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# RENEWAL OF THE EMPLOYMENT CONTRACT OF HONORARY EMPLOYEES IN BATAM CITY DEPARTMENT OF TRANSPORTATION BASED ON LAW OF THE REPUBLIC OF INDONESIA NO. 11 OF 2020 ON JOB CREATION

### Oryza Sativa MY<sup>1</sup>, David Tan<sup>2</sup>

<sup>1,2</sup>Universitas Internasional Batam Email of correspondence: 1851011.oryza@uib.edu,david.tan@uib.ac.id

#### Abstract

Legal protection of workers is a guarantee of basic rights inherent and protected by law. Human rights are basic rights that must be protected. The legislation related to protection for workers is the Employment Cluster of Law No. 11 of 2020 on Job Creation. Honoree employees in the Batam Department of Transportation entered into a certain time work agreement (PKWT). Contract workers are legally defined as workers with a certain time status based on an agreement between the worker and the employer. Based on the title, topic, and background of the problem, the author made updates and improvements related to the employment contract of honorary employees (PKWT) of the Batam City Department of Transportation in the form of making employment documents. The renewal and improvement of the employment contract covers the duties and responsibilities of workers, workers' rights and obligations, salary payments and deductions, sanctions and compensation as well as the appointment and termination of employment (PHK) based on Employment Cluster of Law No. 11 of 2020 on Job Creation.

Keywords: Legal protection, Worker, Contract

### Introduction

Laws were created to provide protection. Legal protection is given because it is an inherent right of citizens. Sanctions on protected rights include sanctions for human rights. Protection for workers is to guarantee the right to work. The statutory regulation that regulates is Law Number 11 of 2020 concerning work copyright. In the Job Creation Law, legally, there are 2 (two) types of workers, namely contract workers (PKWT) and permanent workers (PKWTT). Contract workers are workers with a period of time determined based on an agreement between the employer and the worker. In this case, honorary employees at the Batam City Transportation Service are classified as PKWT workers or contract workers. Problems regarding the creation and completion of work contracts, especially honorary employees at the Department of Transportation, must be guided by Law Number 11 of 2020 concerning Job Creation. In addition, the renewal of the work contract, improving the existing work contract, may cover the duties and responsibilities of workers, workers' rights and obligations, payment and deductions of wages/salaries, sanctions and compensation as well as appointments and termination of employment (PHK) based on the Job Creation Law. Based on the explanation that has been described above, the writer is hereby interested and wants to analyze scientific research in the form of a Job Training report entitled "Renewal of Honorary Employee Contracts for the Batam City Transportation Service Based on Law no. 11 of 2020 concerning Job Creation".

### Problem

While carrying out PkM activities at the Batam City Transportation Service, the author had difficulty in making the renewal of the temporary employee work contract because the honorary employees at the Transportation Service amounted to 237 honorary employees, which is quite a lot. Therefore, the author is interested in bringing up an article entitled "Renewal of Employment Contracts for Renewal of Honorary Employees of the Batam City Transportation Service Based on Law no. 11 of 2020 concerning Job Creation

#### Method

In carrying out this project, the author will compile a report using a normative approach to research, which focuses on examining norms and rules in accordance with positive law.

The normative research that the author examines is by using a case approach and a statutory approach. Scientifically, in this research and writing, the author uses legal research with an empirical juridical approach by using primary data from field research and using secondary data, namely data obtained from library materials Furthermore, to continue research at the Batam City Transportation Service, the author uses several techniques as follows:

#### 1. Observation Technique

In this study, the authors made direct observations in the field which aims to obtain the data needed to conduct research.

#### 2. Interview Techniques

In this study the authors also conducted interview sessions to obtain information by conducting questions and answers to the informants or the parties concerned who worked at the Batam City Transportation Service which were carried out face-to-face directly. Then, this research uses primary data and secondary data. Primary data is data collected through the first party, through interview techniques, traces and others. In this case, what is meant is observation and interviews. While secondary data is data collected from previous research. Secondary data used in this study are related documents and legal regulations in force in Indonesia.

### Discussion

In the provisions of Article 1320 of the Civil Code, the legal terms of the agreement are as follows;

- 1. Agreed marked by the signing of the agreement on stamp duty by the first party or the second party.
- 2. The ability to make an agreement. Capability referred to in law is being able to take responsibility for the legal consequences.
- 3. The object of the engagement must be clear.
- 4. It is not permissible to make a promise to something that is contrary to the law.

The work contract agreement made by the Head of the Batam City Transportation Service whose preparation was assisted by the Head of the Personnel Sub-Division is valid according to law because it is in accordance with the provisions of Article 1320 of the Civil Code. However, in the employment contract for the temporary employee of the Batam City Transportation Service, there is a clause that is not in accordance with Law no. 11 of 2020 concerning Job Creation. Temporary employees enter into PKWT where there is a work agreement at a certain time or not permanent. The renewal of the temporary employee work contract contains the addition of a clause in accordance with the Job Creation Law and the abolition of articles of agreement that are not in accordance with the Job Creation Act and can harm the employee or a second party. There are additional clauses, namely:

## 1. PKWT period

The term of the contract, especially PKWT, is for 1 (one) year and can be extended by making a new contract. The new work contract starts at the beginning of the month in January and ends at the end of the month in December every year. The term of the employment contract is contained in the renewal of the work contract of the Batam Transportation Agency, article 1 paragraph 3 regarding Definition.

## 2. Compensation for PKWT employees

The compensation rules in the Job Creation Law are included in Article 61 A, namely:

"In the event that the work agreement for a certain period of time ends as referred to in Article 61 paragraph (1) letter b and letter c, the entrepreneur is obliged to provide compensation money to the worker/labourer. (2) The compensation money as referred to in paragraph (1) is given to the worker/ laborer in accordance with the working period of the worker/ laborer in the company concerned. (3) Further provisions regarding compensation money *are regulated in a Government Regulation.*" PKWT compensation is contained in the renewal of the Batam Dishub work contract in Article 7 paragraphs 3 and 4 concerning Termination of Employment.

## 3. Overtime

In this clause, the First Party is obliged to provide overtime pay to the Second Party with wages according to the specified day. On weekdays at the Batam City Transportation Service, namely Monday to Friday, on holidays, namely Saturday and Sunday and on big days, namely the national red date. this provision is regulated in the Decree of the Minister of Manpower and Transmigration No. 40 of 2004. Overtime wages are contained in the renewal of the Batam Transportation Agency's work contract in article 3 paragraph 18 concerning rights and obligations.

## 4. There is employment social security.

The Job Creation Law regulates the job loss guarantee program into the social security system. Like the BPJS Employment program, it includes all the guarantees. The regulation of employment social security in the renewal of the work contract of the Batam Transportation Agency is contained in Article 3 paragraph 14 concerning rights and obligations.

As for the abolition of the article in the previous work contract, it is contained in the article as follows:

- 1. In article 1 paragraph 2 regarding the Definition where it is stated that "the SECOND PARTY is a person who is appointed as a Contract Worker to work within the Batam City Transportation Service, who will receive all rights according to the provisions and can be terminated/terminated by his employment contract." This article is deleted because if the Second Party terminates the employment relationship of one party, the First Party is required to pay severance pay to the Second Party.
- 2. In article 3 paragraph 8 concerning Rights and Obligations where it is stated that "Willing to work beyond the stipulated time" This article is deleted because if the Second Party does overtime then the First Party is obliged to pay overtime.
- 3. In article 7 paragraph 2 concerning Termination of Employment where it is stated that "the FIRST PARTY may terminate the employment relationship if there is no budget available in the form of labor wages in DPA activities sourced from the Batam City Budget 2021." This article is deleted because it can harm the Second Party if the First Party cannot pay the wages of its employees.



Pict 1. Batam City Department of Transportation



Pict 2. Batam City Departmen of Transportation's Lobby



The office situation when the writer made field observations

## Conclusion

From the results of research conducted by the author at the Batam City Transportation Service, it can be concluded that:

1. Batam City Transportation Service is an official organization engaged in transportation in Batam City and has a fairly large number of honorary workers. The employment contract for temporary employees of the Batam City Transportation Service is in accordance with the provisions of Article 1320 of the Civil Code which contains the conditions for the validity of an agreement. However, in the formulation of the employment contract there are

points that are less favorable in terms of providing legal protection for the honorary workers.

 Many articles in the Honorary Work Contract of the Batam City Transportation Service are not in accordance with the Job Creation Law no. 11 of 2020. Many inequalities occur that benefit employers and harm the workers, especially for contract/honorary workers.

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