

Legal Protection of the Fulfillment of Workers' Rights in Industrial Relations Disputes (Case Study of Pt New Era Rubberindo Gresik)

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Abstract

Industrial relations disputes remain one of the most persistent problems in Indonesia's labor governance, particularly regarding the fulfillment of workers' fundamental rights. This study examines the issue of weak legal protection experienced by workers in industrial relations disputes, as reflected in the case of PT New Era Rubberindo Gresik, where workers' rights to wages, severance pay, and social security were not fulfilled despite a court decision. The main objective of this research is to analyze the forms of legal protection guaranteed under Law Number 13 of 2003 on Manpower, Law Number 6 of 2023 on Job Creation, and Industrial Relations Court Decision Number 706 K/Pdt.Sus-PHI/2022, as well as to evaluate the effectiveness of dispute resolution mechanisms in ensuring compliance with these provisions. This research employs a normative juridical method with statutory and case approaches. Primary data consist of labor regulations and the PHI decision, while secondary data consist of academic literature on labor law. Data were analyzed descriptively and qualitatively to assess the consistency between legal norms and their implementation in practice. The findings indicate that legal protection for workers includes both substantive and procedural guarantees, but their implementation remains weak due to low corporate compliance and inadequate government oversight. In the case of PT New Era Rubberindo Gresik, the company failed to execute the PHI ruling despite having permanent legal force, demonstrating structural deficiencies in enforcement mechanisms. The study concludes that strengthening supervisory functions, applying firm administrative sanctions, and enhancing the role of labor unions are essential to ensure effective protection of workers' rights in industrial relations disputes.

Keywords: Industrial Relations Dispute, Legal Protection, Workers' Rights.



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INTRODUCTION

Industrial relations constitute an essential pillar within the labor system because they function to maintain a balance between the interests of workers and employers. Ideally, industrial relations are built upon the principles of fair partnership, respect for workers' rights, and the obligation of employers to comply with labor standards. However, in practice, the dynamics of labor relations in Indonesia are still marked by various challenges, particularly concerning the fulfillment of workers' basic rights as widely documented in previous labor studies (Anggini et al., n.d.). Industrial disputes not only illustrate the clash of interests between workers and employers but also reflect the extent to which labor regulations are genuinely implemented in the field.

Although Indonesia has developed a comprehensive legal framework, its implementation and enforcement have not been optimal. This indicates a significant gap between legal norms and social reality. (Farida & Arinanto, 2025) note that although the regulatory framework is robust, its effectiveness largely depends on corporate compliance and the firmness of

government supervision and law enforcement mechanisms. In this context, Law No. 13 of 2003 on Manpower and Law No. 6 of 2023 on Job Creation provide a strong legal foundation for workers' protection, ranging from adequate wages, occupational safety, and social security to compensation in cases of termination of employment (PHK). Nevertheless, the implementation of these laws still faces serious challenges.

Many companies do not fully comply with these provisions for various reasons, such as financial constraints, weak internal governance, and the inadequate performance of labor supervisory institutions (Fransisco & Farina, 2025). The case of PT New Era Rubberindo Gresik serves as a concrete example of weak legal protection for workers. This rubber industry company reportedly failed to pay wages and allowances to hundreds of employees since 2020. The dispute escalated to litigation and was ultimately decided by the Gresik Industrial Relations Court (PHI) through Decision No. 706/Pdt.Sus-PHI/2022/PN.Gsk. The ruling declared that the company had violated labor obligations and was required to pay wages and severance to workers. However, the judgment has not yet been fully executed, demonstrating a serious gap between court decisions and their enforcement.

This situation reinforces the existence of a significant divide between normative legal provisions and their practical implementation in the field (Zairudin, 2022). Although regulations provide strong legal protection for workers, weak implementation directly results in injustice and legal uncertainty. When employers ignore court decisions without facing firm sanctions, the impact is not only detrimental to workers but also undermines the authority of the law itself. Therefore, research on the effectiveness of legal protection for workers is increasingly relevant to assess the extent to which legal norms can be applied within the context of contemporary industrial relations.

Research on industrial relations and the protection of workers' rights in Indonesia can be categorized into three main tendencies. First, studies on labor law enforcement that highlight weak regulatory implementation and limited government oversight. These studies focus on the effectiveness of legal institutions, particularly the roles of mediators, labor inspectors, and Industrial Relations Courts (PHI) in providing adequate protection. Second, research on corporate non-compliance with labor standards, especially concerning wages, social security, and termination settlement. This line of research often presents empirical cases showing how power imbalances between workers and employers lead to frequent neglect of workers' rights.

Third, studies analyzing mechanisms for resolving industrial disputes, whether through mediation, conciliation, arbitration, or litigation at the PHI. Several studies have found that dispute settlement through litigation often takes a long time and does not always guarantee effective execution of decisions.

Although these studies have contributed to the discussion on industrial relations, research focusing specifically on the relationship between regulatory effectiveness and the implementation of PHI judgments in concrete cases remains limited. Therefore, this study occupies an important position (state of the art) in addressing this research gap.

This research aims to provide a comprehensive overview of how effectively labor law in Indonesia particularly in the context of protecting workers' rights is being implemented (Puspasari & MoHa, 2024). Specifically, this study focuses on two key aspects: first, the form of legal protection for workers' rights as regulated under the Manpower Law and the Job Creation Law; and second, the mechanism for resolving industrial disputes based on a case study of PT New Era Rubberindo Gresik. Through this analysis, the author hopes to contribute

academically to the development of a more just, effective, and worker-oriented industrial dispute resolution system.

RESEARCH METHODS

This research uses a normative juridical method, which is a method that focuses on the analysis of the laws that apply positively (Ishaq, 2017). The analysis was carried out by studying the laws and the results of court decisions. In this study, the approach used consists of two, namely the legislative-legislative approach and the case approach. The regulatory approach is carried out by reviewing Law Number 13 of 2003 concerning Manpower and Law Number 6 of 2023 concerning Job Creation. Meanwhile, the case approach was used to analyze the Industrial Relations Court Decision Number 706 K/Pdt.Sus-PHI/2022, which is related to the protection of workers' rights at PT New Era Rubberindo Gresik.

The data of this study includes primary legal sources such as laws and court decisions, as well as secondary legal sources such as books, journals, and literature on employment law (Bahder Johan Nasution, 2008). Data analysis was carried out in a qualitative descriptive manner, namely by explaining the applicable legal norms and comparing them with applied practices in the field, so as to understand the extent to which legal protection is able to protect workers in resolving industrial relations.

RESULTS AND DISCUSSION

Legal Protection of Workers' Rights in Industrial Relations Disputes

Based on Law Number 13 of 2003 concerning Manpower, the protection of labor includes three main aspects, economic protection, social protection, and technical protection. Economic protection includes the right to wages, severance pay, benefits, and social security (Adenfa & Rasji, 2025). Social protection includes freedom of association and the right not to be discriminated against, while technical protection relates to occupational safety and health. These three forms of protection are the basis for preventing and resolving industrial relations disputes so that workers continue to obtain justice (Pakpahan et al., 2022).

Legal protection in industrial relations disputes is a form of legal remedy to guarantee workers' rights while maintaining a balance of interests with employers (Maudina & Nurdin, 2023). Legal protection for workers can be grouped into two, namely substantive protection and procedural protection (Makadolang et al., 2024). Substantive protection includes legal provisions that guarantee workers' basic rights, such as living wages, severance pay, social security, and fair treatment and freedom from discrimination. This type of protection is normative, because it is clearly regulated in labor laws and regulations and is a reference for the government and employers (Wahyudi & Seroja, 2023). Meanwhile, procedural protection is related to the legal mechanism that allows workers to fight for their rights in the event of a violation, through bipartite, tripartite, and Industrial Relations Courts, as stipulated in Law Number 2 of 2004 (Mantili, 2021).

In the field of employment, there are several rights of workers that must be guaranteed, including the right to a decent wage, social security, protection of occupational safety and health, and settlement in the event of termination of employment (Pramana et al., 2024). All of these rights are part of the protection that is normatively regulated and must be provided by employers, as stated in Law Number 13 of 2003 concerning Manpower and its amendments

through the Job Creation Law. This protection is not only a form of recognition of the role of workers in economic activities, but also a manifestation of the principle of social justice that is the basis of the labor law system (Herlambang et al., 2023).

Industrial relations disputes can occur if one of the parties, both workers and employers, does not carry out their obligations as stipulated in laws and regulations or employment agreements (Nopianti et al., 2024). Based on Law Number 2 of 2004, industrial relations disputes are classified into four types, namely rights disputes, conflicts of interest, layoff disputes, and disputes between labor unions in one company (Pedju, 2016). Of the four types of disputes, rights disputes and layoffs are the most common, especially when the company does not carry out its obligations in the payment of wages, severance pay, or post-layoff compensation (Fatimah, 2015).

Based on the previous description, it can be concluded that legal protection for workers in industrial relations disputes is a manifestation of the state's responsibility to uphold justice and ensure the fulfillment of citizens' rights (Adhawiyah & Santoso, 2022). Through substantive and procedural protection as stipulated in the Manpower Law and the Job Creation Law, it is hoped that workers will obtain legal certainty, welfare, and guarantees for the exercise of their rights. However, the level of effectiveness of such protection is highly dependent on the consistency of law implementation and enforcement by all parties, both businessmen, the government, and judicial institutions.

Industrial Relations Dispute Resolution Mechanism in the Case of PT New Era Rubberindo Gresik

The process of resolving industrial relations disputes in Indonesia is generally regulated in Law Number 2 of 2004 concerning the Settlement of Industrial Relations Disputes (EH & Purnomo, 2022). This law regulates the main stages of settlement, namely bipartite, tripartite, and litigation in the Industrial Relations Court (PHI) The bipartite stage is a direct negotiation between workers and employers that must be taken first before bringing the case to the legal realm. If an agreement is not reached within 30 days, the settlement will be continued to the tripartite stage through mediation or conciliation facilitated by the Manpower Office. If the mediation stage also does not yield results, then the settlement is carried out through litigation at PHI as the last step (S.S., n.d.).

In practice, the mechanism can be seen in the case that occurred at PT New Era Rubberindo Gresik, a manufacturing company in the rubber industry located in Gresik Regency, East Java. The problem has arisen since 2020 when the Covid-19 pandemic caused a decrease in production and marketing, which resulted in delays in wage payments and non-payment of Hari Raya Allowance (THR). In addition, layoffs occurred to a number of workers without severance pay or compensation as stipulated in Article 156 of Law Number 13 of 2003 concerning Manpower and the provisions updated in Law Number 6 of 2023 concerning Job Creation (Sinaga & Zaluchu, 2017).

Efforts to resolve through bipartite negotiations between workers and the company did not reach an agreement, because the company stated that it was unable to fulfill its obligations. Furthermore, a tripartite mediation was carried out facilitated by the Gresik Regency Manpower Office, but the mediation also did not succeed in resolving the problem, but this process also ended without results because the company still stated that it did not have the funds to pay

wages and severance pay. Because peace was not achieved, the union then filed a lawsuit with the Gresik Industrial Relations Court (PHI), which was then registered with Number 706/Pdt.Sus-PHI/2022/PN.Gsk. In its ruling, the panel of judges stated that the company had violated the obligation to pay wages and severance pay to 496 workers, and punished the company to pay a total of IDR 10,847,990,000.00.

Although the decision has permanent legal force (*inkracht van gewijsde*), until now the company has not implemented the content of the decision. Based on the results of a review of the company's financial documents and reports from the Manpower Office, it is known that the company has experienced severe financial difficulties due to the decline in revenue since 2020. However, until now the company has never filed an application for bankruptcy or Suspension of Debt Payment Obligations (PKPU) to the Surabaya Commercial Court. Thus, legally the company is still active and has not been declared bankrupt, so the reason for financial incapacity cannot be used as a valid basis to postpone the implementation of obligations as stipulated in the court decision.

The delay in the implementation of the decision was influenced by several interrelated factors (Hasan & Abadi, 2025). First, the company experienced serious post-pandemic economic pressure without adequate financial restructuring, so the company's cash flow was unstable. Second, the company's management shows bad faith because it continues to carry out some operational activities without fulfilling its responsibilities to workers. Third, the supervisory function of the Gresik Regency Manpower Office has not been optimal, even though this institution has an important role in following up on the implementation of court decisions. In addition, the bargaining position of workers and labor unions in this company is relatively weak, both financially and institutionally, so they have difficulty pressuring the company to immediately implement the ruling.

To overcome these problems, concrete and realistic steps are needed from various parties involved (Hananto & Lie, 2024). From the government's side, post-decision supervision must be strengthened with the application of administrative sanctions as stipulated in Article 190 of Law Number 13 of 2003 concerning Manpower, starting from the termination of business activities to the revocation of operating licenses for companies that do not comply with court decisions (Employee, 2018). In addition, local governments through the Manpower Office can coordinate with the Ministry of Manpower and the Gresik District Attorney's Office to facilitate the execution or, if necessary, file a bankruptcy application so that the company's assets can be auctioned and the proceeds are used to fulfill the rights of workers who are in the position of preferred creditors under Article 95 paragraph (4) of the Labor Law.

From the worker side, labor unions can submit an application for execution to the Chief Justice of the Gresik District Court so that the verdict is carried out immediately, as well as submit a formal complaint to the Ministry of Manpower so that the company is included in the national supervision list. In addition, workers can work with Legal Aid Institutions (LBH) or national labor federations in conducting legal advocacy and encouraging asset execution measures (Zulkarnaen, 2016).

Meanwhile, from the company's side, if it is indeed experiencing financial difficulties, it should show good faith by conducting financial restructuring, selling unproductive assets, or drafting a phased payment agreement with workers (Putra et al., 2020). If the company

continues to ignore these obligations, then the action can be categorized as a violation of the law that can be subject to criminal sanctions for employment as stipulated in Law Number 6 of 2023 concerning Job Creation.

Thus, the settlement of industrial relations disputes in the case of PT New Era Rubberindo Gresik has taken a mechanism in accordance with the provisions of Law Number 2 of 2004, ranging from bipartite, tripartite mediation, to lawsuits to the Industrial Relations Court, but the results of the decision were not implemented because the company was accused of experiencing financial difficulties. This condition shows the weak enforcement and supervision of labor laws in the field. Therefore, the government needs to strengthen the supervisory function through the Directorate of Labor and apply strict sanctions against companies that do not comply with the decision, while if it is true that the company is in bankruptcy, then the bankruptcy process must be taken so that workers' rights as preferred creditors are still protected. On the other hand, trade unions also need to strengthen their bargaining position in order to oversee the fulfillment of workers' rights to completion.

CONCLUSION

Legal protection of workers in industrial relations disputes is a form of state responsibility to ensure the fulfillment of workers' rights and maintain a balance with the interests of employers. This protection includes two main aspects, namely substantive protection that guarantees workers' basic rights such as wages, severance pay, and social security, and procedural protection that provides certainty for workers in fighting for their rights through applicable legal mechanisms. With this protection, workers are expected to obtain legal certainty and a sense of justice when labor relations violations occur.

The mechanism for resolving industrial relations disputes in Indonesia is regulated in stages based on Law Number 2 of 2004, starting from bipartite negotiations between labor and employers, then continuing the mediation or conciliation process, and ending with a settlement with the Industrial Relations Court if an agreement is not reached. The mechanism shows that the state has provided a fair and transparent legal pathway for workers to demand their rights, although in practice its effectiveness still depends on the commitment, legal awareness, and compliance of the parties with applicable provisions.

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