



***CASE STUDY OF LAYOFFS OF PT MASTERINDO JAYA ABADI VS 1142
EMPLOYEES***

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ABSTRAK

This research was conducted to increase the knowledge of university officials, the academic community, and readers by providing information about settlement procedures in the event of a dispute in industrial relations. The research method used in this study is juridical normative based on secondary data in the form of applicable laws and regulations and jurisprudence. Industrial relations is a system of relations formed between actors in the production process of goods and services consisting of elements of entrepreneurs, workers/laborers, and the government based on the value of Pancasila and the Constitution of the Republic of Indonesia Year 1945. The position of workers/workers is lower than employers or employers, in this case, it is necessary to intervene from the government to provide legal protection. Legal protection is intended with the aim that in employment relations there can be guaranteed justice and protection of human rights (workers), both of which are the objectives of legal protection itself. A fixed-time work agreement is an employment agreement made that is binding on contract employees and freelancers and an indefinite-time work agreement is an employment agreement made that is binding on employees that is binding on permanent employees who do not have a validity period. This research contributes to increasing awareness from university officials, the academic community, and readers regarding procedures for resolving a dispute in industrial relations and provides advice on the positive impact of making an employment agreement.

Keywords: *Industrial relations, labor, agreement*

INTRODUCTION

Industrial relations is a system of relations formed between actors producing goods and/or services, including entrepreneurs, workers, and the government, based on the values of Pancasila and the Constitution of the Republic of Indonesia Year 1945 (Zulkarnaen, 2019). The position of workers/workers is lower than employers or employers, in this case, it is necessary to intervene from the government to provide legal protection. Legal protection is intended so that in employment relations there can be guaranteed justice and protection of human rights (workers) which are both objectives of legal protection itself.

Based on this definition, because in an industrial relationship, there are elements of employers and workers/laborers, it is very possible for an industrial relationship to experience disputes or in this case better known as industrial relations disputes (Indra Afrita, 2021). Industrial relations disputes are differences of opinion that cause disputes between employers or combinations of employers and workers/workers or trade unions/trade unions due to rights disputes or conflicts of interest, disputes over the termination of employment, and disputes

between trade unions/trade unions in a company. The types of industrial relations disputes are rights disputes, rights disputes, termination disputes, and termination disputes between trade unions or workers (Wijaya & Subekti, 2021).

To avoid lawsuits from disputes in industrial relations, it is necessary to make a work agreement that must be made at the beginning (Fikriyah, 2021). The work agreement must be made by agreement of both parties, namely between employers and workers/laborers. Employment agreements must certainly be made for the welfare of both parties. Work agreements are divided into 2 types, namely certain time work agreements and indefinite time work agreements (Puryanto, Budiarta, & Ujianti, 2021). PKWT and PKWTT are types of employment agreements that apply in Indonesia. A fixed-time work agreement is an employment agreement made that is binding on contract employees and freelancers and an indefinite-time work agreement is an employment agreement made that is binding on employees that is binding on permanent employees who do not have a validity period. The difference between these two agreements is a certain time work agreement (PKWT), if the company lays off employees/workers then it is dismissed according to the agreed time, and there is no obligation for the company to pay severance pay and service period appreciation money. In the indefinite time work agreement (PKWTT), if the company lays off employees/workers, the company must provide a certain amount of compensation in the form of award money, rights replacement money, or severance pay (unless the layoff is caused for certain reasons). Industrial relations disputes are not unsolvable. No matter how difficult the disputes contained in industrial relations can be resolved. The mechanism for resolving industrial relations disputes is divided into two, namely mechanisms that can be carried out by non-litigation and litigation. The non-litigation settlement mechanism is a way that can be done outside the court channel (Horah & Hariyanto, 2021).

The non-litigation settlement mechanism can be done by negotiation (Mantili, 2021). Negotiations are divided into 2, namely bipartite negotiations and tripartite negotiations. Bipartite negotiation is a negotiation between an employer/combination of employers and workers/trade unions or between trade unions in one disputing company. The time needed for tripartite negotiations is a maximum of 30 days. However, if within that period one of the parties refuses to negotiate or does not reach an agreement, then bipartite negotiations are considered a failure. Tripartite negotiation is a negotiation between workers and employers involving a third party as a facilitator in resolving industrial relations disputes. Tripartite negotiations can be through mediation, conciliation, and arbitration.

The litigation settlement mechanism is a way that can be done by the court (Hidayat & Komarudin, 2020). The types of cases that can be resolved through litigation are cases in the first instance for rights disputes layoff disputes and disputes between trade unions in one company. The mechanism for resolving industrial relations disputes in the Research entitled "Case Study of Layoffs of PT Masterindo Jaya Abadi VS 1142 Employees" is taken through litigation.

Broadly speaking, this study explains that PT Masterindo Jaya Abadi is a company engaged in manufacturing or industry (ROFIKO, 2020). At one time, there was a dispute between PT

Masterindo Jaya Abadi and several employees totaling 1142 people. The dispute between the company and workers was motivated by a decline in production activity in 2018 and continued in 2020 due to the coronavirus pandemic. Such disputes can have various causes, such as salary disputes, unfair termination, violations of workers' rights, or other problems that affect employees in carrying out their duties and work. The chronology of the development of this case may include a series of events involving communication between the company and employees, mediation or negotiations carried out to reach an agreement, legal steps taken by both parties, as well as settlement efforts that have been made to date.

In the process, both parties may use different legal bases to fight for their rights and interests. This may involve the interpretation and application of labor laws, employment agreements, company regulations, or other applicable legal rules. Regarding case resolution, both PT Masterindo Jaya Abadi and 1142 employees may have made efforts to find mutually beneficial solutions, including mediating or negotiating, filing lawsuits, or involving other parties such as trade unions or labor dispute resolution agencies.

External factors can also affect the process of resolving this case, such as government regulations related to employment, economic policies, or industrial conditions that can affect company decisions and strategies. The case between PT Masterindo Jaya Abadi and its 1142 employees stems from the company's policy of reducing working hours and cutting employee wages in early 2021. This policy was taken by the company as a result of the COVID-19 pandemic which resulted in a decrease in product demand and company revenue.

The employee's base wage was cut from the basic salary given in the form of benefits, but was met with protests from some employees who felt the policy was detrimental. This prompted 1142 employees to file a lawsuit at the Central Jakarta Industrial Relations Court (PHI) on April 6, 2021. Employees also accused the company of not providing other labor rights such as insurance and old age insurance regulated by government regulations. The company denies the allegations and claims to have given all employees rights by company regulations and government regulations.

RESEARCH METHODS

In conducting this research, the method used is a normative juridical research method where this method collects material obtained through applicable laws and regulations, conducts legal comparisons, and is based on primary, secondary, and tertiary legal materials. Primary legal materials in the form of laws, agreements, and so on. Secondary legal materials include articles, journals, research results, and websites (Kusumo, Junia, Prianto, & Ruchimat, 2021).

Meanwhile, tertiary legal materials include legal materials that provide instructions and explanations to primary legal materials and secondary legal materials (Pratiwi, Mangku, & Yuliantini, 2020), such as magazines and the internet are also used as research materials related to the information we research. This writing uses a conceptual and legislative approach because this paper examines all laws and regulations related to the problems (legal issues) that are being faced and also the concept of the problems (legal issues) concerned.

RESULTS AND DISCUSSION

Settlement efforts made by PT Masterindo Jaya Abadi to 1142 employees

In solving problems carried out by PT Masterindo Jaya Abadi 1142 employees have made efforts to find mutually beneficial solutions, including mediation or negotiation, and bipartite. In a dispute over termination of employment, because one of the parties does not accept this or there is a difference of opinion between the parties, the state has accommodated a way of settlement and a mechanism for settlement outside the court which has been regulated in laws and regulations.

Bipartite

Bipartite negotiation is a negotiation between employers/combinations of employers and workers/trade unions or between trade unions in a company that has differences of opinion (Yuliastuti & Syarif, 2021). Bipartite is a form of non-judicial settlement of labor disputes, especially negotiations between workers or trade unions and employers to resolve labor disputes without the participation of other parties. The timeframe for the completion of bipartite negotiations must be completed within a maximum of 30 days. However, if within that time limit one of the parties refuses to negotiate or does not reach an agreement, then bipartite negotiations are considered a failure. If bipartite negotiations reach an agreement, a collective agreement signed by the parties will be made. This Agreement is binding and legally enforceable so it must be executed by the parties. The collective agreement must then be registered at the regional industrial relations court where the parties enter into a collective agreement (Ihya & Romndonia, 2021). Thus, if one of the parties fails to implement the agreement, the aggrieved party can apply for law enforcement to the Industrial Relations Court.

Mediation

Settlement through mediation channels is a way of settlement because there is no agreement during bipartite negotiations, this mediation is carried out through a mediator (Sari & Agustina, 2021). Mediation in industrial relations is the resolution of rights disputes, interest disputes, termination disputes, and disputes between trade unions/trade unions in only one company through deliberations mediated by one or more neutral mediators. If an agreement is reached in mediation, a collective agreement is made and signed by the parties and witnessed by the mediator, then the collective agreement is registered in the Industrial Relations Court at the District Court in the jurisdiction of the parties to enter into a joint agreement to obtain a deed of proof of registration. If the collective agreement is rejected by either party, then the aggrieved party from the refusal may apply for execution to the Industrial Relations Court in the District Court in the area where the collective agreement is registered for an order of execution. If no agreement is reached through mediation, the mediator will issue a written recommendation and the parties must also provide a written answer to the mediator to approve or reject the written recommendation. If the parties do not respond, it is considered to reject the written recommendation. If the parties agree to a written recommendation, then within no later than 3 working days, the mediator helps the parties conclude a collective agreement and is registered with the Industrial Relations Court. Then, if the parties or

one of the parties rejects the written recommendation, they can file a lawsuit with the Industrial Relations Court. However, after all the efforts made by PT Masterindo Jaya Abadi against the 1142 employees still could not be resolved and finally the 1142 employees filed a lawsuit to the Industrial Relations Court (PHI).

Legal Process and Dispute Resolution in this Case

Several employees of PT Masterindo Jaya Abadi attracted little attention from the public. Its 1142 employees staged a demonstration to demand severance pay and THR and sued the company. 1142 employees protested in front of the Bandung District Court. 1142 employees filed a lawsuit against PT Masterindo Jaya Abadi, the first with decision Number 58/Pdt.Sus-PHI/2021/PN Bdg with a special civil classification which was registered on February 3, 2021, at the Bandung District Court. In the judgment, the panel of judges declared the termination of employment between the Plaintiffs and the Defendants since the judgment was read, with the qualification of layoffs without any fault from workers, and sentenced the Defendants to pay severance pay, service award money, and compensation money to the Plaintiffs in cash and at once with a total amount of Rp 118,469,501,300,- (one hundred eighteen billion four hundred sixty-nine million five hundred one thousand three hundred Rupiah) which contains details of wages, length of service, severance pay, service period appreciation money, and rights replacement money (15%). The verdict was read on April 28, 2021.

The Plaintiff, namely 1142 employees, and the Defendant, PT Masterindo Jaya Abadi, filed a cassation with the intercession of their attorneys, based on a Special Power of Attorney dated May 3, 2021, a cassation application was filed on May 7, 2021, as evident from the Deed of Cassation Application Statement Number 79/Kas/G/2021/PHI/PN Bdg., made by the Registrar of the Industrial Relations Court at the Bandung District Court Class I A Special, The application is accompanied by a memory of cassation received at the Bandung District Court/Industrial Relations Registrar Class I A Special on May 17, 2021. The Applicant is PT Masterindo Jaya Abadi and the Respondent is 1142 Employees. The applicant filed a cassation requesting to cancel the Decision of the Industrial Relations Court at the Bandung District Court Class I A Special Number 58/Pdt.Sus-PHI/2021/PN Bdg, dated April 28, 2021.

The Supreme Court held that the Industrial Relations Court at the Bandung District Court Class I A Special had misapplied the law considering that it was true that the Defendant (PT Masterindo Jaya Abadi) planned to make efficiency because the Defendant's company was affected by the COVID-19 pandemic and bipartite negotiations had been carried out with the Plaintiffs, however, bipartite had no agreement on the amount of severance pay. Because there was no agreement, it is true that the Defendant submitted mediation through the Mediator of the Bandung City Manpower Office and in mediation the Defendant expressed his opinion that the Defendant's company decreased its income due to the impact of the COVID-19 pandemic so that it wanted to make efficiency by giving/offering Termination of Employment with compensation of Rp1,000,000.00 (one million rupiah) per year, the Termination of Employment compensation was rejected by the Respondent Cassation/Para Plaintiffs while the Plaintiffs want Termination of

Employment due to efficiency as stipulated in Article 164 paragraph (3) of Law Number 13 of 2003 concerning Manpower which states "Employers can terminate employment of workers / workers because the company closes not because it experiences losses for 2 (two) consecutive years or not because of force majeure but the company performs efficiency, provided that workers / laborers are entitled to severance pay in the amount of 2 (two) times the provisions of Article 156 paragraph (2), service period award money of 1 (one) time the provisions of Article 156 paragraph (3) and compensation money in accordance with the provisions of Article 156 paragraph (4)".

That Article 155 paragraph (2) and paragraph (3) of Law Number 13 of 2003 concerning Manpower, states:

(2) As long as the decision of the industrial relations dispute resolution agency has not been determined, both employers and workers/workers must continue to carry out all their obligations;

(3) Employers may deviate from the provisions referred to in paragraph (2) in the form of suspension actions to workers/laborers who are in the process of termination of employment while still being obliged to pay wages and other rights;

In the process of termination of employment the Plaintiffs and Defendants are still carrying out their obligations as stipulated in Article 155 paragraph (2) and paragraph (3) of Law Number 13 of 2003 concerning Manpower (Afifah & Suryaningsi, 2021). Article 151 paragraph (1) of Law Number 13 of 2003 concerning Manpower states that employers, workers/laborers, trade unions/trade unions, and the government, with all efforts, must try to avoid termination of employment. Because between the Plaintiffs and the Defendants there is still an employment relationship, the Defendant is still running its business and the Plaintiffs are still employees of the Defendants and receive their rights as they should, the Defendant's exception stating that premature claims can be granted and the Defendant's exception is granted, the Plaintiff's claim cannot be accepted.

In the Supreme Court Decision Number 1129 K / Pdt.Sus-PHI / 2021 stated that the Plaintiffs' claim was inadmissible and canceled the decision of the Industrial Relations Court at the Bandung District Court Class I A Special Number 58 / Pdt.Sus-PHI / 2021 / PN Bdg., dated April 28, 2021. Sentencing the Cassation Respondents to pay the costs of the case in all levels of justice, which in the cassation level is set at Rp. 500,000.00 (five hundred thousand rupiah) which has been weighed because the value of the lawsuit in this case is Rp. 150,000,000.00 (one hundred fifty million rupiah) and above, as stipulated in Article 58 of Law Number 2 of 2004, then the costs of the case in all levels of justice shall be charged to the Cassation Respondents.

CONCLUSION

Efforts have been made by PT Masterindo Jaya Abadi to find solutions for its 1142 employees, namely bipartite and mediation or negotiation. After bipartite negotiations with employees, it has not reached an agreement on the amount of severance pay and has also mediated.

1142 employees filed a lawsuit against PT Masterindo Jaya Abadi, the first with decision Number 58/Pdt.Sus-PHI/2021/PN Bdg with a special civil classification which was registered on February 3, 2021, at the Bandung District Court. The verdict was read on April 28, 2021. The Plaintiff, namely 1142 employees, and the Defendant, PT Masterindo Jaya Abadi, filed a cassation with the intercession of their attorneys, based on a Special Power of Attorney dated May 3, 2021, a cassation application was filed on May 7, 2021, as evident from the Deed of Cassation Application Statement Number 79/Kas/G/2021/PHI/PN Bdg., made by the Registrar of the Industrial Relations Court at the Bandung District Court Class I A Special, The application is accompanied by a memory of cassation received at the Bandung District Court/Industrial Relations Registrar Class I A Special on May 17, 2021. In the Supreme Court Decision Number 1129 K / Pdt.Sus-PHI / 2021 stated that the Plaintiffs' claim was inadmissible and canceled the decision of the Industrial Relations Court at the Bandung District Court Class I A Special Number 58 / Pdt.Sus-PHI / 2021 / PN Bdg., dated April 28, 2021. Sentencing the Cassation Respondents to pay the costs of the case at all levels of justice, which in the cassation level is set at Rp. 500,000.00 (five hundred thousand rupiah). The suggestion as a solution, the company in this case is that an employer must make an employment contract. The employment contract must contain standard clauses such as force majeure circumstances that will occur in the future. And of course, the contract must be agreed upon by both parties. This research contributes to readers, and officials from Tarumanagara University, about the positive impact of making employment contracts for employers and job recipients.

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