

Industrial Relations Dispute Resolution Reform in Court: A Review of Structural and Substantial Weaknesses in Law Number 2 of 2004

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Abstract

Conflict resolution in the context of industrial relations within the framework of labor law after the enactment of Law Number 2 of 2004 concerning Industrial Relations Dispute Settlement has been known through two mechanisms, namely voluntary settlement through bipartite mechanisms, conciliation, mediation, and arbitration, as well as compulsory settlement mechanisms through the Industrial Relations Court. However, the existence of the Industrial Relations Court poses several challenges, including workers' low understanding of the formal and material aspects of labor law, protracted processes, and substantial deficiencies in applicable law. Issues that arise around the resolution of industrial relations disputes include various factors, ranging from disputes regarding rights, interests, termination of employment, to disputes between unions in a company. In addition, the limited competence of the Industrial Relations Court also hinders effective resolution of labor disputes. This research adopts a normative juridical approach, which relies on positive legal analysis, especially Law Number 2 of 2004, as well as a review of judicial principles. The research findings identified a number of weaknesses, both in terms of structure and legal substance, that require updates in Industrial Relations Dispute Resolution in the Industrial Relations Court. One of the efforts to overcome these challenges is through reforms in the settlement process at the Industrial Relations Court, including the establishment of Industrial Relations Courts in each administrative region. However, Law Number 2 of 2004 is still considered unable to accommodate judicial principles.

Keywords: Legal Certainty; Dispute; Industrial Relations Justice

INTRODUCTION

The legal relationship between workers and employers begins through an employment agreement, both written and oral, which confirms the rights and obligations of each party. However, in its implementation, problems often arise that can trigger disputes if there is no understanding or mutual understanding, which in turn can produce conflicts between the parties or known as "*conflict or dispute*" which refers to the dispute.

In many cases, especially related to Rights and Interests Disputes or Termination of Employment due to violations of labor law norms, vigilante actions (*eigenrichting*) are not justified in formal juridical terms, but must be dealt with through the application of law and *law enforcement* against formal legal norms, as stipulated in Law Number 2 of 2004 concerning Settlement of Employment Relations Disputes between companies and workers.

The Law clearly regulates the procedures and procedures for resolving labor relations disputes, including through the active role of Bipartit institutions to reach agreements through deliberation, conciliation, and arbitration, as well as through lawsuit and court processes by utilizing the General Judiciary as an independent institution in accordance with Law Number 8 of 2004 which amends and perfects Law Number 2 of 1986 concerning General Courts.

Conflicts or disputes in the context of employment can involve workers and employers. A peaceful and mutually beneficial resolution of the conflict is desirable, considering that so far disputes have often been resolved by anarchist means that can harm both sides, such as violent demonstrations, arson, strikes, and company closures.

Industrial relations disputes may arise with or without violations of law giving rise to disagreements between employers and workers. For example, different interpretations of labor law can be triggers, reflected in violations of legal provisions by employers or workers, such as payment of wages below the minimum standard or denial of annual leave entitlements mandated by the Manpower Law. In addition, industrial relations disputes can be triggered by discriminatory behavior on the part of employers, who treat workers unfairly based on gender, ethnicity, race, or religion.

Disputes in the world of work can occur due to different understandings of labor law, unfair treatment, or different interpretations of the law. This is called a dispute over rights or law. Meanwhile, if the dispute arises because of a change in the terms of employment, it is called a dispute of interest. In rights disputes, existing laws may be violated, unenforced, or interpreted differently. Meanwhile, in disputes of interest, the parties to the dispute have not agreed on the law to be formed.

In conflict resolution has various methods, ranging from collaborative resolution by the parties, assistance from neutral parties or mediators, and other options (Husni, 2005). Industrial relations disputes can be resolved through court channels (litigation) and outside the court (non-litigation) as stipulated in Law Number 2 of 2004 concerning Industrial Relations Dispute Settlement (PPHI). The parties are free to determine alternative settlements to be used in resolving Industrial Relations disputes.

In overcoming conflicts by submitting cases to court or using the litigation process. However, this is not always an easy solution. In fact, dealing with the courts can be tricky and raises new problems for those seeking justice. Court proceedings often take a long time and are costly. In addition, there are also weaknesses in the formal justice system itself. Therefore, dealing with the courts can be very troublesome and the trial process may be inefficient. As a result, both parties may suffer losses. For this reason, many people try to avoid settlement through the courts and prefer to settle matters out of court.

The way conflict is resolved through deliberation to reach consensus is not new. In ancient times, people settled their disputes through deliberation. However, the use of deliberation to reach consensus was somewhat forgotten when people began to rush to resolve their issues in court. Now, society is reconsidering this old way after feeling that settlements through the courts do not always provide the justice expected. When a court settlement is considered time-consuming and costly, and can create deeper conflicts because court decisions are only "win or lose", alternative solutions are considered more efficient and economical, and result in a decision that is satisfactory to all parties involved, also known as a "win-win" solution". As part of the judicial system, the Industrial Relations Court (PHI) has expertise that sets it apart from other judicial institutions. The presence of PHI is expected to provide a better solution in resolving disputes or industrial relations disputes that have been felt unsatisfactory. The Industrial Relations Court (PHI) is regulated in Law Number 2 of 2004, which became effective on January 15, 2006. Initially, the presence of PHI was greeted with high enthusiasm from the community, as evidenced by the number of lawsuits filed.

PHI is in charge and authorized to examine and decide:

- a. the first level regarding rights disputes;
- b. In the first and last levels regarding disputes of interest;
- c. In the first instance regarding termination disputes;
- d. At the first and last levels regarding disputes between trade unions / trade unions in a company.

The absolute competence of PHI, which covers the four types of disputes, according to Wijayanto Setiawan, makes conflicts with the intention of making laws. The characteristics of

labor disputes are only 2 (two) kinds, namely rights disputes (*rechtsgeschil, conflict of right*) and interest disputes (*belangengeschillen, conflict of interest*) (Setiawan, 2007).

Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes states that the settlement of disputes between workers and employers can be done through the courts. The process of resolving disputes through court channels has been regulated in the judicial system, which involves Ad-Hoc judges and litigation processes that take place in public courts. The general judicial system consists of two levels: settlement of industrial relations disputes in the first instance and the level of cassation change. This is a change from the previous judicial system, where labor disputes were handled by P4D or P4P in accordance with Law No.22 of 1957 concerning Labor Dispute Settlement. The purpose of this change is to improve the effectiveness of dispute resolution so that judges in industrial relations courts can apply aspects of legal justice to workers and employers, as well as provide out-of-court settlement options. Out-of-court settlements can be made through various means, such as through bipartite deliberation, mediation, conciliation, and arbitration.

In the era of industrialization, the problem of industrial relations disputes is increasing and complex. Therefore, it is necessary to have institutions and mechanisms for dispute resolution that are fast, precise, fair, and economically affordable, as well as create harmony, dynamics, and justice. For this reason, a law is needed that regulates the dispute resolution mechanism for industrial relations disputes in order to handle all forms of disputes in the realm of industrial relations courts, including disputes between workers and employers that require settlement through industrial relations courts.

Simple, fast, and affordable settlement of industrial relations disputes was born from the desire to realize social justice in handling disputes involving both litigants, namely employers and workers / workers. Both parties are in an unequal position, where employers have power in socioeconomic status while workers are in a weaker position, relying on their income from working for employers or employers. However, both have equal human dignity and are entitled to fair treatment (*human dinity*).

Although workers are often in a socially and economically weaker position, it should not be an obstacle to them obtaining justice in the Industrial Relations Court. The Industrial Relations Court is the hope for them in seeking justice, although previously the substance of labor procedural law was not always optimal. The public's expectation of the Industrial. Relations Court is that this institution can uphold the existence of the law, provide legal certainty, and realize justice for all parties involved (Tobing, 2018).

Over time since the establishment of the Industrial Relations Court, several problems or constraints have been identified in practice. First, for most workers, the settlement process through the Industrial Relations Court is considered more difficult and complicated than through P4D and P4P. One of the main factors is the lack of technical skills in the litigation process (formal) and knowledge of labor law (material), such as how to draft a lawsuit, prepare evidence and witnesses, determine the type of dispute, and so on, which is a problem in itself. Second, regarding the cost of the case, the PPHI Law has regulated the cost of the case until the execution stage. Case fees are not charged for claims valued below Rp.150,000,000.00. However, for workers who live in districts/cities, the long distance from the provincial capital is a problem in itself. The high cost of travel to the industrial relations court, which is only in the provincial capital, is an inhibiting factor for them in seeking justice. Third, is the slow resolution in the first instance by the Industrial Relations Court, due to the slow summons process to the jurisdiction of the District Court in different Districts / Municipalities and even Provinces. In addition, delays in rulings by the Supreme Court which has permanent legal force and difficulties in the execution of judgments are also other problems (Tobing, 2018).

According to research conducted by (Marbun, 2024), industrial relations courts face a number of challenges in terms of substance and mechanism. One of the main challenges occurs at the decision execution stage, where the execution of decisions is often difficult and tends to be expensive and time consuming. Ideally, the resolution of industrial relations issues should prioritize a fast process and affordable costs. Another study conducted by (Putri, et al., 2019), analyzed the mechanism for resolving labor disputes in the Industrial Relations Court based on the principles of simple, fast, and low cost. In its review of Law No. 2 of 2004 concerning the settlement of industrial relations disputes, this study found that the law still requires revision. The law is considered unable to accommodate and reflect the principles of simple, fast, and low cost in dispute resolution.

Based on the problems and constraints described, a review of several provisions of the PPHI Law is needed. This is suspected to be a complexity in dispute resolution efforts that are simple, fast, and low cost. The author limits PHI in resolving industrial relations disputes related to simple, fast and low-cost basic settlements. Based on this description, the following problem is formulated. Furthermore, in this study, the formulation of the problem was obtained, namely: What are the weaknesses of the provisions of the PPHI Law in resolving industrial relations disputes and how is the formation of industrial relations dispute resolution in Court against Structural and Substantial Weaknesses in Law Number 2 of 2004?

RESEARCH METHODS

This article is based on normative juridical legal research, which focuses on legal aspects, legal regulations, and comparative law by analyzing various sources of positive law. This research uses a normative legal approach that examines library materials or secondary data, including primary, secondary, and tertiary legal materials that are relevant in the discussion of legal issues discussed in this study. The main research method is literature research supported by information from field research.

As Terry Hutchinson argues: *Doctrinal Research: research which provides a systematic exposition of the rules governing a particular legal category, analyses the relationship between rules, explains areas of difficulty and, perhaps, predicts future developments; Theoretical Research: research which fosters a more complete understanding of the conceptual bases of legal principles and of the combined effects of a range of rules and procedures that touch on a particular area of activity* (Hutchinson, 2002).

Relevansi antara *doctrinal research* dengan *legal research paradigm* dikemukakan lebih lanjut oleh Terry sebagai berikut: “*Paradigm forms a model or pattern based on a set of rules that defines boundaries and specifies how to be successful within those boundaries*” (Hutchinson, 2002).

According to Sunaryati Harotono, legal research is a daily activity of law graduates. Normative legal research can only be carried out by legal scholars as someone who is deliberately educated to understand and master legal discipline. Furthermore, it is also mentioned that normative research methods can also be used together with social research methods (Hartono, 2006).

RESULT AND DISCUSSION

The preparation of the PPHI Law is expected to be able to provide welfare to the community as aspired by the Indonesian legal state. Mahfud M.D. stated that "the Indonesian legal state based on Pancasila and the 1945 Constitution takes prismatic or integrative concepts from two concepts of the rule of law (*Rechtsstaat* and *the Rule of Law*) (MD, 2006). "The choice of prismatic and integrative principles is very reasonable, namely wanting to combine the principle of legal certainty (*rechtsstaat*) with the principle of justice in the concept of *"The Rule of Law"* (Praja, 2011).

Regarding the principle of legal certainty and justice, Gustav Radburg stated that there are 3 (three) basic legal values, namely legal certainty, legal expediency and legal justice. Society not only needs regulations that ensure legal certainty in their relations with each other, but also need justice, in addition to that the law is required to serve its interests (provide benefits) (Prasetyo & Barkatullah, 2014). Similarly, the procedural law for resolving industrial relations disputes contained in the PPHI Law must have these three basic values in order to answer previous procedural law issues.

The Industrial Relations Court (PHI) was established based on Law No. 2 of 2004 (Law on PPHI) concerning the Settlement of Industrial Relations Disputes. This provision began operating on January 14, 2006 based on Perpu No. 1 of 2005 concerning the Suspension of the Entry into Force of Law No. 2 of 2004, is one of the special courts in the general (civil) court. With the principle of fast, precise, fair and cheap settlement of industrial relations disputes. As a special court in the general judicial system, the Industrial Relations Court uses the procedural system in HIR and RBg, just like a general court. There are only a few exceptions, such as the cost of the case outlined for cases worth less than Rp 150,000,000 (one hundred fifty million rupiah), or the existence of *Ad hoc Judges* derived from the proposal of trade unions and employer organizations. However, in general, starting from the registration of the lawsuit to the execution of the judgment follows the existing system in HIR or RBg (Simangunsong et al., 2009).

Before the Industrial Relations Dispute Settlement Law (PPHI) was enacted, labor dispute settlement was based on Law Number 22 of 1957 concerning Labor Dispute Settlement and Law Number 12 of 1964 concerning Termination of Employment in Private Companies. The settlement process starts from the Regional Labor Dispute Resolution Committee (P4D), which can then be appealed to the Central Labor Dispute Resolution Committee (P4P). It is important to note that P4P rulings can be delayed or overturned by the Minister of Manpower. Furthermore, after the enactment of Law Number 5 of 1986 concerning the State Administrative Court, P4P became able to be submitted to the Administrative Court, so that its decision became the object of a state administrative dispute that could be carried out cassation legal remedies and judicial review by the disputing parties.

The long settlement process was caused by the complexity of the procedure, the time required, the large cost, and the involvement of many institutions, which showed the shortcomings in the substance of the Labor Procedure Law in Indonesia at that time. This fact shows that the courts have not been able to meet the standards of legal certainty and justice that are the basic principles in the rule of law. Responding to this situation, M. Muhammad Saleh and Lilik Mulyadi pointed out that for more than five decades, from the Old Order era to the New Order and the Reformation Order period, legal policies in resolving industrial relations disputes have not been able to produce regulations that provide legal certainty for workers. Previous laws, such as Law No. 22 of 1957 and Law No. 12 of 1964, were unable to resolve industrial relations disputes quickly, precisely, fairly, and cheaply, in line with the development of industrialization and advances in information technology (Saleh & Mulyadi, 2012).

The slow resolution of disputes in the Industrial Relations Court (PHI) and the protracted legal process of appeals to the Supreme Court show that the principle of speedy trial has not been achieved. However, Law Number 2 of 2004 has a positive impact by shortening the time for dispute resolution. Compared to previous regulations, such as Law Number 22 of 1957, which took 3 to 4 years for dispute resolution, Law Number 2 of 2004 stipulates a shorter time limit, which is a maximum of 50 working days in the first instance and 30 working days at the Supreme Court level.

The high cost of cases is also a serious problem, because the longer the dispute resolution, the higher the costs incurred, including official fees and attorney fees. This makes people involved in court disputes experience a decrease in resources, time, and energy (*Litigation Paralyze People*). Formal and technical processes in resolving industrial relations disputes often extend the process, whereas in the business world, fast dispute resolution and affordable costs are a necessity. Slow dispute resolution in business can result in high costs and drain company resources. Faced with this reality, efforts have emerged to improve the judicial system, by finding alternatives to faster and more efficient dispute resolution.

The number of PHI judges since 2006 has only had no less than 155 Ad Hoc Judges throughout Indonesia and 6 Ad Hoc Judges at the Supreme Court level. Different composition of the panel of judges in commercial courts consisting of two career judges and one ad hoc judge (Wijayanta, 2007). Based on the results of the study, it shows that the existence of Ad Hoc judges in this special court is not effective. For example, at the time of the establishment of the commercial court, 13 Ad Hoc judges had been appointed, however, of the thirteen Ad Hoc judges appointed who played an active role in being involved in the examination of cases, only one judge (Wijayanta, 2008). The non-involvement of the Ad Hoc judges in the examination of cases was partly due to the lack of understanding of the appointed Ad Hoc judges about procedural law in court (Wijayanta, 2008).

The application of the Civil Procedure Law in the Industrial Relations Court (PHI) is a serious problem. In practice, the use of civil procedural law in the PHI judicial system causes the dispute resolution process to be slow, even in the absence of appeals for certain cases. In addition, the application of civil procedural law is also controversial because the nature of disputes in civil cases generally relates to property, while disputes in industrial relations involve the work and livelihood of workers and their families.

The importance of emphasizing that the responsibility of the government is to ensure that every worker does not arbitrarily lose his job and livelihood. Therefore, handling labor issues requires a special approach that considers the unique aspects of industrial relations, rather than relying solely on the civil procedural law that generally applies in ordinary civil cases (Napdapdap, 2024).

Thus, a special legal approach adapted to the context of industrial relations is needed to ensure the protection of workers' rights and the survival of their livelihoods and their families.

The use of civil procedural law in industrial relations courts often occurs with a rigid approach, where judges tend to be passive like civil judges in public courts. However, in accordance with Article 83 paragraph (2) of the PPHI Law, the judge actually has the obligation to examine the contents of the lawsuit and if there are shortcomings, the judge must ask the plaintiff to perfect the lawsuit. This is similar to the preliminary examination process in the State Administrative Court (PTUN) or in the Constitutional Court, which affirms that PHI judges must also be active in seeking justice. Therefore, the industrial relations court adopts the principle of active judges.

Criticism of this court has not only surfaced in Indonesia, but also around the world. Justice-seeking groups, especially from the economic community, often criticize the high costs associated with the judicial process. Some in the U.S. economy even allege that high judicial

costs have damaged the national economy. Thony Mc. Adams in his writing suggests that *Law Has Become a Very Big American Business and That Litigation Cost May be Doing Damage To Nations Company*. In fact, the problem of high costs of cases does not only occur in America, but also throughout the world, including in Indonesia, especially in the settlement of industrial relations disputes. Although there are rules that stipulate that cases with a value below 150 million rupiah are free of charge (*pro bono*), in reality high costs remain an obstacle.

In addition, facing the Industrial Relations Court (PHI) does not guarantee that workers / workers can easily fight for justice. Judges' rulings that rely too much on normative articles often ignore labor rights. Workers need extra effort, time, and money to fight for their rights, even if they succeed in winning a lawsuit at PHI. However, the implementation of the decision to rehire workers/laborers is often difficult because the employers have paid attention to the workers/laborers during the dispute.

The idea of creating simple, fast, and low-cost settlement of industrial relations disputes arose from the desire to exercise social justice in handling such disputes. Both parties, both employers and workers, have an unequal position in terms of socioeconomic status. Employers tend to have greater economic power, while workers are in a weaker position, relying on employers as their source of income. However, both are human beings who have dignity and human rights that must be respected (*dignity* (Agusmidah, 2007). The weak position of workers should not be an obstacle for them to seek justice in the Industrial Relations Court. Although the substance of the previous labor procedural law had flaws, the existence of the Industrial Relations Court remains a hope for those seeking justice, especially workers. The hope is that the Industrial Relations Court can uphold the honor of the law based on the principles of simple, speedy, and low-cost trials. The ineffectiveness of the current system is the basis for conducting studies to create a more effective system. One of the steps that can be taken by the government is to improve regulations related to the settlement of industrial relations disputes through mediation. In this regard, learning from the experience of other countries that have successfully implemented mediation in the settlement of industrial relations disputes becomes important. Many countries around the world have successfully implemented mediation in the settlement of industrial relations disputes, with Japan being one of the successful examples and receiving global attention (Sugeno, 2015).

After World War II, efforts to resolve industrial relations disputes in Japan have experienced significant development. At that time, a common dispute was a collective dispute between workers and employers. In response to the escalating dispute, the government established the *Labour Relations Commission* (LRC). The commission is tasked with resolving collective disputes through the *Rōdō Kankei Chōsei-Hō*, known as the *Labor Relations Adjustment Act* (LRAA Indonesian).

Until the beginning of the 21st century, the Labor Relations Commission (LRC) had a significant role in the resolution of industrial relations disputes in Japan. However, over time, there has been a decrease in the number of collective disputes that occur. Instead, there has been an increase in individual disputes (Bronstein, 2009). The Japanese government has implemented an administrative service that provides counseling, conciliation, and mediation to handle individual labor disputes. The service offers a comprehensive and rapid informal approach to problem solving, mainly organized by national employment agencies. It is set out in *Kobetsu Rōdō Kankei Funsō No Kaiketsu No Sokushin Ni Kansuru Hōritsu* or *Act on Promoting the Resolution of Individual Labor-Related Disputes* (APRILRD). The Japanese government then implemented a new system aimed specifically at resolving individual disputes through the *Rōdō Shinpan-Hō* or *Labor Tribunal Act* (LTA). This system establishes a settlement mechanism known as the *Labor Tribunal System* (LTS), which involves a special tribunal called the *Labor Tribunal* (LT) in a process called the *Labor Tribunal Proceedings* (LTP). These three systems

later became a popular system as well as effective and efficient in resolving industrial relations disputes in Japan (Sugeno, 2015).

The development of mediation procedural law in Indonesia has been influenced by the practice of mediation in Japan. In Indonesia, Supreme Court Regulation (PERMA) Number 1 of 2008 regulates the Mediation Procedure in Court, which is the application of the mediation system in Japan into the context of mediation in Indonesian courts. The main goal is to replicate Japan's success in using mediation as a means to resolve cases with a *win-win solution*, as well as to address the problem of backlog in court (Omara, 2012). Previously, the Supreme Court team had conducted comparative studies by studying mediation systems in courts of countries such as the United States, the Netherlands, Australia, and Japan. After various analyses and considerations, they concluded that the mediation system in Japanese courts, known as *wakai*, is the system that best suits the Indonesian legal system. Although currently Supreme Court Regulation (PERMA) Number 1 of 2008 concerning Mediation Procedures in Court has been replaced by Supreme Court Regulation (PERMA) Number 1 of 2016, this history still shows that there is a significant relationship between mediation procedural law in Indonesia and in Japan.

It is important to note that although Japan and Indonesia have different industrial relations dispute resolution arrangements, both offer mediation as one way of resolution. The success of this mediation is expected to create a favorable solution for all parties and reduce the number of disputes that end up in court.

To answer the formulation of problems related to the settlement of industrial relations disputes and dispute resolution mechanisms in the Industrial Relations Court by achieving simple, fast, and low-cost principles, Sudikno Mertokusumo's expert opinion can be a guideline. According to him, simple principles refer to procedures that are clear, easy to understand, and not complicated. The fewer formalities required in court proceedings, the better. Too many formalities can complicate understanding and give rise to a variety of different interpretations, reduce legal certainty, and discourage people from dealing with the courts. Low costs mean that costs are as low as possible so that they can be borne by the community.

The word "fast" refers to the smooth running of the judicial process. Too many formalities can be an obstacle to the smooth running of the judicial process, not only in the examination at the hearing but also in the completion of the minutes of the hearing until the signing of the decision by the judge and its execution. The smooth running of the judicial process will increase the credibility of the court and the trust of the judicial community itself (Omara, 2012).

The concept of simple, fast, and low-cost settlement of industrial relations disputes arises from the idea of realizing social justice in overcoming conflicts between two parties who do not have equal power in the world of work. Usually, in these disputes, entrepreneurs have a stronger position because they have more social and economic resources. On the other hand, workers or laborers are in a weaker position because they rely heavily on their work as their main source of income. Despite these differences, it is important to remember that both employers and workers are human beings who share value and dignity as human beings. Therefore, this dispute resolution system is designed to ensure a fair and accessible process at an affordable cost, so that both parties can resolve their issues quickly and efficiently without having to be burdened by complicated and expensive processes (Agusmidah, 2007). The purpose of social justice (*human dinity*) can only be implemented by protecting workers / workers against unlimited power on the part of employers / employers through legal means.

This study highlights that the Industrial Relations Disputes Law (UU PPHI) still has many shortcomings that require revision. As long as such changes have not occurred, the Industrial Relations Court and its judges need to dare to go beyond their literal role as legal presenters. They must be the mouthpiece of the sense of justice and hope desired by society, especially from workers and entrepreneurs. If the courts and their judges can adapt to this role,

then there is a possibility of creating a more harmonious and fair working relationship in Indonesia. This requires judges to not only focus on written legal texts, but also consider social justice and societal expectations of the justice system (Tjandra, 2007).

Based on the above study, the reform in the Industrial Relations Court in Indonesia in resolving disputes based on the principles of fast, precise, fair and cheap trial is to revise Law No. 2 of 2004, which is as follows:

1. To increase the effectiveness of examination of the contents of the lawsuit by judges, adaptive laws and judges who have a progressive approach are needed. The word "progressive" here refers to the ability to adapt and innovate in line with the times. This means that laws and their enforcers must be responsive to changes and new challenges in society. They must also be able to provide services based on moral values. This includes avoiding abandonment or rejection of claims without a clear reason in industrial relations cases, often referred to as "lawsuit NO". In other words, the legal system and its judges must be proactive in responding to and resolving legal issues in a fair and timely manner, aligned with the needs and expectations of society (Rahardjo, 2008). Satjipto Rahardjo argued that the law should be oriented towards human interests and aim to serve them, not the other way around. With this philosophy, man is the main and decisive focus of all aspects of law. Good law is one that supports human well-being, affirming that legal institutions must always prioritize human interests. Rahardjo emphasized that progressive laws must adopt a pro-justice and pro-people ideology, which means that the law must support justice and be oriented towards the interests of the people. Progressive law is about making law work in the greater interest of society, ensuring that justice is accessible to all, and that law is used as a tool to improve the welfare of society as a whole.
2. Consideration to include provisions on conciliation and arbitration institutions in Law No. 2 of 2004 is required. This means that the laws governing industrial relations in Indonesia will have to look back and perhaps add regulations regarding the establishment of a special institution that handles the settlement of disputes between workers and employers through conciliation and arbitration processes. This process allows both parties to resolve disputes more efficiently and effectively before engaging a more formal judicial process, helping to reduce the burden on courts and create a faster and fairer resolution to conflicts that arise.
3. The consideration to remove the cassation legal route for cases of rights disputes and termination of employment with a lawsuit value below Rp. 150 million is based on a simple lawsuit model. This model has been implemented through Supreme Court Regulation (Perma) Number 2 of 2015, which regulates simple lawsuit settlement procedures for cases with a lawsuit value of up to Rp. 200 million. In this model, claims that are below that threshold are not allowed to proceed to the appeal, cassation, or judicial review stages. The goal is to speed up the dispute resolution process, reduce the burden on the judicial system, and provide faster legal certainty for the parties involved, especially in cases of industrial relations disputes with a lawsuit value below Rp. 150 million, so that no further legal remedies such as cassation are needed.
4. It is necessary to establish special provisions in Law No. 2 of 2004 regarding the execution of PHI decisions that have obtained permanent legal force, and stipulated that extraordinary legal remedies for judicial review are not allowed in PHI cases.
5. Legal certainty is required regarding the time limit between the reading and/or notification of the judgment and the signing of the judgment, as well as the issuance of copies of the judgment that must be provided to the parties, the issuance of *aanmaning*, and the determination of execution. Legal sanctions shall be established in case of administrative violations related to it.

6. Synchronization of provisions regarding bankruptcy as an urgent situation that must be checked by a quick event examination in Law No. 2 of 2004, taking into account the rights of workers / workers as a preference right in the process of settling the company's debt payment obligations before being declared bankrupt in Law No. 37 of 2004 concerning Bankruptcy and Suspension of Debt Payment Obligations. This is so that the demands for workers' rights related to the survival of their families are not ignored and take precedence over the rights of other creditors.

It is necessary to optimize the use and development of Information Technology (IT) facilities in the case administration process, especially related to the summoning of "delegations". The application of Electronic Judicial Processes based on Perma No. 3 of 2018 concerning Electronic Trials in Industrial Relations Courts must be intensively improved. This reform utilizes information technology by eliminating physical contact between lawsuit registrants and court officials. Advocates, as law enforcers, benefit greatly from the time and effectiveness of case administration, especially in defending client interests. With the application of this Perma, the principle of solving cases quickly, cheaply, and at low cost can be achieved more efficiently.

CONCLUSION

This review reveals various shortcomings in handling industrial relations disputes in Indonesia, including aspects of legal structure, substance, and culture. The public expects the Industrial Relations Court to increase legal authority, ensure legal certainty, and uphold justice. To achieve this, courts need to apply the principles of fast, efficient, fair, and economical work.

Some proposals to achieve this goal include revisions to Law No. 2 of 2004, with measures such as arrangements on conciliation and arbitration institutions to facilitate the settlement process. In addition, it is necessary to eliminate cassation for disputes with a lawsuit value below Rp 150 million so that the process is more efficient. Also, the role of the judge must be strengthened in examining the contents of the lawsuit so that there are no more NO (Non-Objective) decisions, as well as setting clear time limits from the case administration process to the implementation of the decision.

It is important to consider the establishment of Industrial Relations Courts at the district / city level throughout Indonesia. This step requires in-depth study to be realized in laws and regulations. As part of the National Legislation Program, the revision of Law No. 2 of 2004 should be a priority. This revision is expected to make the law more comprehensive and reflect the original purpose of the legislation providing prompt, precise, and cheap justice in accordance with the values of Pancasila.

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