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# Problems of Collective Working Agreement (CLA) Between Two Unions and Company Management PT Indofood Sukses Makmur Tbk Bogasari Division Surabaya

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ABSTRACT: This research has the title Collective Labor Agreement (CLA) Between Two Labor Unions and the Management of Pt Indofood Sukses Makmur Tbk Bogasari Surabaya Division. Based on the title, two problems will arise, namely what problems arise during the implementation of the Collective Labor Agreement (PKB) between the Labor Union Leaders of the Cigarette Tobacco Work Unit Food and Beverage All-Indonesian Workers Union PT Indofood Sukses Makmur Tbk the Bogasari Division and the Indonesian Muslim Labor Union PT Indofood Sukses Makmur Tbk the Bogasari division with the Management of PT Indofood Sukses Makmur Tbk the Bogasari Surabaya division. How are the efforts to resolve according to the Manpower Law carried out by management on problems and obstacles during the implementation of the Collective Labor Agreement. The research method used to analyze is used. The approach method used is empirical juridical, namely by conducting reciprocal research between law and non-doctrinal institutions that are empirical in examining the legal rules that apply in society. Based on the research method as mentioned in the previous paragraph, it can be concluded that the following discussion is a collective labor agreement that has been made between the company and the workers' representatives delegated to the trade union as a result of a compromise between the owner of the company and the workers, considering that even if the CLA is signed by each worker, it will experience difficulties and or obstacles. That efforts to resolve according to labor law carried out by management on problems and obstacles during the implementation of the collective work agreement, are carried out in line with the CLA as contained in the dispute resolution articles, prioritizing preventive and zero conflict resolution because the CLA has been agreed. is automatically accepted by both parties.

Keywords: Collective labor agreement; indofoot success and prosperity; labor union

# I. PRELIMINARY

Meeting the needs of life is the main factor for humans to always try. One of the many businesses that is being done is to take advantage of its capabilities to work both individually and collectively by binding itself to other parties.

Humans rely on their ability to work individually, this means that in carrying out their work they are not bound by parties other than themselves, where this attachment can affect their rights and obligations. This is different if the work is carried out collectively, which means it can have ties to parties outside of itself which will also affect its rights and obligations while working to meet the needs of life.

In an effort to fulfill the needs of life, everyone has the same rights in terms of the opportunity to get a job. The same rights can be interpreted by not discriminating or making distinctions in providing work. In this

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case, the state also guarantees the creation of these rights by issuing regulations in the field of manpower. Apart from that, the rules made are also aimed at enabling citizens to enjoy and feel a decent living and prosperity in their lives.

A person who works, binds himself to a party other than himself, creates an agreement of rights and obligations as long as each party is still committed to continuing to bind his rights and obligations. Therefore, in the process it is necessary to have rules that become a definite reference regarding the rights and obligations of each party. A person who binds himself like this, in his daily life is called the workforce and the party who employs is usually called the entrepreneur.

The dynamics of the world of employment in Indonesia to date have developed far in a more complex direction, often with developments and changes in the times and technology which in the end also creates major changes in the industrial world so that it has a quite large impact on the employment sector. With the complexity of the existing workforce, several possible disputes arise as a result of unbalanced industrial relations as well as from different interpretations of the rules.

Often disputes in the scope of employment are initiated by differences in thoughts and dissatisfaction from the workers towards the behavior and policies implemented by employers. Whereas in his consideration, entrepreneurs actually think for the common interest for business continuity. However, starting from this dissatisfaction, a way of thinking and a different perspective was born from what the entrepreneur thought which could result in a decrease in motivation to work so that it led to a decrease in productivity and not fulfilling work targets which are actually an obligation that must be fulfilled by workers.

In this situation, a dispute arises. Where the dispute begins with a feeling of dissatisfaction with things that revolve around the problem of: a) wages; b) social security; c) assignment behavior that is sometimes felt to be inappropriate for personality; d) work power and work ability that are felt to be less in accordance with the work that must be carried out; e) there are personal problems.<sup>6</sup>

In doing work, a person can do his own business or cooperate with other parties and can work for other parties. With someone working for another person, it will lead to a link in the fulfillment of their respective rights and obligations. So for that we need a rule that can bridge the needs of all parties.

This labor dispute is distinguished between rights disputes (*rechtsgeschillen*) and conflicts of interest (*belangen-geschillen*). A rights dispute is a dispute that arises because one party does not fulfill the contents of a work agreement, labor agreement, employer regulations or violates legal provisions. Meanwhile, disputes of interest are disputes that occur as a result of changes in labor conditions or in other words disputes that arise in connection with the absence of a conflicting understanding of working conditions and or labor conditions.<sup>7</sup>

In the new labor regulations, the concept used is industrial relations disputes, namely differences of opinion which result in conflicts between entrepreneurs or a combination of employers and workers/labor or workers/labor unions due to disputes regarding rights, disputes over interests, and disputes over termination of employment and disputes, between trade unions/labor unions within one company. To regulate this relationship, it is necessary to have regulations in the field of employment that can be used as an umbrella and normative rules in the implementation of work. Considering the position of workers who are weaker than employers, thus the regulation should be able to achieve social justice to protect workers or laborers.

Indeed, the protection of workers is not only an interest or need from the side of the workers themselves but also a necessity from the side of the entrepreneur. Why is that, because workers are a valuable asset of the company. If these valuable assets are not protected by the entrepreneur himself, namely by placing his workers in a comfortable situation or area during work, of course, they will instinctively try to find and search for an area or condition that makes them comfortable when they cannot find comfort in their old place. So that the loss of valuable assets can affect the resilience and health of the company itself.

Creating comfort for workers is an agenda for change for progress that is mostly carried out by companies. Because when a worker is in a comfortable zone, it will be easy for him to bring out his creativity in the development of the company's progress. The existence of the comfort zone can foster pride and a high sense of belonging by workers and their families. A business that is able to excel and survive is a joint effort that involves the families of workers as an indicator of the company's health assets.<sup>8</sup>

For this reason, the formation of labor regulations that can accommodate the needs of the parties in the scope of employment plays an important role. As we know at this time, the legislation regarding employment that is still in effect today is Law No. 13 of 2003 concerning Manpower which has now been amended by Law No. 11 of 2020 concerning Job Creation. These changes are in the form of deleting articles, changing the sound

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 $<sup>^6</sup>$  H. Zainal Asikin, dkk, 2004, *Dasar-Dasar Hukum Perburuhan*, (Jakarta: Raja Grafindo Persada, Cetakan Kelima), h. 202.

<sup>&</sup>lt;sup>7</sup> Ibid.

<sup>&</sup>lt;sup>8</sup> Haery Sihombing, Myopia Mutu Sebagai Latent Dalam Persaingan dan Pertumbuhan (Kemampuan) Bisnis, h. 6.

of articles and adding new articles in Law Number 13 of 2003 concerning Manpower. So Law No. 13 of 2003 is still valid, including the implementing rules as long as the articles are not changed by the Job Creation Act.

The principle contained in the Manpower Act is that Manpower Development is carried out on the principle of integration through cross-sectoral functional coordination between the center and the regions, which is basically in accordance with the principles of national development, in particular the principles of democracy, fairness and equity. The existence of this law, in addition to aiming to achieve social justice in the field of employment, is also to protect workers from unlimited power by employers.

This law has an imperative legal nature, that is, it must be obeyed absolutely and cannot be violated, and it is also a facultative law which means that its implementation can be ruled out.

Articles in the Manpower Act contain the requirements for labor relations in general. Meanwhile, the condition of industrial relations in each company may vary. Therefore, in its implementation, the Manpower Act cannot be carried out directly. A more detailed elaboration or explanation of the working conditions governing industrial relations between Employers and Workers is required. One of them is the elaboration through the media of the Collective Labor Agreement (PKB).

Article 1 number 21 of Law no. 13 of 2003 concerning manpower provides a definition of collective labor agreement as an agreement which is the result of negotiations between a trade union/labor union or several unions/labor unions registered with the agency responsible for manpower affairs and an entrepreneur, several entrepreneurs, or an association of entrepreneurs who make terms of work, rights and obligations of both parties. Thus, the role of workers/workers represented by trade unions/workers and entrepreneurs represented by several entrepreneurs or associations of entrepreneurs is very meaningful in making collective work agreements, all of which have been regulated in the labor law.

It can be seen that the PKB was made to regulate the working conditions of the rights and obligations of both parties. Similarly, the CLA is a master agreement that must be considered in making a work agreement. Therefore, in implementing the industrial relations of PT Indofood SuksesMakmurTbk the Bogasari division, apart from always referring to and complying with the labor regulations made by the Government, it also makes and implements consistently the things that are agreed upon in a Collective Labor Agreement. The formulation of the problem is formulated as follows: What problems arise during the implementation of the Collective Labor Agreement (PKB) between the Labor Unions of the Cigarette Work Unit Leaders Tobacco Food and Beverage All-Indonesian Workers' Union PT Indofood Sukses Makmur Tbk Bogasari Division and Indonesian Muslim Labor Union PT Indofood Sukses Makmur Tbk Bogasari Division with Management PT Indofood Sukses Makmur Tbk Bogasari Surabaya Division and What are the efforts to resolve according to Labor Law carried out by management on the problem and obstacles during the implementation of the Collective Bargaining Agreement?

# II. DISCUSSION

Implementation of Collective Working Agreements (Claim) Between Work Unions Leading Work Units Cigarette Tobacco Food and Drink Work Unions All Indonesia Surabaya

A. Position of Collective Labor Agreement in the Implementation of Industrial Relations

# 1. Collective Labor Agreement

Collective Bargaining Agreement as the basis for the rules of labor law that apply at the level of the company's work unit. The Collective Labor Agreement, which is known in English as the Collective Labor Agreement (CLA), or in Dutch as the Collective Arbeids Overenkomst (CAO), has been recognized in Indonesian legal literature based on the provisions of the Civil Code (KUHPerdata). In Article 1601n of the Civil Code, it is stated that, "Labor agreements are regulations made by one or several employers' associations that are legal entities, and or several labor unions with legal entities, regarding work conditions that must be heeded when making work agreements". In Article 1601n of the Civil Code, it is stated that, "Labor agreements unions with legal entities, regarding work conditions that must be heeded when making work agreements".

Collective Labor Agreements in the world of Indonesian manpower have also been regulated and affirmed their position as a means to build industrial relations, as stated in Law Number 13 of 2003 concerning Manpower, Article 103 which states that industrial relations are carried out through the following means:

- 1. Trade unions/labor unions;
- 2. Employers' organizations;
- 3. Bipartite cooperation institutions;
- 4. Tripartite cooperation institutions;

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<sup>&</sup>lt;sup>9</sup> Abdul Khakim, *Pengantar Hukum Ketenagakerjaan Indonesia Berdasarkan Undang-Undang Nomor 13 Tahun 2003*, (Bandung: Citra Aditya Bakti, 2003), h. 6.

<sup>&</sup>lt;sup>10</sup> Lalu Husni, Pengantar Hukum Ketenagakerjaan di Indonesia, PT. Raja Grafindo Persada, Jakarta, 2003, h. 50.

<sup>&</sup>lt;sup>11</sup> *Ibid*.

- 5. Company regulations;
- 6. Collective labor agreement;
- 7. Labor laws and regulations; and
- 8. Institution for the settlement of industrial relations disputes.

The foregoing explains that to build industrial relations, it must be based on a set of systematic rules regarding the rights and obligations of each party. One of the rules recognized by our laws and regulations is the Collective Labor Agreement. Furthermore, in Law Number 13 of 2003 concerning Manpower, Article 1 number 21 states that, "A collective labor agreement is an agreement that is the result of negotiations between a trade union/labor union or several trade unions/labor unions registered with the responsible agency. in the field of manpower with entrepreneurs or several entrepreneurs or associations of entrepreneurs that contain working conditions, rights and obligations of both parties."

Based on the understanding of the Collective Labor Agreement above, the formulation of this Collective Labor Agreement can be divided into several elements, namely as follows:

- 1. Collective Labor Agreement is an agreement; therefore the principle of agreement law must be attached to the Collective Labor Agreement;
- 2. The legal subjects of the Collective Bargaining Agreement consist of trade/labor unions and employers; another possibility is a combination of trade/labor unions and several or associations of entrepreneurs; What I want to emphasize is that individual workers/labourers cannot appear as legal subjects in the Collective Bargaining Agreement; Contains the working conditions, rights and obligations of the parties, namely the entrepreneur and the worker/labourer; What I want to emphasize here is that the Collective Bargaining Agreement intends to provide guidelines, the form of the agreement, for employers and workers/labourers; thereby creating legal certainty. 12

The Blacklaw Dictionary defines a collective-bargaining agreement as "A contract that is made between an employer and a labor union and that regulates employment conditions. Also termed collective labor agreement or trade agreement". 13

The formulation of the Blacklaw Dictionary is similar to the formulation of the Collective Labor Agreement in Law Number 13 of 2003. What the Blacklaw Dictionary emphasizes is that the collective agreement is the result of collective bargaining negotiation. This is logical because the things stated in the collective agreement must be a compromise between the entrepreneur and the trade/labor union. The Blacklaw Dictionary provides the formulation of collective bargaining negotiation as "negotiation betweent an employer and the representatives of organized employees to determine the conditions of employment, such as wages, hours, and fringe benefits". <sup>14</sup>

Based on the formulation of the collective agreement by the Blacklaw Dictionary, it can be emphasized that even in countries that adhere to the command law system,individual workers/laborers cannot appear as legal subjects in the making of a collective agreement. This shows the uniqueness of a collective agreement or Collective Labor Agreement as an agreement.

As an agreement, the Collective Labor Agreement cannot be separated from the provisions of the legal terms of an agreement in general, which according to Article 1320 of the Civil Code must meet the following requirements:

- 1. Agree on those who bind themselves.
- 2. The ability to make an agreement.
- 3. A certain thing.
- 4. A lawful cause.

For more details, it is necessary to explain the four conditions above. The description of the explanation of these conditions is as follows:

- 1. Agree on those who bind themselves This means that the parties must agree on what was agreed upon. If there is coercion or dwang, oversight or dwaling, and fraud or bedrog, it means that there is no agreement. Article 1321 of the Civil Code states: "There is no valid agreement if the agreement was given by mistake or obtained by coercion or fraud". The meaning of coercion itself has been confirmed in Articles 1323, 1324 and 1325 of the Civil Code, and can be detailed as follows: Coercion carried out against a person who makes an agreement is the reason for the cancellation of the agreement, also if the coercion is carried out by a third party for the benefit of a particular party.
  - a. Coercion has occurred, if the act frightens a person of sound mind and the person concerned feels threatened.

<sup>&</sup>lt;sup>12</sup> Abdul R. Budiono, *Hukum Perburuhan*, PT Indeks, Jakarta, 2008, h. 106.

<sup>&</sup>lt;sup>13</sup> Bryan A. Gardner, *Blacklaw Dictionary*, dikutip oleh Abdul R. Budiono, *Hukum Perburuhan*, PT Indeks, Jakarta, 2008, h. 106.

<sup>&</sup>lt;sup>14</sup> Ibid.

- b. Force also cancels the agreement, if coercion is applied to the husband or wife or children or family.
- 2. Ability to Make an Agreement This requirement refers to the ability or skill of the actor who can make the agreement, while those who can become the actor are supporters of rights and obligations. If the person making the agreement is a legal entity, then the legal entity must meet the legal entity requirements, which include the following:
  - a. There are separate assets
  - b. have a specific purpose,
  - c. have their own interests,
  - d. There is an organization.

Meanwhile, if the parties who make the agreement are people, then the people who are considered as legal subjects who can have legal relations with other parties are people who are not included in the meaning of Article 1330 of the Civil Code as follows:

- a. Immature people,
- b. Those who are put under custody,
- c. Women in matters stipulated by law have prohibited making certain agreements.

In accordance with the provisions mentioned above, those who are included in the criteria mentioned above cannot enter into an agreement, and vice versa if they are not included in the three criteria mentioned above, then they have the right to enter into an agreement.

- 3. A Certain Thing The meaning of a certain thing is that the agreement must make the object certain. This is regulated in Article 1333 of the Civil Code that the type of goods that are the object of an agreement must be determined.
- 4. A Halal Cause What is meant here are causes that are not prohibited by law, do not conflict with decency and public order, this provision is stated in Article 1337 of the Civil Code.

The four conditions are cumulative, meaning that all of them must be fulfilled before it can be said that the agreement is valid. The terms of agreement of those who bind themselves and the ability to make an agreement in civil law are referred to as subjective conditions because they involve the person making the agreement, while the conditions for a certain thing and a lawful cause are referred to as objective conditions because they involve the object of the agreement. <sup>15</sup>

If the objective conditions are not met, then the agreement is null and void, meaning that from the beginning the agreement was deemed to have never existed. Meanwhile, if subjective conditions are not met, then the legal consequences of the agreement can be canceled.<sup>16</sup>

## 2. Working Relations

# a. Employment agreement

Definition of Employment AgreementThe work agreement, which in Dutch is calledArbeidsoverenkoms, has several meanings. Article 1601 a of the Civil Code provides the following understanding: "A work agreement is an agreement in which the first party (siburuh), binds himself to under the orders of another party, the employer for a certain time does work by receiving wages". 17

Meanwhile, based on Law No. 13 of 2003, Article 1 number 14 provides the understanding, namely: "A work agreement is an agreement between a worker/labourer and an entrepreneur or employer that contains the terms of work, the rights and obligations of both parties". In addition to the normative understanding as mentioned above, Imam Soepomo argues that a work agreement is an agreement in which the first party (the laborer), binds himself to work by receiving wages from the second party, namely the employer, and the employer binds himself to employ workers by paying wages.

# b. Elements of an Employment Agreement

Based on the understanding of the work agreement above, several elements of the work agreement can be drawn, namely: 18

a) There is an element of work

In an employment agreement there must be a work that is agreed upon (the object of the agreement), the work must be carried out by the worker himself, only with the permission of the employer can order someone else. This is explained in the Civil Code article 1603a which reads: "Labourers are obliged to do their own work; only with the permission of the employer can he order a third person to replace him".

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<sup>15</sup> Djumaldi, *Hukum Perburuhan dan Perjanjian Kerja*, PT Raja Grafindo Persada, Jakarta, 2002, h. 15-16.

<sup>&</sup>lt;sup>16</sup> Ibid.

<sup>&</sup>lt;sup>17</sup> Lalu Husni, *Pengantar Hukum Ketenagakerjaan Indonesia*, (Jakarta: Raja Grafindo Persada, 2003, edisi revisi), h. 54-55.

<sup>&</sup>lt;sup>18</sup> *Ibid*.

The nature of the work carried out by the worker is very personal because it is related to his/her skills/expertise, so according to law if the worker dies, the work agreement is terminated by law.

#### b) There is an element of command

The manifestation of the work given to workers by the employer is that the worker concerned must comply with the employer's orders to do the work in accordance with the agreement. This is where the work relationship differs from other relationships, for example the relationship between doctors and patients, lawyers and clients. The relationship is not an employment relationship because doctors, lawyers are not subject to orders from patients or clients.

# c) There is an element of wages

Wages play an important role in the employment relationship (employment agreement), it can even be said that the main purpose of a worker working for an entrepreneur is to earn a wage. So if there is no element of wages, then a relationship is not an employment relationship. Like an inmate who is required to do a certain job, a hospitality student who is doing field practice in a hotel.

# c. Legal Terms of Employment Agreement

As part of the agreement in general, the work agreement must meet the requirements for the validity of the agreement as stipulated in article 1320 of the Civil Code. This provision is also contained in Article 52 paragraph (1) of Law Number 13 of 2003 which states that a work agreement is made on the basis of: 19

- a. Both side agreement;
- b. Ability or ability to perform legal actions;
- c. The existence of the promised work;
- d. The agreed work must not conflict with public order, decency, and the provisions of the applicable laws and regulations. The four conditions are cumulative, meaning that all of them must be fulfilled before it can be said that the agreement is valid.

# d. Form and Term of Employment Agreement

Work agreements can be made in written or oral form (Article 51 paragraph (1) of Law No. 13 of 2003). Normatively the written form guarantees the certainty of the rights and obligations of the parties, so that if a dispute occurs, it will greatly assist the evidentiary process.

Article 54 of Law No. 13 of 2003 states that a written work agreement must at least contain the following information:

- a. Name, company address, and type of business;
- b. Name, gender, age, and address of the worker/labourer;
- c. Position or type of work;
- d. Place of work;
- e. The amount of wages and the method of payment;
- f. Working conditions that contain the rights and obligations of the entrepreneur and the worker or laborer;
- g. Commencement and period of validity of the work agreement;
- h. Place and date the work agreement was made;
- i. Signatures of the parties in the employment agreement.

# 3. Collective Labor Agreement (PKB)

#### a. Definition of Collective Labor Agreement (PKB)

The CLA material is regulated in Law No. 13 of 2003 in Chapter XI concerning industrial relations, namely in Part Three. Then Article 133 of Law No. 13 of 2003 states that the requirements and procedures for making, extending, changing, and registering PKB are regulated by a ministerial decree. The ministerial decree referred to is the Decree of the Minister of Manpower and Transmigration of the Republic of Indonesia Number KEP-48/MEN/IV/2004 concerning Procedures for Making and Ratifying Company Regulations and Making and Registering Collective Labor Agreements.

Labor Agreement/Collective Labor Agreement (KKB) or the term used in Law No. 13 of 2003 is a Collective Labor Agreement (PKB) in English known as Collective Labor Agreement (CLA), or in Dutch it is called Collective ArbeidsOveremkomst (CAO), this agreement is known in the legal repertoire of Indonesia based on the provisions of the Civil Code. Meanwhile, according to Lotmar, the definition of a labor agreement is an agreement between an employer or more and a group of workers

<sup>&</sup>lt;sup>19</sup> Ibid.

<sup>&</sup>lt;sup>20</sup> Ibid

that contains the terms of wages and work for work agreements that will be held later.<sup>21</sup>

Based on Article 1 number 21 of Law No. 13 of 2003 in conjunction with Article 1 paragraph 2 of the Decree of the Minister of Manpower and Transmigration No. KEP-48/MEN/IV/2004, PKB is an agreement that is the result of negotiations between a trade union/labor union or several unions. workers/labor unions registered with the agency responsible for manpower affairs with the entrepreneur, or several entrepreneurs or associations of entrepreneurs that contain the working conditions, rights and obligations of both parties.<sup>22</sup>

From the above understanding, there are similarities, namely that either a labor agreement or a Collective Labor Agreement is intended to regulate the relationship between the two parties in carrying out a working relationship between a worker/labourer and an employer/entrepreneur. Likewise, it is also intended as a basic reference or as a parent in making a work agreement. However, it can be seen that the definition of PKB in Law No. 13 of 2003 has a broader meaning.

### b. Authority for Making CLA

The authority to make PKB is related to parties who can and have the authority to make PKB. From the understanding of the CLA above, it can be seen who the parties that can make the PKB are. The parties are the Trade Union/Labour Union and the Employer/Entrepreneur Association.

# c. Trade Union/Labor Union

The CLA can only be negotiated and drawn up by a trade union which is supported by the majority of workers in the company concerned. Thus, the parties or subjects who make the CLA are the workers/workers represented by the trade/labor union or several trade/labor unions in the company with the entrepreneur or an association of entrepreneurs. The purpose of this representation is to give workers a stronger position in negotiating with their employers because workers union officials are generally elected by people who are able to fight for the rights and interests of their members. <sup>23</sup>

#### d. Entrepreneur/Entrepreneurs Association

As for what is meant by entrepreneur in Article 1 paragraph (5) of Law No. 13 of 2003 in conjunction with Article 1 paragraph (4) of the Decree of the Minister of Manpower and Transmigration No. KEP-48/MEN/IV/2004, are: Individuals, a partnership, or a legal entity that operates a self-owned company. An individual, partnership or legal entity that independently operates a company that does not belong to him. Individuals, partnerships or legal entities residing in Indonesia representing companies a and b above, which are domiciled outside the territory of Indonesia.

In addition to the definition of entrepreneur, there is also the definition of Employer, namely an individual, entrepreneur, legal entity or other entity that employs workers by paying wages or other forms of remuneration. This definition of Employer is intended to avoid people who work for other parties who cannot be categorized as entrepreneurs, especially for workers in the informal sector. So it can be concluded that entrepreneurs are in the form of individuals, while some entrepreneurs are in the form of partnerships, then the associations of entrepreneurs are legal entities. <sup>24</sup>

# e. CLA Making Procedure

To find out the procedure for making a Collective Labor Agreement (PKB), it is as follows: <sup>25</sup>

- 1) One of the parties (a trade union/labor union or entrepreneur) submits a written Collective Labor Agreement (PKB), accompanied by the concept of a Collective Labor Agreement (PKB).
- 2) Minimum membership of a trade union/labor union is 50% (fifty percent) of the number of existing workers/laborers at the first time the Collective Labor Agreement (PKB) is drawn up.
- 3) Negotiations begin no later than 30 (thirty) days after the written application.
- 4) The negotiating parties are the management of the SP/SB and the head of the company concerned with their respective power of attorney.
- 5) Negotiations are carried out by a negotiating team from both parties of 5 (five) people each.
- 6) The deadline for bipartite negotiations is 30 (thirty) days from the first day the negotiations begin.
- 7) During the negotiation process of each party; (a) may consult with Ministry of Manpower officials; (b) must keep things that are not final in nature as a negotiation decision.
- 8) If 30 (thirty) days of bipartite negotiations have not completed the preparation of the Collective Labor Agreement (PKB), one of the parties is obliged to report to the Office of the Ministry of Manpower to

<sup>24</sup> Happy Budyana Sari, *op.cit.*, h. 37.

 $<sup>^{21}</sup>$  F.X. Djumialdji & Wiwoho Soejono, *Perjanjian Perburuhan dan Hubungan Perburuhan Pancasila*, (Jakarta: Bina Aksara, 1987), h. 13.

<sup>&</sup>lt;sup>22</sup> Happy Budyana Sari, 2006, "Peranan Serikat Pekerja Seluruh Indonesia (SPSI) di PT. FUMIRA Semarang Dalam Pembuatan Perjanjian Kerja Bersama (PKB)", *Tesis*, Undip Semarang, h. 33.

<sup>&</sup>lt;sup>23</sup> Lalu Husni, *op.cit.*, h. 67.

<sup>&</sup>lt;sup>25</sup> Abdul Khakim, 2003, *Pengantar Hukum Ketenagakerjaan Indonesia Berdasarkan Undang-Undang Nomor 13 Tahun 2003*, PT. Citra Aditya Bakti, Bandung, h. 56-57.

be mediated or through the Arbitration Institution.

- 9) The time limit for arbitration or arbitration settlement is a maximum of 30 (thirty) days.
- 10) If 30 (thirty) days of mediation or settlement of the arbitration is not successful, then the intermediary employee must report to the Minister of Manpower.
- 11) The Minister of Manpower takes various efforts to determine the steps for the completion of a Collective Labor Agreement (PKB) a maximum of 30 (thirty) days.
- 12) Since signed by representatives of both parties, the Collective Labor Agreement (PKB) is valid and officially valid and binding on both parties and their members.
- 13) After the Collective Labor Agreement (PKB) has been agreed and signed, it must be registered with the Ministry of Manpower.Both parties are obliged to disseminate the contents and meaning of the Collective Labor Agreement (PKB) to all parties in their work environment. According to Law No. 13 of 2003, in the event that in one company there is only one trade union/labor union, the trade union/labor union has the right to represent the workers/laborers in negotiations on the making of the CLA with the entrepreneur if it has more than 50% (fifty percent) members.) of the total number of workers/laborers in the company concerned (Article 19 paragraph (1)). In the event that in one company there is only one trade/labor union as referred to in paragraph (1) but it does not have more than 50% (fifty percent) members of the total number of workers/laborers in the company, the trade union/labor union may represent the workers/labor unions. workers in negotiating with employers if the trade/labor union concerned has received the support of more than 50% (fifty percent) of the total number of workers/laborers in the company through voting (Article 19 paragraph (2)).

In the event that the support as referred to in paragraph (2) is not achieved, the trade union/labor union concerned may re-submit a request to negotiate the PKB with the entrepreneur after exceeding the 6 (six) month period from the date of voting by following the original procedure. <sup>26</sup> If in one company there are more than 1 (one) trade union/labor union, then the right to represent the worker/labourer is to negotiate with the entrepreneur whose total membership is more than 50% (fifty percent) of the total number of workers/labourers in the company (Article 120 paragraph (1)).

In the event that these provisions are not met, then the trade/labor union can form a coalition so that more than 50% (fifty percent) of the total number of workers/laborers in the company can represent them in negotiations with employers (Article 120 paragraph (2)). In the event that the provisions as referred to above are not fulfilled, the trade union/labor union shall form a negotiating team whose membership is determined proportionally based on the number of members of each trade union/labor union (Article 120 paragraph (3)).<sup>27</sup>

# f. Changes, Extensions and Updates of the CLA

In the event that the PKB whose validity period has expired is to be extended or renewed and in the company there is only 1 (one) trade union/labor union, then the extension or renewal of the PKB does not require the provisions in Article 119 (Article 130 paragraph (1)).

In the event that the CLA whose validity period has expired will be extended or renewed and in the company there is more than 1 (one) trade union/labor union and the trade union/labor union that previously negotiated no longer fulfills the provisions of Article 120 paragraph (1), then the extension or the making of the renewal of the PKB is carried out by a trade union/labor union whose members are more than 50% (fifty percent) of the total number of workers/laborers in the company together with the trade union/labor union that made the previous PKB by forming a negotiating team proportionally (Article 130 paragraph (2)). Then Article 130 paragraph (3) in the event that the CLA whose validity period has expired will be extended or renewed and in the company there is more than 1 (one) trade union/labor union and none of the existing trade unions/labor unions complies with the provisions of Article 120 paragraph (3) (1), then the extension or the making or making of the renewal of the PKB is carried out according to the provisions of Article 120 paragraphs (2) and (3).

# g. The validity period of the CLA

The validity period of the CLA is a maximum of 2 (two) years and can only be extended once for a maximum of 1 (one) year based on a written agreement between the trade union/labor union and the entrepreneur. <sup>28</sup> In addition to the labor agreement ending because the time has expired, the labor agreement can also end at any time, namely the possibility to ask the court to declare the labor agreement

<sup>&</sup>lt;sup>26</sup> Lalu Husni, h. 68.

<sup>&</sup>lt;sup>27</sup> Lalu Husni, h. 11.

<sup>&</sup>lt;sup>28</sup> Lalu Husni, h. 69.

terminated for compelling reasons, namely if it is not taken into account it creates a sense of injustice.<sup>29</sup>

## h. Company regulations

Based on the regulation of the Minister of Manpower, Transmigration and Cooperatives No. 02/MEN/1976 stated that the company regulation is a regulation made by the company's leadership which contains provisions regarding the working conditions that apply to the company concerned and contains company rules and regulations. In line with this understanding, Law Number 13 of 2003 also provides the meaning of Company Regulations are regulations made in writing by employers that contain working conditions and company rules and regulations. From this understanding, it is clear that company regulations are made unilaterally by employers which contain the terms of work, rights and obligations of workers and employers and company rules and regulations.

In other words, company regulations are technical instructions from the CLA as well as work agreements made by workers/labor unions with employers. The conditions that must be met in making company regulations are:<sup>30</sup> 1) must be approved in writing by the workers; 2) a complete sheet of company regulations must be provided free of charge to workers, and must be posted in a place that can be read by the public (labor); 3) another copy signed by the employer must be submitted to the Ministry of Manpower; 4) company regulations may only be valid for a maximum of two years; 5) In companies with which a labor agreement has been made, the company regulations may not conflict with the labor agreement.

# Efforts for Resolving According to Labor Law Managed by Management of Problems and Obstacles During The Implementation of Collective Labor Agreements

# 1. Industrial Relations Dispute Resolution

In connection with the settlement of industrial relations disputes, it is regulated by Law Number 2 of 2004 concerning the Settlement of Industrial Relations Disputes. In simple terms, the settlement of industrial relations disputes is resolved by seeking a settlement first through bipartite negotiations by deliberation to reach consensus. Settlement through bipartite must be completed no later than 30 (thirty) working days from the date of commencement of negotiations. If within a period of 30 (thirty) days one of the parties refuses to negotiate or negotiations have been carried out but do not reach an agreement, then the bipartite negotiations are deemed to have failed.

In the event that bipartite negotiations fail, one or both parties shall register their dispute with the local agency responsible for manpower affairs by attaching evidence that efforts to resolve through bipartite negotiations have been carried out. If the evidence as intended is not attached, the agency responsible for manpower affairs returns the file to be completed no later than 7 (seven) working days from the date the file is returned. After receiving a record from one or the other parties, the agency responsible for local manpower affairs is obliged to offer the parties an agreement to choose a settlement through conciliation or through arbitration.

In the event that the parties do not determine the choice of settlement through conciliation or arbitration within 7 (seven) working days, the agency responsible for manpower affairs delegates the settlement of the dispute to the mediator. Settlement through conciliation is carried out for the settlement of disputes of interest, disputes over termination of employment, or disputes between trade unions/labor unions. Settlement through arbitration is carried out to settle disputes of interest or disputes between trade unions/labor unions. In the event that the settlement through conciliation or mediation does not reach an agreement, one of the parties may file a lawsuit with the Industrial Relations Court.

# 2. Industrial Relations

Article 1 point 16 of Law Number 13 of 2003 states that industrial relations are a system of relations formed between actors in the process of producing goods and/or services consisting of elements of entrepreneurs, workers/laborers, and the government based on values. Pancasila and the 1945 Constitution of the Republic of Indonesia.

Meanwhile, the relationship between workers/labor and entrepreneurs as actors in the process of producing goods and/or services is born or created because of a legal relationship in the form of an employment relationship.

Article 1 number 15 of Law Number 13 of 2003 states that, "Employment relationship is a relationship between an entrepreneur and a worker based on a work agreement that has elements of work, wages, and

<sup>&</sup>lt;sup>29</sup> Djumialdji, F.X & Wiwoho Soejono, 1987, *Perjanjian Perburuhan dan Hubungan Perburuhan Pancasila*, Bina Aksara, Jakarta, h. 25.

<sup>&</sup>lt;sup>30</sup> Zainal Asikin, H. Agusfiar Wahab, Lalu Husni, Zaeni Asyhadie, *Dasar-Dasar Hukum Perburuhan*, (Jakarta: Raja Grafindo Persada, 1994), h. 61.

orders". Meanwhile, according to Zainal Azikin, an employment relationship can be defined as a relationship between a worker and an employer that occurs after a work agreement is concluded, where the worker declares his/her ability to work for the employer by receiving wages and the employer declares his/her ability to employ workers by paying wages.<sup>31</sup>

From the above understanding, it is very clear that the employment relationship as a form of legal relationship, was born or created after the existence of an "work agreement" between the entrepreneur and the worker/labourer. Meanwhile, an employment agreement is defined by Abdul RachmanBudiono as an employment relationship that occurs after a work agreement between the worker and employer is made, where the worker declares his ability to work for the employer by receiving wages, and on the other hand, the employer declares his ability to employ workers by paying wages or other rewards.<sup>32</sup>

Meanwhile, according to Suharnoko, a work agreement is a strong work bondIn principle, it is made between parties or elements in industrial relations, namely between the entrepreneur as the person who gives work, and the worker as the person who is employed.<sup>33</sup>

In addition, the notion of a work agreement was also put forward by ImanSoepomo who stated that, "a work agreement is an agreement in which the first party, the worker, binds himself to work by receiving wages from the other party, the employer, who binds himself to work for the worker by paying a salary. wages". 34

Furthermore, regarding the definition of a work agreement, Subekti also responded that, "a work agreement is an agreement between a "labor" and an "employer", which agreement is marked by the following characteristics: the existence of a certain agreed salary and the existence of a relationship at the top level, (dutchdierstverhanding) which is a relationship based on which one party (the employer) has the right to give orders that the other party must obey.<sup>35</sup>

In line with the definition of a work agreement above, Article 1 number 14 of Law Number 13 of 2003 states that "A work agreement is an agreement between a worker/laborer and an entrepreneur or employer that contains the working conditions, rights and obligations of the parties". From the above understanding, it is very clear that the employment relationship as a form of legal relationship, was born or created after the existence of an "Employment Agreement" between the entrepreneur and the worker/labourer. As for the substance of the work agreement made, it must not conflict with the applicable labor regulations, in this case the Collective Labor Agreement. Thus the legal position of Collective Labor Agreement as a component in industrial relations.

# 3. Functions of Collective Labor Agreements in the Implementation of Industrial Relations

Article 1313 of the Civil Code, explains that "an agreement is an act by which one or more people bind themselves to one or more other people". In a contract agreement there are many agreements in the form of clauses which are arranged in the articles of the agreement that apply and bind the parties to carry it out. These clauses are related to each other which are built based on the freedom of the parties involved in the agreement.

According to treaty law, the freedom of both parties to enter into an agreement must first be achieved through a negotiation process before entering into a binding agreement. Furthermore, in Article 1233 of the Civil Code, it is explained that "the engagement is born because of approval and or because of the law". The legal rule of the article above is emphasized that the engagement is born as a legal consequence of what has been agreed, what has been agreed, can be emphasized in Article 1234 of the Civil Code which states that "The engagement is intended to give something, to do something, or not to do something.".

As an agreement, the Collective Labor Agreement in the clauses set forth must be a manifestation of the negotiation of two parties, namely the trade/labor union and the entrepreneur. In this regard, Article 116 paragraph (2) of Law Number 13 of 2003 confirms that the preparation of a collective work agreement is carried out by deliberation.

The formalities of the Collective Labor Agreement as regulated in Article 116 paragraph (3) of Law Number 13 Year 2003, are:

- 1 Made in written form;
- 2. Written in Latin letters; and
- 3. Using Indonesian.

The three formal requirements are cumulative requirements. This means that these three conditions must be fulfilled. <sup>36</sup> Furthermore, the Collective Labor Agreement shall at least contain:

- 1. Rights and obligations of entrepreneurs;
- 2. Rights and obligations of trade unions/laborers and workers/laborers;

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<sup>&</sup>lt;sup>31</sup> Zainal Azikin, *Dasar-Dasar Hukum Perburuhan*, PT. Raja Grafindo Persada, Jakarta, 2004, h. 35.

<sup>&</sup>lt;sup>32</sup> Abdul Rachman Budiono, *Hukum Perburuhan di Indonesi*a, PT Raja Grafindo Persada, Jakarta, 1995, h. 56.

<sup>&</sup>lt;sup>33</sup> Suharnoko, *Hukum Perjanjian Teori dan Analisis Kasus*, Prenada Media, Jakarta, 2004, h. 67.

<sup>&</sup>lt;sup>34</sup> Imam Soepomo, *Pengantar Hukum Perburuhan*, Djambatan, Jakarta, 1987, h. 57.

<sup>&</sup>lt;sup>35</sup> R. Subekti, *Aneka Perjanjian*, Alumni, Bandung, 1977, h. 63.

<sup>&</sup>lt;sup>36</sup> Abdul Rachmad Budiono, *op.cit.*, h. 107.

- 3. The period and date of entry into force of the Collective Labor Agreement; and
- 4. Signatures of the parties making the Collective Labor Agreement.

Collective Labor Agreements that have been produced through negotiations between employers and trade/labor unions must be registered with the agency responsible for manpower affairs. The party who is burdened with the obligation to register the Collective Labor Agreement is the entrepreneur. If the completeness of the requirements for the registration of the Collective Labor Agreement has been fulfilled and there is no material that is contrary to the applicable laws and regulations, the official appointed by the employment agency must issue a Decree on the Registration of the Collective Bargaining Agreement. Therefore, from the date of entry into force of the Collective Bargaining Agreement, employers, trade/labor unions and workers/labourers are obliged to implement the contents of the Collective Labor Agreement. Employers and trade/labor unions are required to notify all workers/laborers of the contents of the Collective Labor Agreement.

The obligation to carry out the contents of the Collective Labor Agreement as an agreement, then the provisions are as regulated in Article 1338 of the Civil Code which states:

- 1. All agreements made legally in accordance with the Act shall apply as Law for those who make them. This means that all the provisions in the agreement that have been agreed upon by the parties are binding and must be implemented by the parties who made it.
- 2. The agreement cannot be withdrawn other than by agreement of both parties or for reasons determined by law. This means that the agreement that has been made and agreed to apply reciprocally.
- 3. Approval must be carried out in good faith. This means that the agreement has been stated in the agreement to be obeyed by both parties.

Thus, the function of Collective Labor Agreements in industrial relations for the actors of the production process, namely entrepreneurs and trade/labor unions as well as workers/labourers, is a law for them. Therefore, from the date of entry into force of the Collective Bargaining Agreement, employers, trade/labor unions and workers/labourers are obliged to implement the contents of the Collective Labor Agreement.

# **Company History and Development**

PT. Indofood Sukses Makmur Tbk Bogasari Flour Mills Jakarta is located on Jl. Raya Cilincing Km 42, TanjungPriok, North Jakarta. The company was notarized on August 7, 1970 by Soedono Salim, Sudwikatmono, DjuharSutanto, and Ibrahim Risjad under the name PT. Bogasari Flour Mills. The factory in Jakarta started its commercial operation on November 29, 1971. Along with the increasing domestic demand for wheat flour, PT. IndofoodSuksesMakmurTbkBogasari Flour Mills inaugurated its second factory in Surabaya which began commercial operations on July 10, 1972.

On July 28, 1972, Bogasari was acquired by PT. Indocement Tunggal Prakarsa as PT. Indocement Tunggal Prakarsa Bogasari Flour Mills Division. Due to the discrepancy between the resulting production, namely cement and wheat flour, on June 30, 1995, Bogasari was acquired by PT. Indofood Sukses MakmurTbk as PT. Indofood Sukses Makmur Bogasari Flour Mills.

At first PT. ISM Bogasari only accepts mill orders from the Logistics Affairs Agency (BULOG). This company was opened as a limited liability company in accordance with Government Regulation no. 8/68, relating to domestic investment. Bogasari is the first flour industry in Indonesia. Before Bogasariwas founded, Indonesia imported all of its wheat flour needs. But over time it was realized that flour received at Indonesian ports often experienced a decrease in quality, such as fleas or a "musty" smell due to the long time in transit. This causes the condition and nutritional content contained in the wheat flour to be no longer optimal compared to if the flour can be produced alone in Indonesia.

Wheat flour production capacity of PT. ISM Bogasari is 3.6 million tons per year, which is the largest production capacity of the wheat flour industry in the world. For almost three decades, Bogasari has served the needs of the Indonesian people with its three well-known brands of wheat flour, namely: CakraKembar, KunciBiru, and SegitigaBiru. These three types of products are widely used by the noodle, bread, and biscuit industries; both large, small, and household. In addition, Bogasari also serves the export needs of wheat flour. In addition, Bogasari also produces by-products, in the form of bran, pollard for cooperatives and the animal feed industry, and industrial flour for the plywood industry.

At the beginning of operation, this factory only used Mill AB milling units. Then in 1973, Mill C began to operate, followed by the operation of Mill DE in 1975, Mill FG in 1978, Mill HIJ in 1983, Mill KL in 1992, and the last Mill MNO in 1996, which is a milling unit. the biggest in Bogasari.

Apart from owning two flour mills, Bogasari also has three other divisions, namely: Pasta Division and 2 supporting divisions. The two supporting divisions are the Packaging Division (formerly known as the Textile Division) and the Textile DivisionMaritime. Pasta Factory was established in December 1991 with a production capacity of 60,000 MT/year. The products produced are "Long Pasta" and "Short Pasta", and almost 80% are intended for the export market. The Bogasari Packaging Division was established in 1977 in Citeureup which produces flour bags for the two flour mills. To ensure a continuous supply of grain, the Maritime Division was

established on September 12, 1977.

In addition to these facilities, Bogasari also has various technical support facilities for both private and public purposes, including: laboratory, jetty (Jetty), Milling Training Center (MTC), and Baking Training Center. The laboratory is equipped with modern equipment to carry out analytical tests on the quality of wheat and flour, as well as research the possibility of creating new products. The factory in Jakarta has 2 docks, one of which was completed in 1997 and is the best dock in the world, while the factory in Surabaya has 1 dock. Milling Training Center (MTC) is a training center for prospective "millers" both internally and externally. The Baking Training Center is dedicated to all levels of society who want to learn how to process wheat flour, such as how to make bread, cakes, biscuits, and noodles. Apart from being established in Jakarta and Surabaya, Baking Training Centers were also established in Bandung and several other areas.

In September 2003, Bogasari obtained the International Standardization for Organization (ISO) 9001:2000 certificate, namely international recognition of production quality and HACCP (Hazard Analysis and Critical Control Point) certification for safety from SGS in 2002. Points that can cause such contamination are water, rocks, metal materials, and grains other than wheat. For occupational safety and health standards, Bogasari also received the OHSAS 18000 award from Sucofindo in November 2004.

# Vision and Mission of PT. ISM TbkBogasari Flour Mills

Vision of PT. ISM TbkBogasari Flour Mills are:

- a. To become a global company providing quality food (agriculture based) and related products and services. Mission of PT. ISM TbkBogasari Flour Mills are:
- a. Committed to providing innovative and high quality market-oriented (farm-based) branded food services.
- b. Strive to provide satisfaction, meet the health and nutritional needs of the community that can provide optimal benefits for customers, owners of capital, workers, and society in general.

# **Occupational Health and Safety**

- a) Policies in terms of occupational health and safety (K3) are handled directly by the Safety Health Environment Department. Safety management has the main principle of preventing accidents through the concept of hazard minimization. The stages of safety management are: Elimination, which is to completely eliminate harmful things.
- b) Substitution, namely replacing harmful things with harmless ones.
- c) Engineering, namely engineering or modifying dangerous things to be harmless.
- d) Administration, namely regulation of labor requirements.
- e) Personal protective equipment, namely the use of personal protective equipment to prevent danger.

Occupational health and safety equipment that is adjusted by the company and must be worn are:

- a) Work clothes must be worn by all employees.
- b) Work clothes for one department and other departments are different.
- c) Shoes, used as foot protection from falling heavy objects.
- d) Masks, used to protect the mouth and ears from dust.
- e) Protective glasses, usually used in automation and mechanics.
- f) Ear plugs are used to avoid disturbances to the ears due to the sound intensity being too high.
- g) Gloves, mainly used in the packaging section to avoid the product from dirt sticking to the hands.
- h) Head cover, used to prevent the entry of hair or hair dirt on the product.

# **Human Resource Management**

Factors that greatly affect the smooth running of a production process is human resources. The workforce in Bogasariis divided into two criteria, namely permanent workers and daily workers. daily workers are workers who are not registered with the company and are temporary in nature using a contract system that can be extended or terminated. The number of daily workers depends on the needs and fluctuating nature which is mostly employed in the packaging and storage department. Daily workers do not receive facilities and allowances from Bogasari.

### **Labor Recruitment System**

Because PT. ISM TbkBogasari Flour Mills realizes that employees are important partners for the company in supporting the company's success, therefore their acceptance and appointment must go through a selective process to obtain a workforce that is competent, responsible, dedicated, physically and mentally healthy and based on company needs.

In terms of recruitment, the company always pays attention to provisions related to human rights. Therefore, in terms of determining prospective workers, it is not influenced by socio-economic background, nationality, ethnicity, religion, and gender. Each prospective worker must meet the required requirements,

including health requirements, especially not having a contagious disease and not being a drug user or dealer.

Recruitment of workers is based on the need to fill existing job vacancies and is usually based on the proposal of the section that requires the approval of the manager of the department concerned. Selection of prospective employees is carried out through general, written tests, interviews, and medical tests. Every new employee must undergo a probationary period of the length according to the position and the section before being officially appointed. Receipt of application letters from prospective employees is handled by the Human Resources Division. Usually, new employees are recruited from April to August.

# **Labor Remuneration System**

PT. ISM TbkBogasari Flour Mills views workers as whole human beings, therefore as a reward for the energy, thoughts and time that have been given by workers for the benefit of the company, the company is obliged to pay wages for the work.

The purpose of remuneration is to provide rewards for the labor, thoughts, and time that have been given by workers to fulfill the interests of the company, increase work motivation, maintain the balance (equity) of the value and weight of each position, ensure a competitive wage level in accordance with the company's capabilities, and contribute to increase welfare of workers and their families.

Determination of the wage scale in the form of the lowest wage limit and the highest wage limit for each teach position group at PT. ISM Tbk Bogasasi Flour Mills is determined by a decree of the board of directors. In Bogasari there is also an annual wage increase system based on an assessment of work performance and the inflation rate from the previous year's period. The wages for workers who get promotion are adjusted to the decision of the board of directors and still refer to the wage scale that is in accordance with the position class. Salaries received by employees consist of basic salary, allowances, and overtime pay.

Based on the Decree of the Minister of Manpower of the Republic of Indonesia. No. Kep-102/Men/VI/2004 concerning overtime work and overtime wages, the payment of workers' wages is as follows:

- 1. Overtime performed on a normal working day:
  - a) 1<sup>st</sup> hour: 1.5 times hourly wages
  - b) 2<sup>nd</sup> hour and so on: 2 times the hourly wages
- 2. Overtime on holidays/rest days (weeks):
  - a) 1<sup>st</sup> to 7th hour: 2 times the hourly wages
  - b) 8<sup>th</sup> hour: 3 times the hourly wages
  - c) 9<sup>th</sup> hour onwards: 4 times the hourly wages
- 3. Overtime performed on a holiday that falls on a short working day:
  - a) 1<sup>st</sup> to 5th hour: 2 times the hourly wages
  - b) 6<sup>th</sup> hour: 3 times the hourly wages
  - c) 7<sup>th</sup> hour onwards: 4 times the hourly wages

# **Working Time**

PT. ISM TbkBogasari Flour Mills stipulates that working hours are distinguished between the production and office divisions, for this reason, three types of working hours are applied, namely:

1. Working shifts (Shift)

Shift work is applied to employees in the production department because production runs 24 hours a day, including Sundays. The rotating work consists of 3 shifts, namely the morning shift starting at 08.00-16.00, the afternoon shift starting at 16.00-24.00 and the night shift starting at 24.00-08.00. The length of work per shift is eight hours including one hour of rest for 6 working days. Each of these shifts will experience shift changes for one week.

2. For shift workers, they must be at the place where the worker was assigned to work 15 minutes earlier. Workers who carry out the afternoon shift and night shift are given incentives, the amount of which is determined by a decision letter from the board of directors. Non-shift working time (Non-Shift)

Non-shift working hours or normal working hours apply to office employees with nine hours of work from 08.00-17.00 including one hour of rest for 5 working days a week.

3. Overtime

Overtime or additional work hours outside of working hours are applied in urgent circumstances or overtime orders from superiors with overtime pay in accordance with company regulations.

# **Labor Welfare Facilities**

In addition to receiving wages, employees also get various welfare facilities provided by PT. ISM TbkBogasari Flour Mills based on the Collective Labor Agreement (KKB) 1997-1999 includes:

- a) Workers' housing, namely the KPR-BTN program in the form of an interest-free down payment loan.
- b) Transportation, namely for Division Heads in the form of Company Cars, for Department Heads and Sub

- Department Heads in the form of Owning Cars, for Section Heads in the form of Car Loans, transportation and shuttle fees for Foreman and Operators.
- c) Educational assistance, in the form of a scholarship program for children of employees who excel (ranked 1-3). Foster children program, namely for workers who die and the school fees for their children are borne by the company until high school. The Manpower Social Security Program (JAMSOSTEK), in the form of old age insurance, work accident insurance and death insurance. In addition, there is also BUMIDA insurance in the form of accident protection outside the work relationship.
- d) In the pension program, there are two pension funds in Bogasari, namely the Defined Benefit Pension Fund (SK Menkeu RI No. KEP-027/KM.17/1995) and the Defined Contribution Pension Fund (SK Menkeu RI No. KEP-028/KM.17 /1995). The Defined Benefit Pension Fund is a continuation of the PKB program which is provided for workers who enter before 20 April 1992.
- e) Health services, namely providing a polyclinic where 100% of the health costs of employees will be borne by the company. And for the working family (wife and 3 children) PT CAR is given a medical insurance program and given a card (PREVENSIA).
- f) Worship, namely the provision of worship facilities in the form of the Bogasari mosque for the public and prayer rooms for non-Muslim workers. Worship activities such as Eid al-Adha, the company provides assistance for sacrificial animals and is carried out Halal Bihalal. At Christmas time will be held Christmas together. In addition, the company will also provide Hajj Ride Fees (ONH) for selected employees.
- g) Employee canteen, which is provided with a canteen with a capacity of 800 people which provides food service for three shifts and the food is provided by two catering companies. Work uniforms, for production workers are given 3 sets per year and 2 pairs of shoes per year, while for office workers are given 2 sets of uniforms and 2 pairs of shoes per year.
- h) The employee cooperative, under the name SARI BHAKTI Cooperative, conducts activities in the form of saving and loan services for employees and has a shop, wartel, and other businesses.
- i) Training facilities, in the form of Milling Training Center, Baking School, In-House Training, and External Training.
- j) Sports and recreation, in the form of PORSARI, BAKORSARI, and recreation which are held once a year for workers and their families. PORSARI is a forum that handles sports and arts activities. Meanwhile, BAKORSARI is a place for sports and arts between Bogasari units (Jakarta, Surabaya, and Citeureup).
- k) Communication media, in the form of an internal magazine called Warta Bogasari, The Bogasari website is www.bogasariflour.com.
- 1) Meeting hall used for all employee meeting activities.

The workers' organization, in the form of the All-Indonesian Workers Union (SPSI), the Bogasari Jakarta Work Unit which has been registered with the Ministry of Manpower.

#### **Trade Union at Company**

The Labor Union (SP) RTMM PT Indofood SuksesMakmurTbk-Bogasari Division is registered with government agencies in the field of employment. The Trade Union is led by a Work Unit Leader (PUK) who represents all of its members in the management which is ratified by a higher Management and is known by the Employer. The Labor Union PUK in Bogasari consists of the Chairperson, Deputy Chairperson, Secretary I, Secretary II, and Secretary III, Treasurer I and Treasurer II, as well as three fields, namely the Secretariat Organization and Public Relations, the Defense, Protection and Welfare of Workers and Education, regeneration, sports and arts. Every month the Bogasari Division Labor Union PUK holds a coordination meeting/meeting with the management. During the meeting, the Labor Union can convey the social conditions related to the members of the Trade Union, the report on the supervision of the Collective Labor Agreement and various other things that are on the agenda at the meeting. Trade Unions are handled by the Internal Relations section of the Human Resources Division. In addition to coordination meetings with management, monthly meetings are also held with representatives of the appointed members of the Trade Union. The meeting will convey the conditions and aspirations of the workers. Workers' Perceptions of the Role and Functions of Trade Unions.

### **Industrial Relations and Economic Liberalization**

Industrial relations are relations between actors in the production process (workers, entrepreneurs), to produce goods and services as a result of business, and the government which protects and has an interest in developing the national economy. Is a system in which it consists of a technical/technical way of industrial relations and an elaboration of the rights and obligations of the parties, all of which are the main material of legal issues regarding employment. Then, if the industrial relations problems are detailed, they include the following: 1). Establishment of a work agreement/collective work agreement which is the starting point for the existence of industrial relations itself; 2). The obligation of the worker or laborer to work for or under the

leadership of the entrepreneur, which is at the same time the employer's right to the worker/laborer; 3). Employer's obligation to pay wages to workers/laborers which is at the same time the rights of workers/ laborers to wages; 4). The end of industrial relations and; 5). The way in which disputes between the parties concerned are resolved in the best possible way.

# The Influence of Economic Liberalism on Industrial Relations

For now, the world seems to be in the process of becoming a concept of the same cultural thought, namely liberalism, pragmatically without displaying its positive elements that encourage human behavior to be more skilled and smart in seeing profit opportunities, something that is a common concern that the wider the influence of liberalism is getting. the expulsion of marginalized or excluded members of society. The foremost characteristic of liberalism is individualism which is clearly contrary to the norms of our nation. And seeing this with the practice in the field in terms of industrial relations directly educates and directs the community to be individualistic. Although not all company owners/employers apply such a system for workers/laborers and there are also companies that remain consistent with the rules and mandates of Pancasila and the Constitution (UUD). With the increasing number of the workforce which is not matched by the expansion of employment opportunities and even Java centricity for the development of the industrial sector has narrowed job opportunities. The problem of workers/labourers is getting more and more difficult because their skills are generally still weak. So that by reason of improving product quality, in a situation where unemployment is becoming increasingly widespread, it is a fact that entrepreneurs and the government itself are trying to bring in foreign workers and even that is almost a goal in the current era.

# **Government Efforts to Harmonize Industrial Relations**

To achieve harmonization in industrial relations, the government has made various efforts. This effort is actualized by reconciling the parties for freedom of association and efforts to resolve industrial relations disputes in the context of accelerating economic stability and growth. Looking at history in 1957 the government has issued Law no. 22 of 1957 concerning the settlement of labor disputes with the hope that through the promulgation of the law it would be able to limit the strikes that occurred at that time. And hopefully there will be peace.

After the collapse of the new order, in the context of labor law reform, the government has set rules through laws. Namely Law Number 21 of 2000 concerning Trade Unions/Labour Unions, Law Number 13 of 2003 concerning Manpower, and Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes and previous laws that have been enacted concerning human rights, namely Law Number 39 of 1999 concerning Human Rights. Through Law Number 21 of 2000 concerning Trade Unions. Legal Politics intends to give legitimacy at the level of the Law to the existence of Trade Unions/Labourers. This is aimed at providing recognition of the legal reality of Indonesian trade/labor unions with the existence of the Law, they are free to form their own organizations. Therefore, the entrepreneur/employer cannot prevent it. It is even more emphatic that through Article 28 No. 43 of Law No. 21 of 2000 provides criminal sanctions for those who take actions to hinder the activities of trade unions/labor unions. fixing the rules of labor law/material labor law so that it is adaptive to the demands of the community's needs. For operational purposes, Law Number 13 of 2003 concerning Manpower is followed by more concrete legal rules, which include: they are: (1) Decree of the Minister of Manpower and Transmigration of the Republic of Indonesia Number: KEP48/MEN/IV2004 concerning Procedures for Formation of Collective Labor Agreements; (2) Decree of the Minister of Manpower and Transmigration of the Republic of Indonesia Number: KEP69/MEN/2004 concerning Amendments to the attachment to the Decree of the Minister of Manpower and Transmigration of the Republic of Indonesia Number: KEP 102/MEN/VI/2004 concerning Overtime Working Time and Overtime Wages; (3) For the welfare of workers, Government Regulation of the Republic of Indonesia Number 22 of 2004 concerning Management and Investment of Social Security and Manpower Program Funds is issued. Normatively, the above-mentioned statutory regulations are intended for the protection of workers/laborers, these include the following: a) In the event of termination of employment (PHK) Law Number 13 of 2003 concerning Manpower stipulates that: "employers can only terminate the employment relationship with the worker or laborer after obtaining a determination from the industrial relations dispute settlement institution" b) Regarding the application for the determination of Termination of Employment (PHK), Law Number 13 of 2003 concerning Manpower stipulates that: to the industrial relations dispute settlement agency accompanied by the reasons on which it is based. The industrial relations dispute settlement institution in question is the Industrial Relations Court (PHI) based on Law Number 2 of 2004.

# Company Employee Conflict with Unit Management Regarding Determination of Work Wage Increase

The relationship between workers and employers is a relationship that exists because of a sense of dependence and mutual need between one another. The relationship will be a harmonious relationship if both

parties are willing to accept and acknowledge their respective rights and obligations. The relationship between workers and employers has existed for hundreds of years, even in the course of history and philosophy the relationship between workers and employers has become a separate teaching material, and the contradictions and shifts between the two seem to have become their own way of life. In the level of thought between the working class or the so-called class In the level of thought between the working class or the so-called proletarian class according to Karl Marx's view, it is one of the economic supports of a country, but on the other hand there is a class of entrepreneurs or what is often called the bourgeois class. Conflicting views by the two have occurred since the existence of the production system in the world, even the conflict between the two has entered into a conflict of thought and outlook on life. The case of industrial relations disputes that occurred at PT. Indofood Purwakarta Regency branch. Conflicts that occur are disputes between employees and management of employees/laborers who are members of the labor union/workers.

#### III. CONCLUSION

Based on the analysis based on the legal materials and theories that have been used in this research, it will be concluded as follows:

- that the implementation of the collective labor agreement (PKB) between the labor union leadership of the cigarette, tobacco, food and beverage work unit throughout Indonesia, PT Indofood Sukses Makmur Tbk, the Bogasari Division and the Indonesian Muslim Labor Union, PT Indofood Sukses Makmur Tbk the Surabaya bogasari division is in line with the collective labor agreement that has been made between the company and worker representatives delegated to the trade union as a result of a compromise between the company owner and the workers, considering that if the CLA is signed by every worker it will experience difficulties and or obstacles.
- that efforts to resolve according to labor law carried out by management on problems and obstacles during
  the implementation of the collective work agreement, are carried out in line with the CLA as contained in the
  articles of dispute resolution, prioritizing preventive and zero-conflict settlements because the agreed-upon
  CLA can automatically accepted by both parties.

# IV. SUGGESTION

- 1. aimed at the government, at the beginning of the making of the CLA, it is necessary to provide general guidelines on which ones can be included as mandatory requirements in the said PKB.
- 2. addressed to the owner of the company respecting the CLA that has been agreed upon by both parties in order to prevent conflicts within the company.

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