

THE ROLE OF LABOR UNIONS IN THE LAW RELATED TO UNILATERAL TERMINATION OF EMPLOYMENT AND THE IMPACT OF TERMINATION OF EMPLOYMENT IN PT XYZ

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Abstract

Trade unions must pay attention to the issue of termination of employment so as not to cause harm to workers and the surrounding community. Basically, layoffs can be carried out fairly and in accordance with applicable regulations, but there are several cases in companies that carry out unilateral layoffs. The purpose of this study is to explain the role of labor unions related to termination of employment and the impact of termination of employment. This research uses qualitative research methods. The result of this study is that it can be seen that there is a role of trade unions related to layoffs carried out by companies in accordance with Law Number 21 of 2000 Article 4. The suggestion from this research is that companies and trade unions must pay more attention to the issue of layoffs, if there are other efforts besides layoffs then this can be negotiated again because this problem is a serious problem regarding the welfare of workers.

Keywords: Labor union, termination of employment, impact of layoffs

Introduction

The Republic of Indonesia is a state of law that in organizing government affairs is based on a law. The purpose of the law is to provide order and security, ensure welfare, regulate relations between communities and especially provide protection for workers (Wibowo, Herawati 2021). The main rights of Indonesian citizens are constitutional rights that must be realized as stated in the 1945 Constitution (Podungge et al 2021). Nita, Susilo (2020) said that to protect the rights of workers and employers, trade unions are needed. This labor union shows the relationship of everyday employees with employers or employers or company owners. Apart from protecting workers' rights, trade unions also play a role in terminating employment in companies.

Termination of employment is the termination of the employment relationship between the employee and the company for a certain reason. Layoffs that occur in companies are a problem that will lead to higher crime and unemployment rates. The increase in the number of labor force is also accompanied by an increase in the number of employees affected by layoffs which will have an impact on the welfare of the community (Hasibuan., Dotulong., Uhing 2023). In article 28D paragraph (2) which states "Everyone has the right to work and receive fair and appropriate compensation and treatment in employment relations". Basically, layoffs can be carried out fairly and in accordance with applicable regulations, but there are several cases in companies that carry out unilateral layoffs. Therefore, the government and labor unions must pay attention to the issue of termination of employment so as not to cause harm to workers and the surrounding community.

Based on previous research conducted by Podungge, et al (2021) which states that there is a great need for trade unions or laborers in terms of dealing with the problem of termination of employment which is usually carried out unilaterally by employers and is detrimental to the workers themselves; Wibowo and Herawati (2021) show that termination of employment has a regulatory basis contained in Article 151 of the Job Creation Law which discusses ways to carry out layoffs. Hasibuan, Dotulong, & Uhing (2023) state that there is an impact on employee termination.

Thus, this research aims to explain the role of trade unions in relation to termination of employment and the impact of unilateral termination of employment. This research is important because trade unions can at least defend and defend the rights of employees affected by layoffs based on existing laws.

Methods

This is a case study research using qualitative research methods through an interview approach with the production manager. Qualitative research is research that focuses on examining phenomena in detail

with the form of language or words (Sahir, 2022). The phenomenon in this study is the explanation of the role of labor unions related to layoffs and the impact of these layoffs. The reason for using this method is because the explanation of the answers is very supportive with the use of coherent sentences rather than numbers.

Results & Discussion

Definition of Trade Unions According to Law Number 13 of 2003 concerning Manpower Article 1 Point 17 trade unions / labor unions are organizations formed for workers / laborers that are free, open, independent, democratic, and responsible for fighting for, defending and protecting the rights and interests of workers and improving the welfare of workers / laborers and their families (Nita, Susilo 2020). The working relationship between workers and employers does not always go well, because between employers or companies and workers have their own goals and interests. If this happens, it can cause problems that are detrimental to the workers and employers. In this discussion, the conflict that occurs is the termination of employment carried out by the company against workers/laborers. Therefore, the workers need an organization in the implementation of the right to associate that can convey all aspirations or input from workers to be conveyed to employers, this is what is called a trade union. So, the trade union here is a representative or intermediary for workers/laborers in the company to convey input, complaints or certain other matters from workers/laborers to be conveyed to employers.

In employment termination disputes that occur in companies, it shows that trade unions have a function/role to be involved in resolving these disputes which are regulated in Article 4 of Law No. 21 of 2000 concerning Trade Unions/Labor Unions which contains what is the purpose of trade unions, namely to provide protection, defense of rights and interests, and improve decent welfare for workers/laborers and their families. The purpose of the law includes the role of trade unions which is not only for disputes over termination of employment but also for problems that occur between workers and employers. So, the role of trade unions in employment termination disputes is expected to be able to participate effectively in decisions made by the company, so that all matters concerning the rights of workers are really considered, can be a representative for workers so that their employment is not terminated and workers get guarantees in accordance with the provisions if the situation still forces layoffs. With industrial relations that run well, it will reduce disputes that may occur. And of course the company will be able to increase its production, uphold a sense of justice and togetherness that can make workers and employers respect each other, help each other and understand each other about their respective rights and obligations.

Case study of employment termination dispute at PT XYZ. This company is a manufacturing company that processes raw materials in the form of tobacco which is made into cigarettes or cigars which are exported to several countries. In September 2022, PT XYZ terminated the employment of workers with a total in all units of around 500 workers out of a total of 3000 employees. The reason for the layoffs was due to internal company factors where the unavailability or lack of raw materials in the form of tobacco, if there is no raw material then the workers cannot work. So the company was forced to terminate employment because there was no other way to deal with the problem. Chapter IV on Manpower Article 151 explains that the parties must make efforts so that layoffs do not occur, but if it cannot be avoided and there is no other way, the parties must inform each other of the purpose and reasons for the layoff.

The problem is that the company did not inform in advance regarding the news of the layoff, based on the incident that occurred, the news of the layoff was announced on the same day and the employee was suddenly terminated on that day. Employees consider this to be a unilateral layoff because there was no confirmation from the company the day before, a week or a month before, which makes employees feel injustice for what the company did. Through interviews that have been conducted with the production manager, according to him, the reason why the company does not inform regarding layoffs is that only the HRD knows the reasons and has responsibility for this, and according to him, the layoffs carried out by the company are not unilateral and this has gone through the provisions of the law. As stated in Law Number 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation. Article 156 of the Job Creation Law regulates the rights of workers affected by layoffs, including long service awards.

Regarding the role of the trade union in this case, the trade union was not involved or did not participate in the defense of employee rights, because the trade union had already carried out its obligations. The decision made by the company to carry out layoffs cannot be changed by the labor union, because all decisions are returned to the company, so the labor union cannot make other efforts not to carry out layoffs. It is also impossible for the labor union to produce the raw materials for production that

are the cause of layoffs, therefore the labor union does not play a role in layoff cases that occur. But in its implementation, the union has carried out its obligations, namely to protect and defend members from violations of their rights and fight for their interests, as well as fight for the improvement of the welfare of members and their families.

If workers refuse to be dismissed, the settlement of this dispute is carried out through bipartite negotiations between employers and trade unions. If it does not reach a bright spot, layoffs are carried out through the Industrial Relations Dispute Resolution mechanism, so that trade unions still play a role in this matter in accordance with the Job Creation Law. Termination of employment carried out by the company certainly has an impact on employees and also has an impact on the company itself. The impact of termination of employment for employees is that employees will lose their source of income which will cause problems because there is no income to meet their daily needs, difficulty finding a new job, especially now that there are many criteria needed by companies for prospective employees, increasing unemployment and crime rates which also have an impact on the surrounding community, changes in social roles in the family, which usually husbands who work to support the family, are forced to be replaced by their wives or children and the decline in the economy.

The impact of termination of employment for companies, especially at PT XYZ, is that if this layoff is not carried out, it will have a greater impact on the company because if 500 workers out of 3000 workers are not removed, it will harm the company. When viewed from one of the factors that cause this layoff to have an impact on the company, namely the age factor, employees who are almost entering retirement age have a reduced level of productivity on average to be forced to work so that the quality in producing products will be less good. However, this can also have a positive impact on the company because it allows the company to get better employees than previous employees by recruiting and selecting. Another impact for the company is that the company's image becomes less good in the eyes of investors and the public, the company will lose its workers and require more costs to recruit new employees, and the products produced by the company will decrease.

Conclusions And Suggestions

The conclusion of this study explains that the role of trade unions related to termination of employment carried out by the company is in accordance with Law Number 21 of 2000 Article 4 concerning Trade Unions / Labor Unions which contains what is the purpose of trade unions, namely providing protection, defense of rights and interests, and improving the welfare of workers / laborers and their families. As well as the impact of termination of employment for the company, namely the company's image becomes less good, the company will lose its workers and require more costs to recruit new employees, and the products produced by the company will decrease. Meanwhile, the impact on employees is the difficulty of finding a new job, losing a source of income and the occurrence of an economic downturn.

This study suggests that future researchers should examine more deeply the role of trade unions in industrial disputes including termination of employment. The suggestion from this research is that companies and trade unions must pay more attention to the issue of layoffs, if there are other efforts besides layoffs then it can be negotiated again because this problem is a serious problem concerning the welfare of workers.

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