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# Corporate Responsibility for Workers' Rights after Termination

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**ABSTRACT**

*This paper discusses the issue of corporate responsibility towards workers after termination of employment, the purpose of this study is to find out the company's responsibility for workers due to termination of employment and to find out the judge's consideration of the termination decision in the decision of the central Jakarta district court. This research is of the normative juridical type of research. The approach is the Act's approach (statue approach). The data source uses primary data, namely laws, secondary data from scientific books and journals containing the opinions of experts and legal experts, and tertiary data in the form of language dictionaries, legal dictionaries, and encyclopedias. The data collection technique in the form of secondary data is the verdict of the case. Termination of employment results in a dispute over rights and obligations between employers and workers, the company is obliged to fulfil workers' rights after termination according to Article 156 of Law Number 13 of 2003 concerning Manpower in the form of severance pay, employment award money, and rights reimbursement money. With this dispute, there are 2 ways to resolve it, namely, outside the court of industrial relations and through industrial justice. In the decision of the case in this study, the judge's consideration is to grant the plaintiff's lawsuit in part. Then the employer must fulfil the rights of workers as his responsibility for the termination of employment.*

*Keywords: Termination of Employment, Worker, Company.*

## I. INTRODUCTION

Since the proclamation of Indonesian independence, the Indonesian government has made efforts to improve labor conditions to meet human dignity and self-esteem (Maimun, 2007). Every human being in his life must yearn for a prosperous life, In its implementation man is required to meet his material needs, in various ways and activities, some are carried out well according to the order of life or badly and even violate existing norms. One of the main things that a handful of human beings must have done is certainly to work to fulfill their lives in material terms, as a manifestation of their well-being. Of course, as in the provisions of Article

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27 paragraph (2) of the 1945 Constitution, every citizen has the right to work and a decent livelihood for humanity (Wijayanti, 2006).

Indonesia is a country that has a very dense population, in other words, Indonesia has a lot of human resources / labor, so it is something very large power to carry out development. However, the large number of human resources or labor that must be balanced with employment, if there are more workers than jobs, there will be unemployment which actually has a bad impact and burdens the Indonesian economy. Especially now coupled with the large number of workers who have experienced termination from the company where they work (Halim, 1987). A person who has an employment relationship with a person, company, institution, and so on, necessarily contains elements of the presence of orders, time, and wages. This labor relationship occurs between the worker and the company, and the nature of the relationship is personal. In its implementation, due to the existence of an employment relationship, both sides have rights and obligations that must be achieved and fulfilled.

Problems in workers and / or labor are related to problems of production, distribution, and consumption, all of which concern economic and human life issues, including management and also capital. All human beings have the right to freely choose their jobs, but in fact in today's industrial era which is growing rapidly, there are many choices and also opportunities to become workers or workers in a company. But behind some positive effects, of course, there are also negative effects, there are also injustices in the field of work, such as the non-fulfillment of workers' rights or decent wages, not high awareness of employers towards the implementation of laws and regulations, and so on that concerns injustice (Eriza, 2016).

In its implementation in a job, it is very possible for unexpected things to happen, namely termination of employment (LAYOFFS). For workers/ laborers, termination is the beginning of loss of livelihood, meaning loss of work and income. Therefore, the term "Termination of Employment" (layoffs) can be a scourge for every worker because they and their families face the threat of survival and feel the consequences of the termination. Given the facts, finding a job is not as easy as imagined. With competition intensifying, a growing labor force, and a constantly changing business environment, it is natural that workers are worried about the threat of their termination (Khakim, 2007).

When the employment relationship has been terminated, there will be disputes between the company and workers caused by dissatisfaction. Company policies that the company thinks have been given well, but workers have their own views and considerations so they are not satisfied with the policies given by the company. So there were disputes over termination.

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Usually, workers demand the company to fulfill the workers' rights to the provision of compensation, company procedures that are deemed not in accordance with the provisions of the law, and so on related to workers who demand their rights.

Problems arising from the termination of employment by the company, both the termination of employment itself and the legal consequences, are problems that cannot be solved. Just as a worker who has agreed to the termination of employment by the company against himself but does not agree with the compensation provided by the company, and on the grounds that the company has laid off due to losses, the company closes or for efficiency reasons while the condition is not the real thing. Labor or labor issues are a common problem in developing countries, including Indonesia. It is not uncommon in industrial relations courts to resolve disputes over labor relations, as a last resort of the settlement of labor relations, which had previously been carried out in accordance with the procedure for resolving industrial relations disputes outside the court.

Based on the description above, there is one case related to the termination of work by the company against the worker, the worker is the one hereinafter referred to as sister TR (Plaintiff) and the company where he works is the one hereinafter referred to as PT. PKN (Defendant). Starting from the company stating that it has suffered losses for 3 consecutive years, so sister TR and other workers must be laid off, the company has an agreement that it will give some money as compensation for termination of employment, but the company has not paid fully for the money, then Sister TR feels that her rights must be fulfilled. So in order to fulfill her rights so that they can be fulfilled, so that sister TR made efforts to resolve in a bipartite, tripartite manner, and even a letter of recommendation from the mediator of the Manpower Service Tribe, but PT. PKN showed bad faith or the attempt failed.

## II. THEORETICAL REVIEW

The term worker or labor which is now juxtaposed appears because in the previously born Law, namely Law Number 21 of 2000 concerning Trade Unions/Workers juxtaposing the two terms. The emergence of the term Labor / Worker which is aligned is because so far the government wants the term labor to be replaced with the term worker because the term labor in addition to connoting rough workers also describes a group that is always opposed to the employer (Maimun, 2007).

In Law Number 13 of 2003 concerning Employment Article 1 Number 4 provides an understanding that a Worker / Laborer is everyone who works by receiving wages or other forms of remuneration. In other words, Workers / Laborers are workers who are in the bond of

labor relations. This understanding is somewhat common but its meaning is broader because it can include all persons who work for anyone whether an individual, a fellowship, or a legal entity by receiving wages or in-kind rewards.

From the description above, it is concluded that a worker is a person who works for a party (person / business entity) with a certain agreement to get wages from the party who hires himself. There are several types that distinguish workers based on an employment agreement, then the various statuses of Workers (Sobandi, 2020):

**1. Permanent Workers**

The mention of workers is actually more to workers who are already permanent, used for workers whose employment relationships are based on the Indefinite Time Work Agreement (PKWTT). It is worth understanding that "indefinite time" should be interpreted as the absence of a time limit in the employment agreement for workers to work for the company.

**2. Contract Workers**

Contract workers or sometimes referred to as non-permanent workers. Basically, it is a worker whose employment relationship is based on a Specific Time Work Agreement (PKWT). The phrase "specific time" hints that there is an agreement regarding the time limit in the employment agreement. The determination of the deadline is also left to workers / laborers and employers to arrange it according to the agreement. However, it must still pay attention to and comply with the time limits that have been determined by the applicable laws and regulations in the field of labor.

The company (*bedriiff*) has an economic meaning that is widely explained in the Trade Law Code (KUHD). Individuals who own a company are called Entrepreneurs. One can only say that he runs a company, if he often regularly and openly takes an action in a certain job in order to make a profit in a certain way, he thinks that this way uses more capital than his own energy (Kansil, 2013).

Article 1601a of the Civil Code explains that an Employment Relationship is a relationship between an employer and a worker based on an employment agreement, which has elements of employment, wages, and orders. Then, in Article 50 of Law Number 13 of 2003 concerning Manpower, it states that the Employment Relationship occurs because of an employment agreement between an employer and a worker/laborer. Then, in Article 1 number 15 of Law Number 13 of 2003 concerning Manpower, it is stated that the employment relationship is a relationship between employers and workers / laborers based on an employment agreement that has elements of work, wages, and orders. Thus, it is clear that the employment relationship

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occurs due to an employment agreement between the employer and the worker / laborer. Therefore, from this understanding, it is clear that an employment relationship as a form of legal relationship is born or created after an employment agreement between workers and employers.

The Employment Agreement in Dutch is called *Arbeidsoverenkoms*, has several meanings. Article 1601 a of the Penal Code gives the meaning "An Employment Agreement is an agreement in which the first party (the laborer), binds himself to under the orders of the other party, the employer for a certain time performs work by receiving wages". From the definition of the Employment Agreement contained in the Civil Code as mentioned above, it appears that the Employment Agreement has a distinctive feature, namely "under the orders of other parties", under this order it indicates that the relationship between workers and employers is a relationship between subordinates and superiors (subordinated). Employers as socioeconomically higher parties give orders to workers/laborers who socio-economically have a lower position to do certain jobs. The existence of this order authority is what distinguishes between employment agreements and other agreements.

As part of an agreement in general, the employment agreement must meet the conditions for the validity of the agreement as stipulated in Article 1320 of the Civil Code which contains: a) The agreement of those who bind themselves; b) The ability to make an engagement; c) A certain thing; and d) A cause (*causa*) that is lawful. Then according to Article 1 number 14 jo Article 52 paragraph 1 of Law Number 13 of 2003 concerning Manpower, it states that the employment agreement is made on the basis of: 1) Agreement between the two parties; 2) Ability or ability to perform legal acts; 3) The existence of the promised work; and 4) The work promised is not contrary to public order, decency, and applicable laws and regulations.

As for the Form of Employment Agreement, in general there are two forms of employment agreement, which are mentioned in Article 51 paragraph 1 of Law Number 13 of 2003 concerning Manpower, namely agreements made in writing or orally, while the description of the form of work agreement is:

1) Written employment agreement

The written employment agreement must contain the type of work to be performed, the amount of wages, and various other rights and obligations for each party. A written employment agreement must clearly state that whether the employment agreement is a Certain Time Work Agreement (PKWT) is called a contract system or an Indefinite Time Work Agreement (PKWTT) which is called a permanent / fixed system. According to Article 15 paragraph (1) of the Decree of the Minister of Manpower and Transmigration of the Republic of Indonesia

Number: KEP.100 / MEN / VI / 2004 concerning Provisions for the Implementation of Certain Time Work Agreements (PKWT) must be in the form of Indonesian and Latin letters, otherwise the employment agreement changes to an Indefinite Time Work Agreement (PKWTT) since the existence of the employment relationship.

2) Oral or unwritten employment agreement

The employment agreement is generally drawn up in writing, but there is still an employment agreement that is delivered orally. In Law Number 13 of 2003 concerning Manpower, it is also allowed to use the oral work agreement. Indefinite Time Work Agreement (PKWTT) can be submitted orally, but with certain conditions and a letter of appointment. Meanwhile, for a Certain Time Work Agreement (PKWT) the employment agreement must be made in writing, and it is not allowed to be delivered orally. It would be better for the Employment Agreement to be made in writing not to complicate the employee's administrative process, the need for evidence when legal problems arise, and as a reference guideline if differences of opinion arise. If it is only delivered orally, it is easy to be influenced by differences of opinion and interpretation, if there are differences of opinion, it is difficult to prove, because companies and workers will stick to their opinions.

According to Article 56 paragraph (1) of Law Number 13 of 2003 concerning Manpower which reads: "The employment agreement is made for a certain time and for an indefinite time", it can be a type of Employment Agreement, namely:

a) The Specific Time Work Agreement (PKWT), namely Article 59 paragraph (1) of Law Number 13 of 2003 concerning Manpower, explains that a Certain Time Work Agreement (PKWT) can only be made for certain jobs that according to the type and nature or activity of the work will be completed within a certain time. An employment agreement made for an indefinite period is usually called a fixed employment agreement and the status of the worker is a permanent worker, and the period is for an indefinite period for an employment relationship that is not limited to the term of enactment or completion of a particular work. Indefinite Time Employment Agreements can be made in writing or can also be verbal and do not require ratification from the employment agency. If the Indefinite Time Employment Agreement is delivered orally, then the provisions applicable between the parties (Employers and Workers) are the clauses stipulated in the Labor Law

Rights and Obligations of both parties to the Employment Agreement, The provisions of the rights of the workers in the employment agreement are regulated in Articles 1603, 1603a, 1603b, and 1603c of the Civil Code, which outlines the following: a) The right to receive wages,

work is basically to earn wages, as can be seen from the government's interference in determining the amount of wages to be given to labor and paid by employers or referred to as the minimum wage ; b) The right to rest/leave, rest/leave is considered important to eliminate the boredom or fatigue of workers in doing work. Workers can be given leave for 12 (twelve) working days, in addition, workers are entitled to long leave for 2 (two) months after the worker has carried out continuous work for 6 years in the company / place of work; c) The right of workers to get health insurance, intended for workers who are sick, accidents, and activities have been guaranteed by Social Security as regulated by Law Number 3 of 1992 concerning Social Security; d) The right to get a certificate / letter of work experience, in this letter explains the nature of the work to be done, the length of the employment relationship (period of service). This letter is very important for the provision of workers in finding a new job, so that it can be treated according to the work experience of the worker.

Furthermore, the rights of workers that must be fulfilled by the company / place where the worker works, namely the right to: 1) Obtaining a job according to their ability; 2) Wages are given according to the work done; 3) Be treated well in a work environment; 4) Social security in the work done. Obligations of the parties to the Employment Agreement The obligations of the worker are also regulated in articles 1603, 1603a, 1603b, and 1603c of the Civil Code which describes, namely: a) The worker is obliged to do the work that has been agreed upon in the employment agreement, the work must be done by himself because it is individual, meaning it is attached to each individual, so that if the worker dies, the employment relationship is terminated by law. Therefore, a job cannot be inherited or represented. b) Workers must comply with the regulations and instructions of the complainant / employer that have been stated in the employment agreement. c) The work shall pay compensation and fines due to the intentionality of the work that results in the loss of the workers themselves.

The employer or employer or employer, against his workers is obliged to: a) Pay wages to the workers on time; b) Providing rest/leave, mandatory to provide annual rest/leave to workers on a regular basis; c) Take care of care and treatment for workers living with the employer or employer; d) Provide a certificate.

In everyday life, termination of employment between workers / workers and employers is commonly known as layoffs or termination of employment relations, which can occur due to the expiration of a certain time that has been agreed / promised in advance and can also occur due to disputes between workers / laborers or due to other reasons.

In practice, termination of employment that occurs due to the expiration of the time stipulated

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in the employment agreement, does not cause problems for both parties (workers / laborers or employers) because the parties concerned have both realized or knew the time of the end of the employment relationship so that each has tried to prepare themselves in the face of that reality. Unlike the case with termination that occurs due to a dispute, this situation will have an impact on both parties (Asyhadie & Zaeni, 2008).

Termination of employment relationship by law can be interpreted as breaking by itself and for workers, employers do not need to obtain a termination determination from the authorized institution, as stipulated in Article 154 of Law Number 13 of 2003 concerning Manpower that the employment relationship is terminated by law as follows: a) The worker is still in the period of probation of employment; b) The worker submits a request for resignation, in writing of his own accord without any coercion from the company, the end of the employment relationship in accordance with the pkwtt for the first time; c) The worker reaches the retirement age in accordance with the provisions in the employment agreement, company regulations, collective labor agreement, or laws and regulations; or d) The worker dies.

Termination of Employment has consequences for both parties, due to the breakup of the agreement between the worker and the company, where there will then arise the fulfillment of rights and obligations between the two parties. If one of the parties feels that someone is being harmed, then there must be a responsibility. Looking at the problems here, below will outline an overview of responsibilities. The responsibility according to the Big Indonesian Dictionary (KBBI) is a condition to be obliged to bear everything. In the legal dictionary, responsibility is the necessity of carrying out what has become his obligation. Furthermore, according to the Quarterly Point, liability must have a basis, which is the thing that causes the legal right to sue others as well as in the form of things that give birth to the legal obligation of others to give them accountability.

## III. RESEARCH METHODOLOGY

### Position Case

The Plaintiff on behalf of the initials TR as a worker in the Defendant's company is PT. PKN which is a company in the field of Principal Bottled Drinking Water. Sister TR started working from January 2, 2016 to April 30, 2019 or for 3 years and 4 months, with the status of a permanent worker as Accounting & Finance. That during the period of work the Plaintiff worked continuously and never broke or stopped then the wages received by the Plaintiff every month were Rp. 8,000,000.00 (Eight Million Rupiah). At the end of January 2019, the company's Director of PT. PKN and PT. The FTA (held by the same director) announced that

all workers were laid off as of January 31, 2019 due to information from the Director, the condition of the company which since its establishment for 3 consecutive years has suffered losses so that the Company will be deactivated. The Director announced that severance pay would be paid to all laid-off workers in accordance with the provisions of Law Number 13 of 2003 concerning Manpower.

When the 3-month extension period of the Plaintiff's work expired on April 30, 2019 and wanted to hand over. But Defendant ordered Plaintiff to make a Letter of Resignation. At first, Plaintiff did not want to, but Defendant insisted on the grounds that he would still be paid the severance pay. So it was as if plaintiff was considered resigned. Then after the handover of the work, the Defendant and his Team always look for the Plaintiff's fault as if the Plaintiff's work has not been completed, while the Plaintiff has carried out and completed the handover of the Work.

From April 30, 2019 defendants did not pay severance pay to Plaintiffs predetermined, until Plaintiffs pleaded to be given/paid severance wages to Plaintiffs predetermined. Then at the beginning of May 2019, the Plaintiff received a severance transfer from the Defendant in the amount of Rp. 32,000,000.00 (thirty million rupiah), that based on the calculation of the Defendant unilaterally as follows: 3 Years 4 Months Work Severance Pay, Rp. 8,000,000.00 multiplied by 4 equal to Rp. 32,000,000.00; and Service Period Award Money Rp. 16,000,000.00. So that the total becomes Rp. 48,000,000.00. That the severance pay has not been paid until the existence of this suit.

The plaintiff has made a complaint report to the West Jakarta Administrative City Manpower and Transmigration Office to obtain dispute resolution through the Mediation process between Sdri. TR (Plaintiff) and PT. PKN (Defendant). However, the report of the complaint by the Plaintiff cannot be resolved by both parties in front of the mediator at the mediation negotiations, because in 3 calls the Defendants were never present during the Mediation process. So that the Head of the Manpower and Transmigration Office of the West Jakarta Administrative City issued a Letter of Recommendation with Number: 064/113/HI-PHK-19/IX//2019 dated September 5, 2019. However, defendants did not comply and did not execute the Letter of Recommendation.

That therefore, to fight for a sense of fairness of legal certainty, the Plaintiff filed a Termination Dispute Lawsuit in *a quo* case in accordance with the provisions of the Industrial Relations Dispute Settlement Law (Article 13 paragraph (2) of The Law of the Republic of Indonesia No.02 of 2004) by attaching a Letter of Recommendation Number: 064/113/HI-PHK-19/IX//2019 dated September 5, 2019. According to the recommendations of the manpower and

transmigration office of the administrative city of West Jakarta, the remaining workers' rights are Rp.92,000,000.00 (Ninety-two million rupiah) with the following details:

| | | |
|---|---|---|
| Severance pay | 2 x 4 x 8,000,000 | = 64,000,000 |
| Service period award money | 2 x 8,000,000 | = 16,000,000 |
| Reimbursement money | 15% x 80,000,000 | = 12,000,000 |
| Wages during the process | 4 x 8,000,000 | = 32,000,000 |
| | Total | =124,000,000 |

The remainder of the plaintiff's rights according to the recommendations to be received from the defendant, with the following details:

| | |
|---|---|
| Breakdown of total recommendations | = 124,000,000 |
| Severance pay already paid by defendants | = 32,000,000 |
| Total remaining rights of plaintiff | = 92,000,000.00 |

The defendant filed in his execution that, the plaintiff demanded that the defendant fulfill his rights as stipulated in article 156 paragraphs 2, 3, and 4 of Law number 13 of 2003 concerning manpower, in the amount of Rp.124,000,000.00 (one hundred twenty-four million rupiah). Here the defendant states that the plaintiff must be qualified if he has to accept his rights, that the defendant remains on his argument that what the plaintiff must receive is Rp. 48,000,000.00 (forty-eight million rupiah), has been paid 32,000,000, and then the rest is 16,000,000.00.

**Resolutionof Out-of-Court Disputes between Workers and Companies**

In the Settlement of Industrial Relations Disputes, it should be considered whether the mechanism of termination of employment between workers and the company is appropriate or not, then disputes can arise if the mechanism is not implemented, then if the company that terminates the employment relationship to workers must carry out these mechanisms, namely:

1. Have complete supporting data. The company should have data / documents containing the reason or cause for the need to terminate employment. For example, violations

committed by workers, or the condition of the company so that it is necessary to terminate employment.

2. Notice to workers. The company must notify the worker concerned, because industrial relations involve the company and the worker, so it does not happen that the worker is dismissed without notice. Or if there is a union, then before severing the employment relationship the company must talk about the plan to the trade union, however, if the company does not have a union, then termination becomes the company's policy.
3. Deliberation. Deliberations are carried out by companies with workers with the aim of obtaining consensus, otherwise known as bipartite in the settlement of labor relations disputes. Having the goal of finding the best solution for the company and workers, if you have reached an agreement, a collective agreement is made.
4. Third-party help. If the problem is not solved through deliberation, it requires the help of a third party, namely the local labor service (Disnaker), the purpose is to find a fair and impartial solution, whether through mediation or reconciliation.
5. Mediation hukum. Legal mediation is carried out if assistance from third parties has also not been able to resolve the problem. Then legal remedies can be made up to the courts. So a written application was filed with the industrial relations court (PHI), accompanied by the reason why the termination was carried out.
6. Preparation of compensation money. If there is finally a termination, the company is obliged to provide compensation money, namely Severance Pay, Service Period Award Money, Reimbursement Money, and Wages During the Process, which should be received by the worker.

**Settlement of Industrial Relations Disputes through the Court between the Company and the Workers**

In Article 1 number 17 of Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes, it states that the industrial relations court is a special court within the District Court which has the authority to examine, adjudicate, and render judgments on industrial relations disputes. Thus, although the Industrial Relations Court has the special authority to adjudicate certain cases of a certain class of society regarding industrial relations, its position is in the general judicial environment, namely the District Court and culminates in the Supreme Court.

According to Article 57 of Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes, the procedural law applicable to the Industrial Relations Court is a civil procedural

law that applies to courts within the general judicial environment, except those specifically regulated in Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes. In this case, the answering stage begins with the reading of the lawsuit and ends at the judge's ruling. A number of provisions regarding civil procedural law also apply in the Industrial Relations Court.

Although the industrial relations court is within the scope of the district court, the industrial relations court has a legal area that covers the province concerned. The industrial relations court has the authority to handle all types of labor disputes, domiciled in all municipal or district courts, the establishment of industrial relations courts is carried out by the district courts in the dispute area within one provincial scope. The main task of the industrial relations court is to issue judgments on industrial relations disputes.

## IV. RESEARCH RESULTS

### Corporate Responsibility for Workers' Rights Due to Termination of Employment

Termination of Employment in a company, will cause the fulfillment of rights and obligations between workers and employers, employers must of course fulfill their obligations to workers' rights as in the form of employer responsibilities if they terminate employment, termination of employment as the employer should fulfill the obligation to provide workers' rights in the form of severance pay, employment award money, and reimbursement money.

Companies or employers who have not fulfilled their obligations which are a form of responsibility to workers due to termination of employment carried out by the employer are acts against the law, the laws referred to here are the Manpower Law and the Job Creation Law. Then, when the employer terminates the employment relationship with his workers, then break the agreement in the labor relationship of both parties. In accordance with Article 1329 jo 1332 of the Civil Code, it regulates if an agreement with another legal subject, then both parties are bound by the provisions agreed in the agreement and are obliged to comply with.

In this decision, the worker demands for the fulfillment of his rights due to termination of employment to be fulfilled, but the employer cannot fulfill obligations in the form of his responsibility to the worker, so a dispute arises of rights between the two parties. In the Plaintiff's argument, the employer has the remaining responsibility of Rp.92,000,000.00 (Ninety-two million rupiah) in accordance with the Tribal Recommendations of the West Jakarta Administrative City Manpower and Transmigration Office. Meanwhile, according to the Defendant's argument, the rest of the fulfillment of workers' rights that must be fulfilled by the employer is Rp. 16,000,000.00 (sixteen million rupiah). Which then according to the

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decision of the Panel of Judges the total remaining compensation payments to Workers is Rp. 60,000,000.00 (sixty million rupiah).

However, according to the calculations of the company (Defendant), the company needs to compensate after termination of employment in the amount of Rp. 48,000,000.00 (forty-eight million rupiah) to the laid-off worker (Plaintiff), but in fact it was only paid Rp. 16,000,000.00 (sixteen million rupiah), so there was a shortage of Rp. 16,000,000.00 (sixteen million rupiah). The above amount of compensation money is based on calculations from severance pay and service period award money. According to the company, the Plaintiff sued for his rights, but it must also be seen in how the worker (Plaintiff) performed while working in the Defendant's company, for the qualified. Then the company did not take into account the Reimbursement Of Rights (housing, treatment, and treatment) to the Plaintiff.

Termination of employment occurs because the company has suffered losses for 2 (two) consecutive years so that the company will be deactivated, so the company takes efficiency steps to its workers, namely termination of employment. It was announced by the company that since April 30, 2019, the company has terminated its workers (Plaintiff).

The responsibility given by the company (defendant) to the laid-off worker (plaintiff), namely in the form of severance pay, and service period award money. What will be presented is as follows, namely:

1. Severance pay: Severance pay is an amount of money paid by the company due to termination of employment, the amount of severance pay given is determined based on the worker's length of service, the longer the working period, the greater the severance pay that the worker will receive. The company's obligation to provide severance pay is regulated in Article 156 paragraph (1) of Law Number 13 of 2003 concerning Manpower: "In the event of Termination of Employment, the employer is required to pay severance pay and or employment award money and reimbursement money that should have been received."
2. Service period award money: Service period award money is service money as an employer's reward to workers that are associated according to the length of their service life. (Article 1 number 7 kepmenaker 78/2001)

In the case of Judgment No.: 63/Rev.Sus-PHI/2020/PN Jkt.Pst., the award of compensation money to the Plaintiff is only severance pay and employment award money, no reimbursement money. And even then the amount is still not fully paid. According to the statement from the Defendant, the Plaintiff must fulfill the settlement/fireplace of the work which is still different

from the Plaintiff.

Although the company pays compensation money in not the amount in full, yet the company has paid with a certain amount of money, but the worker remains in principle to sue for the fulfillment of his rights from the company. The company should directly meet the compensation for termination of employment since the establishment of the termination time or during the handover process without delaying time, so that there is no arbitrary intention from the company.

As well as the company asking workers to submit a letter of resignation, as if there was manipulation here. What should be if the worker makes a resignation must be of his own accord, but here it is based on the coercion of the company. That there will be different rights and provisions between resigning and being laid off by the company. Because the worker (Plaintiff) is a permanent worker or an indefinite time worker (PKWTT), according to its provisions when submitting a self-withdrawal, in Article 81 number 42 of Law Number 11 of 2020 concerning Job Creation which contains only Article 154A paragraph (1) letter I of Law Number 13 of 2003 concerning Manpower. As for what is the right of the worker if the termination of employment is due to resignation, then the worker is entitled to reimbursement money and separation money whose amount is regulated in the employment agreement, company regulations, or collective labor agreement. In fact in this case, the Worker (plaintiff) refused coercion from the Company (defendant), and accepted the termination of employment by the Company.

The company should carry out the termination procedure correctly so that there is no dispute, but if it occurs, it must be resolved in a bipartite and tripartite way first, where bipartite is a deliberation between the company and workers, while tripartite is a mediation mediated by a mediator at the local Manpower Office. By conducting deliberations first with workers related to the dispute over rights, but failed due to differences of opinion and interests. Then it was supposed to conduct mediation, but the company ignored the mediation call 3 (three) times from the Manpower Office. Which then in the end Workers had to sue the Company to the local Industrial Relations Court.

In this matter, the company has demonstrated its responsibility by seeking to give the rights of its laid-off workers, as outlined above, although there has not been a full fulfillment of the rights to the workers (Plaintiffs), the workers continue to demand their rights through channels in court, to obtain their rights in full in accordance with the Consideration of the Panel of Judges in the local Industrial Relations Court.

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**Judge's Consideration in the Judgment**

According to the judge's consideration in defendant's exoneration, defendant's arguments of assertion that plaintiff's suit is not clear (obscuur libel) are unwarranted, therefore it is worth stating that it is rejected; then with legal reasoning it states reject the defendant's exception completely.

The judge considered that there was no stipulation of the term of employment between the Plaintiff and the Defendant, the plaintiff had also exceeded the probationary period as well as the probationary period was calculated as a period of service i.e. from January 2, 2016, thus the Panel of Judges concluded that the Plaintiff was a worker of the Defendant with the status of an indefinite employment agreement (PKWTT) or as a permanent employee as of January 2, 2016. The plaintiff demanded a deficiency of termination of Employment in the amount of Rp.92,000,000.00 (Ninety-two million rupiah), while the Defendant refused where according to the defendant rejected the plaintiff's claim where according to the defendant the lack of compensation of Rp.16,000,000.00 (sixteen million rupiah), because it remained based on the defendant's calculation that the severance pay and the service period award money of Rp.48,000,000 had been paid by the company Rp. 32,000,000, and the rest according to the company as mentioned above is Rp.16,000,000, which is actually not in accordance with the calculations in Law Number 13 of 2003 concerning manpower.

After examining the evidence submitted by the plaintiff and the defendant in the trial, there is no evidence showing that the fulfillment of the conditions for termination of employment on the grounds that the company suffered losses as stipulated in Article 164 paragraphs (1) and (2), according to the panel of judges, there are not enough legal reasons to declare the termination of employment between the plaintiff and the defendant because the company suffered losses as referred to in the provisions of Article 164 paragraph (1) of the Act. No. 13 of 2003 concerning Manpower.

Based on Defendant's argument, the amount of termination of employment that there has been a company decree against the plaintiff's compensation is Rp.48,000,000.00 (forty-eight million rupiah) where the Plaintiff has received a sum of Rp. 32,000,000.00 (thirty-two million rupiah), so that there is still a sum of Rp.16,000,000 (sixteen million rupiah) which still has to be left by the Plaintiff. However, the Panel of Judges concluded that the Defendants wanted compensation to the Plaintiff to be referring to the value set by the company because there was a part of the payment that had been received by the Plaintiff, so the Defendant was only willing to pay the rest of the compensation value that had been set by the company because there was a part of the

payment that had been received by the plaintiff, so the Defendant was only willing to pay the rest of the compensation value that had been set.

Settlement of industrial relations disputes is possible settlement at the enterprise level i.e. at the bipartite stage. In taking into account the provisions of Article 7 paragraph (1), paragraph (2), paragraph (3), and paragraph (4) of Law Number 2 of 2004 Settlement of Industrial Relations Disputes, there is an arrangement that termination of employment including the amount of compensation agreed in the deliberations between Workers and Employers can have binding consequences and become law and must be implemented by the parties as long as the fulfillment of the requirements including a collective agreement must be made which a collective agreement must be made which signed by the parties and must subsequently be registered with the Industrial Relations Court in the District Court in the territory where the parties entered into a Collective Agreement, in order to obtain a deed of proof of registration of the Collective Agreement, that looking at the evidence submitted by both the Plaintiff and the Defendant in the trial court, there is no evidence to show any joint agreement on the termination compensation agreement as stated above. Therefore, against the defendant's argument that the remaining Termination Compensation that must still be received by the Plaintiff is Rp.16,000,000.00 (sixteen million rupiah), it is unwarranted and should be set aside.

That based on the above considerations, where the reason for the company's loss and the remaining compensation is Rp.16,000,000.00 (sixteen million rupiah) is not sufficiently legally reasonable and has been declared set aside, then upon termination of employment in this case, the Panel of Judges sentenced the Defendant to pay compensation for termination of employment to the Plaintiff in the form of 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 reimbursement money in accordance with the provisions of Article 156 paragraph (4) of Law Number 13 of 2003 concerning Manpower.

That in view of the Plaintiff's confession of the payment of part of the termination compensation of Rp.32,000,000.00 (thirty-two million rupiah), as considered above, it will then be taken into account as a factor in the deduction of termination compensation that the Plaintiff will receive. It is stated that the termination of the employment relationship between the Plaintiff and the Defendant is as of April 30, 2019 and pays attention to the printed evidence of the current account transaction on behalf of the Plaintiff, there is the fact that the Plaintiff has received wages in April 2019, guided by the provisions of Article 1 number 25 of Law Number 13 of 2003 concerning Manpower, which stipulates that termination of employment is the end of rights and obligations between workers and employers, then there was not enough legal reason

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to grant plaintiff's application for due process wages, and it should have been declared rejected.

Based on the above considerations, and taking into account the length of service and the amount of wages of the Plaintiff, the amount of the lack of compensation for termination of employment (LAYOFFS) in *the case a quo* that must be paid by the Defendant to the Plaintiff in the amount of Rp.60,000,000.00 (sixty million rupiah), with the following details:

a. Severance Pay: 2x 4 x Rp.8.000.000,00= Rp.64.000.000,00

b.Service Award Wage: 2xRp.8.000.000,00 =RP.16.000.000,00

c. Reimbursement Of Rights: 15%xRp.8.000.000,00 = Rp.12.000.000,00

d.Deducting payments that have been received =(Rp.32.000.000,00)

Total = Rp.60.000.000,00

With the description of the calculation above is:

1. Severance Pay Because the company terminated the employment with the reason of doing efficiency, the severance pay is multiplied by 2, where the Plaintiff has worked in the Defendant's Company for 3 years and 4 months, meaning that he gets severance pay 4 times the monthly wage. It means that in the hituungan is, 2 x 4 x Rp. 8,000,000.00 = Rp. 64,000,000.00. But in this dispute the company did not give 2 times the severance pay.
2. Employment Award Money According to the calculation of the Manpower Law Article 156, the Award Money if the worker has worked for 3 years or more but less than 6 years, then gets the service period award money 2 times the monthly wage, means that in its calculation it is 2 x Rp.8,000,000.00 = Rp. 16,000,000.00.
3. Reimbursement Money The company that performs efficiency because the company has suffered losses for 3 consecutive years, the company must also provide reimbursement money due to termination of employment to the worker, in the amount of {15% x (severance pay + employment award money)} provided that the worker has qualified. In this ruling, the worker is entitled to reimbursement money because he has qualified by fulfilling and completing his work, working continuously, and never stopping for 3 years and 4 months of his service. So according to the calculation, the worker is entitled to receive a reimbursement of 15% x (Rp.64,000,000.00 + Rp.16,000,000.00) = Rp. 12,000,000.00

So according to all the calculations above, workers are entitled to receive their rights according to Article 156 of Law Number 13 of 2003 concerning Manpower in the amount of Rp. 92,000,000.00 minus what the company has paid in the amount of Rp. 32,000,000.00, being the total shortfall that workers must receive is Rp. 60,000,000.00 (sixty million rupiah).

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The Plaintiff's Petitum for the Defendant to pay a forced sum (*dwangsom*) of Rp. 1,000,000.00 (one million rupiah) per day when the Defendant neglected to fulfill the content of the judgment in this case from the time this judgment was read out until it was implemented, the Panel of Judges opinionated, because the main point of the Plaintiff's suit was to demand that the Defendant pay a certain amount of money, not to do a certain act, then the Plaintiff's claim regarding this matter was unwarranted, and should be rejected.

The Panel of Judges tried itself in this case with a judgment as will be mentioned below; Prosecute; In Exegesis; Rejecting Defendant's exoneration Entirely; In The Subject Matter:

1. Grant plaintiff's suit in part;
2. Declared termination of employment between Plaintiff and Defendant as of April 30, 2019;
3. Punishing the defendant to pay compensation for termination of employment to the Plaintiff in the form of severance pay, service award money and reimbursement money minus compensation that has been paid in full in the amount of Rp. 60,000,000.00 (sixty million rupiah);
4. Dismiss plaintiff's suit for other than and the rest;
5. Charge the state for the costs incurred in this case in the amount of Rp. 606,000.00 (six hundred and six thousand rupiah).

## V. CONCLUSIONS AND SUGGESTIONS

### A. Conclusion

1. Termination of employment is the end of employment relations for one reason or another which results in the end of rights and obligations between the company and workers. After terminating the employment relationship, the company must be responsible for severing the employment relationship with the worker, in the form of material forms, namely severance pay, service period award money, and reimbursement money. As a result of termination of employment, it is possible for a dispute between the two parties, If the company is negligent in its responsibilities, a dispute over the rights of workers with his company arises. Settlement of industrial relations disputes as stipulated in Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes can be resolved through two channels, namely settlement outside the Industrial Relations Court (non-litigation) and settlement through the Industrial Relations Court (litigation). If the settlement of industrial relations disputes carried out outside the Industrial Relations Court does not reach an agreement, then the dispute resolution can be continued to be resolved in the Industrial Relations Court (litigation). In the judge's ruling on

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rights disputes resulting from termination of employment by the company against workers, the process of resolving it by granting part of the plaintiff's claim as a worker laid off by the Company. The content of the lawsuit is the fulfillment of workers' rights due to termination of employment.

2. The decision of the Industrial Relations Court at the Central Jakarta District Court and the Decision of the Supreme Court of the Republic of Indonesia regarding rights disputes resulting from termination of employment, are: a.granting the Plaintiff's lawsuit in part; b. declare the termination of the employment relationship between the Plaintiff and the Defendant as of April 30, 2019; c. to require the Defendant to pay compensation for termination of employment to the Plaintiff in the form of severance pay, service award money, and reimbursement money, which is reduced by the compensation paid by the Defendant, the total amount to be paid by the Defendant in the amount of Rp.60,000,000.00 (sixty million rupiah); d. dismiss plaintiff's suit for other than and the rest; charge the state a case fee of Rp.606,000.00 (six hundred and six thousand rupiah). And the Supreme Court rejected the Appeal with the Consideration of judex facti of the Industrial Relations Court at the Central Jakarta District Court did not apply the law incorrectly.

**B. Suggestion**

1. Hoping that workers and employers carry out and follow all processes and processes of termination in accordance with the laws and regulations, by following the laws and regulations, all rights and obligations and responsibilities can be fulfilled and carried out, so that no one of the parties feels disadvantaged. The two parties are expected in the employment relationship, namely workers and employers, not to be blind to the law, so that there is no arbitrary incident by and to one of the parties.

2. The process of resolving industrial relations disputes should be carried out in a bipartite manner first, so that it does not take legal channels or the realm of litigation. Or preferably, between the parties to the dispute can resolve it by means of deliberation that can reach consensus.

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