employee performance: The mediating role of change readiness. *International Journal of Production Economics*, 203, 62–68.
- Jaworski, C., Ravichandran, S., Karpinski, A. C., & Singh, S. (2018). The effects of training satisfaction, employee benefits, and incentives on part-time employees' commitment. *International Journal of Hospitality Management*, 74(February 2017), 1–12.
- Kaligis, O. C. (2013). *Kontak Bisnis-Teori dan Praktik*. Bandung: PT. Alumni.
- Kang, H. J. (Annette), & Busser, J. A. (2018). Impact of service climate and psychological capital on employee engagement: The role of organizational hierarchy. *International Journal of Hospitality Management*, 75(January), 1– 9.
- Khakim, A. (2013). *Teknik Penyusunan dan Perundingan Perjanjian Kerja Bersama*. Sulawesi.
- Khakim, A. (2014). *Dasar-dasar Hukum Ketenagakerjaan Indonesia (Fourth Edi)*. Bandung: PT. Citra Aditya Bakti.
- Lee, Y., Mazzei, A., & Kim, J. N. (2018). Looking for motivational routes for employee generated innovation: Employees' scouting behavior. *Journal of Business Research*, 91(September 2017), 286–294.

- Manurung, M., Noviyana, E., Fauzi, A., Sumiaty, S., Kamarulzaman, K., & Tanjung, A. (2022). Pengaturan Hukum Hubungan Kerja Antara Pengusaha Dan Pekerja Dalam Kaitanya Dengan Perjanjian Kerja Bersama (Pkb). *Jurnal Pionir*, 8(2).
- MD, M. (1999). *Pergulatan Politik dan Hukum di Indonesia*. Yogyakarta: Gama Media.
- Mertokusumo, S. (1996). *Penemuan Hukum Sebuah Pengantar*. Yogyakarta: Liberty.
- Mustamin, W., Santoso, B., & Sajidin, S. (2022). Indonesian Workers' Mental Health Protection: An Urgency?. *Journal of Judicial Review*, 24(2), 273-288.
- Nita, S., & Susilo, J. (2020). Peranan Serikat Pekerja Dalam Membentuk Perjanjian Kerja Bersama Sebagai Hubungan Kerja Ideal Bagi Pekerja Dengan Pengusaha. *Jurnal Hukum De'rechtsstaat*, 6(2), 143-152.
- Nonet, Philippe., & Selznick, P. (2003). *Law and Society in Transition: Toward Responsive Law (Edisi Terjemahan oleh Huma)*, Huma: Jakarta, Hal. 60 dalam Penulisan Tesis Studi tentang Wacana Hukum Responsif dalam politik Hukum Nasional di Era Reformasi.
- Nopliardy, R., & Justiceka, I. (2022). Kajian Terhadap Perlindungan Hukum Bagi Pekerja Kontrak Waktu Tertentu (Pkwt) Dalam Undang-Undang Cipta Kerja. *Jurnal Terapung: Ilmu-Ilmu Sosial*, 4(2), 10-21, <http://dx.doi.org/10.31602/jt.v4i2.8230>
- Nurita, C., Lubis, D., Ali, T. M., & Novita, R. (2022). Perlindungan Hak Administrasi Perkantoran Dengan Kerja Kontrak Berdasarkan UU Cipta Kerja Nomor 11 Tahun 2022. *Jurnal Meta Hukum*, 1(3), 58-73.
- Pamungkas, D. S. (2018). Keberlakuan Perjanjian Kerja Bersama Bagi Pekerja Yang Tidak Menjadi Anggota Serikat Pekerja. *DiH: Jurnal Ilmu Hukum*, 13, 243-55.
- Prabowo, F. Y. (2009). *Perlindungan Pekerja Outsourcing Yang Tidak Diikutsertakan Pada Program Jamsostek (Studi Kasus Pada Pt Bina Karya Kurnia)* (Doctoral Dissertation, Universitas Airlangga).
- Sehat Damanik, 2006, *Outsourcing Dan Perjanjian Kerja Menurut Undang Undang Nomor 13 Tahun 2003 Tentang Ketenagakerjaan (Outsourcing and Work Agreement Based on The Law Number 13 of 2003)*, DSS Publishing.
- Setiono. (2004). *Rule of Law (Supremasi Hukum)*. Universitas Sebelas Maret, Surakarta.
- Soerjono & Abdurrahman, H. (2003). *Metode Penelitian Hukum*. Jakarta: Rineka Cipta.
- Sridadi, A. R. (2016). *Pedoman Perjanjian Kerja Bersama*. Malang: Empat Dua Media.
- Subekti, R. & Tjitrosudibio, R. (2014). *Burgerlijk Wetboek, Kitab Undang-undang Hukum Perdata*. Jakarta: PT Balai Pustaka.
- Subekti. (1992). *Aspek-aspek Hukum Perikatan Nasional*. Bandung: Citra Aditya Bakti.
- Sudrajat, T. (2020). Perlindungan Hukum dan Pemenuhan Hak Pekerja pada Program Jaminan Kesehatan Nasional. *Pandecta Research Law Journal*, 15(1), 83-92.

- Sumanto. (2014). *Hubungan Industrial (First Edit)*. Yogyakarta: Center of Academic Publishing Service.
- Taniady, V., Anggraini, R. P., & Riwayanti, N. W. (2021). Regulation of Labor with Disabilities in Facing the Digital Revolution: Comparison of Indonesia, Malaysia and Australia. *Journal of Judicial Review*, 23(2), 265-274.
- Tobing, R. L. (2012). *Efektivitas Undang-undang Nomor 11 Tahun 2008 Tentang Informasi dan Transaksi Elektronik*. Jakarta.
- Van Thielen, T., Bauwens, R., Audenaert, M., Van Waeyenberg, T., & Decramer, A. (2018). How to foster the well-being of police officers: The role of the employee performance management system. *Evaluation and Program Planning* (Vol. 70). Elsevier Ltd.
- Wang, C., Zhang, W., Cai, W., & Xie, X. (2013). Employment impacts of CDM projects in China's power sector. *Energy Policy*, 59, 481-491.
- Warasih, E. (2005). *Pranata Hukum Sebuah Telaah Sosiologis (Legal Institutions: A Sociological Review)*, Semarang: PT Suryandaru Utama.
- Yum, M. (2018). On the distribution of wealth and employment. *Review of Economic Dynamics*, 30, 86-105.
- Zulkarnaen, A. H. (2018). Konfigurasi Politik Dan Karakter Hukum Dalam Perumusan Perjanjian Kerja Perorangan Dan Perjanjian Kerja Bersama. *Jurnal Hukum Mimbar Justitia*, 4(1), 89-111.