

## THE EXISTENCE OF INDUSTRIAL RELATIONS DISPUTE RESOLUTION INSTITUTIONS AT THE CLOSE OF THE COMPANY (LOCK OUT)

Yogo Pamungkas, Andari Yurikosari, Amriyati  
Universitas Trisakti, Indonesia

Email: Yogo.p@trisakti.ac.id, andari.yurikosari@gmail.com, amriati@trisakti.ac.id

### ABSTRACT

#### KEYWORDS

closure of enterprises,  
conflicts of industrial relations

The process of resolving industrial relations disputes in Indonesia can basically be carried out through bipartite followed by mediation or conciliation or arbitration and carried out with industrial relations courts. This normative settlement provides away out with an orderly state. Industrial relations can arise due to several related matters such as: employment agreements, positive laws and differences in interests. The focus of the problem is whether the definition of the concept of industrial relations conflict has been clearly defined? Has the resolution of industrial relations conflicts been achieved? Is the purpose of closing the company achieved according to its legal objectives? Is the closure of the company to resolve industrial relations conflicts achieved? What limitations are there in court decisions in examining and resolving industrial relations disputes before or after the closure of a company? This study uses the systematic study method of verdict. The results showed that the closure of the company was not effective in resolving industrial relations conflicts

### INTRODUCTION

The process of resolving industrial relations disputes can basically be carried out through bipartite followed by mediation or conciliation or arbitration and continued with industrial relations courts (Achu, 2018). This normative settlement is a way out with an orderly state. Judging from the juridical aspect, conflicts can actually arise due to several things related to: employment agreements, positive laws and differences in interests. The legal relationship between workers and employers begins with the making of employment agreements both in writing and orally (Botha & Lephoto, 2017). Agreements that contain these rights and obligations then in their implementation often arise problems that if there is no mutual understanding or no understanding and if they cannot be resolved can eventually lead to disputes between the parties. In English, the term used to mean a dispute or dispute is *conflict*, or *dispute* (Darlington, 2016). Of course, between companies and workers have different interests so that sometimes there are Disputes over Rights and Interests and Termination of Employment as a result of violations of labor material legal norms, then in formal juridical the parties are not allowed to carry out acts of vigilantism (eigenrichting) that have nuances of arbitrariness, but must be followed up through application or *enforcement (law enforcement)* ) to formal legal norms commonly also called procedural law as stipulated in Law Number 2 of 2004 concerning Settlement of Disputes Employment relations between companies and workers (Sherly, Karsona, & Inayatillah, 2021).

The philosophy of industrial relations dispute resolution is indeed very decisive in the outcome whether to find a mutually beneficial settlement, mutual harm or harm to one

of the fihaks and benefit the other. Some of these circumstances are highly dependent on the dispute resolution mechanism. Since the enactment of Law Number 22 of 1957, concerning Settlement of Labor Disputes and Law Number 12 of 1964 concerning Termination of Employment in Private Companies, the philosophical basis is the same as Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes, namely to protect the interests of workers / workers and employers / employers in a balanced manner (Gourevitch, 2018). However, the reality is that in industrial society until now it has not succeeded in achieving this philosophical value. Many people argue that this shows that positive labor law has not functioned optimally and there are still many weaknesses. Therefore, it is necessary to have continuous renewal / guidance, until the condition where the rule of law has the ability to function properly, which of course before the renewal / guidance is held first it is necessary to know for sure concrete problems in terms of normative and in terms of the reality of its application in society (Suherman, 2016).

If the settlement, especially on a bipartite basis, is deadlocked, it is permissible by Indonesian law to strike workers and lock out for employers. The same is true in Russia, which legalizes communal labor conflicts and strikes as a tool to resolve industrial relations conflicts. This step can be said to be a "forced" step in resolving industrial relations disputes. There are negative and positive sides when workers and employers use these two methods. But what is clear is that both of these methods pose quite severe risks (Gerasimova, 2014).

It should also be understood that strikes are not always merely a question of rights or interests that arise as a result of the establishment or will be formed of industrial relations, but can also be politically and economically charged, reformist and revolutionary so that strikes in this perspective will not be included in this discussion because they will experience deviations in drawing conclusions (Hiscock, 2019).

For workers to use strike methods to resolve disputes, there is a risk of termination, resulting in a halt in their income. Of course this will affect the livelihoods of workers and their families. If workers have no other income, then this step is a gamble on their livelihood. On the other hand, strikes also have the potential power to force employers to comply with their demands. Strikes and slowdowns in the production process will have the potential to cause a lot of losses (Hamark, 2022).

Strikes are able to stop the production process which has an effect on stopping distribution and stopping production supplies to the market. On a large scale as manufactured products the potential for lost profits also becomes very large. While the slowdown in the production process despite the detrimental effects of the product sales aspect is not as great as a total strike, employers have to incur standard labor costs for less production (Narayanamurthy, Kumar Hota, Pati, & Dhal, 2015).

On the other hand, strikes must also be carried out carefully, especially with regard to the validity of the strike itself. A strike that is carried out not in accordance with the procedure whether it is carried out at the beginning of the activity, in the middle or at the end of the activity will have an impact on the invalidity of the activity with the risk of the worker being considered absent, in other words, the worker defaults on their work agreement with the company.

In a position like this, the company easily blames and sanctions workers. Unlike when a strike is carried out in accordance with procedures, if the industrial relations dispute continues, the company can take legal actions that are balanced with strike activities, namely closing the company. In Indonesia, these two types of industrial relations dispute settlements are regulated by Law Number 13 of 2003 concerning Manpower.

The closure of the company is used in order to force workers to perform workers in accordance with the conditions specified by the employer. The closure can take the form of a "big bang" in which the company closes its company for a long time until the worker agrees to the conditions offered by the employer or in the form of "bargaining" where the closure of the company is used as a tool to offset strikes or slowdowns in production from workers (Briggs, 2004).

Regardless of how the two parties exercise the right of strike and closure of the company, as long as it is carried out according to procedure, this settlement is still within the corridors of legal order but if it goes out of the provisions it will lead to potential irregularities and different legal consequences as stated by Kola O. Odeku (Odeku, 2014).

The Employment Law of Article 149 paragraphs (1) to (5) provides for the closure of the company as follows:

- (1) The worker/laborer or trade union/trade union and the agency responsible for labor who receives directly the notification of the closure of the company (lock out) as referred to in Article 148 must provide proof of receipt by stating the day, date, and time of receipt.
- (2) Before and during the lock out, the agency responsible for employment is authorized to directly resolve the problems that caused the lock out by bringing it together and negotiating it with the parties to the dispute.
- (3) In the event that the negotiations referred to in paragraph (2) result in an agreement, a collective agreement shall be entered into by the parties and employees of the agency responsible for employment as witnesses.
- (4) In the event that the negotiations referred to in paragraph (2) do not result in an agreement, the employees of the agency responsible for employment immediately submit the problem that caused the closure of the company (lock out) to the industrial relations dispute resolution agency.
- (5) If the negotiations do not result in an agreement as referred to in paragraph (4), then on the basis of negotiations between the employer and the trade union/trade union, the closure of the company (lock out) may be continued or temporarily suspended or stopped altogether.

Such an arrangement as mentioned above seems to place the government as an intermediary does not have a significant function in resolving industrial relations disputes so that it should play a role from those stipulated in the Act. This is where this problem arises.

The closure of the company in the context of the final resolution of the industrial relations conflict is the right of the company as is the right of the striking workers. Failure in the negotiations gives both parties the right to exercise their last right. This construction shows that industrial relations conflicts initiate a settlement that leads to the closure of the company or strike. In some cases the closure of the company does not always begin with a conflict of industrial relations. Quite often, it is precisely the closure of companies that cause industrial relations conflicts due to various discrepancies in the views of workers and employers.

Law Number 13 of 2003 Manpower (Manpower Law) Article 1 number 24 of Law Number 13 of 2003 defines company closure (*lock out*) as an employer's action to refuse workers / laborers in whole or in part to carry out work. The closure of the company cannot be carried out by companies that serve the public interest and/or types of activities that endanger the safety of human life, including hospitals, clean water network services, telecommunications control centers, electricity supply centers, oil and gas processing, and

railways and should not be carried out in retaliation for normative demands from workers/laborers and/or trade unions/trade unions.

Technically, Article 148 of the Manpower Law stipulates that companies are required to notify in writing to workers/workers and/or trade unions/trade unions, as well as agencies responsible for local labor at least 7 (seven) working days before the closure of the company (lock out) is carried out by containing the time (day, date, and time) of the start and end of the company closure (lock out) as well as the reasons and causes of closing the company (lock out).

If after the closure of the negotiating company Again experiences a deadlock then a juridical settlement becomes the last resort. At the practical level, often the closure of the company is actually carried out first, causing industrial relations conflicts. Especially disputes over termination of employment and rights. This is because the closure of the company is always related to workers. Fulfillment of workers' rights during work as well as the rights of workers who have experienced termination of employment.

Company closures that have the potential to cause industrial relations conflicts are often triggered by violations of the closure mechanism and interpretation of different provisions between companies and workers. After Law Number 11 of 2020 concerning Job Creation. What is translated by Government Regulation Number 35 Thaur 2021 as the implementer of the Job Creation Law actually increases this potential. In Chapter V of Termination of Employment article 36 letter b states that: "The Company performs efficiency followed by the closure of the Company or not followed by the closure of the Company due to the Company experiencing losses". The article does not go into more detail about what the company's losses are and what kind of efficiency measures. The blurring of this article can have a bad impact on workers because employers can abuse this vague article, for example, employers can carry out layoffs on the grounds of making efficiencies caused by the company experiencing insignificant losses (Iriyanto & Nugroho, 2022).

The description above gives an idea that the definition of closing a company without causing potential industrial relations conflicts with various technical tools has not been able to provide a concrete understanding so that the long road of the possibility of industrial relations disputes after the closure of the company is still very real.

Looking at the cause and effect of closing a company, it is impossible for a company to close without a cause, whether it is directly related to workers (labor relations) or other causes that are socioeconomically unprofitable. Therefore, from the beginning, the closure of the company already has the potential for conflict, so the problem that arises is how the company can be closed without causing industrial relations conflicts.

There are two dimensions that can be done simultaneously to minimize industrial relations conflicts, namely by complying with existing provisions and making fair provisions for the benefit of workers and companies that, of course, must involve the government. In another dimension that is sociological in nature is to reach the point of agreement between workers and companies (golden shake hands).

In the dimension of compliance with the rules, basically it will be able to be obeyed when the provisions have good quality. The provision must at least have a good legal substance, legal structure and legal culture. In addition, the problem of implementing laws and regulations must also be free from obstacles to the formulation of sectoral policies; The policy formulation process is less participatory; Lack of Understanding between policy and regulation; Regulations / laws and regulations that are multi-interpretation; potential conflict; Overlap; disharmonious/out of sync; the absence of rules of its

execution; inconsistent ; and inflicting unnecessary burdens, both on the target group and the affected group (Mardiah, Lovett, & Evanty, 2017)

In Indonesia, this provision is not ideal. The manpower law has been tattered with so many revisions by judicial review coupled with the Job Creation Law and its derivative regulations that are far from expectations of ideal value. This dimension is rather heavy if it is said that obedience will give a positive value to the labor relationship between the worker and the company.

Another thing that can still be taken even though it must be combined with existing provisions is to establish a balance between workers and companies. It is not perfect but in an atmosphere of mutual need, workers and companies can tolerate each other's interests. This tolerance is like a pendulum that dynamically moves according to the conditions. The ability to create this equilibrium atmosphere that will provide accommodation for the interests of both parties can be fulfilled.

The formulation of the interaction between companies and workers as stated by Harsono and Ambaretno formulates that workers' perceptions of understanding laws and regulations in the field of labor have a positive and significant influence on the harmonization of partnership relations between workers and employers. The perception of workers about the welfare of workers has a positive and significant influence on the harmonization of partnership relations between workers and employers. Workers' perceptions of the existence of trade unions/ trade unions, have a positive but nevertheless insignificant influence on the harmonization of partnership relations between workers and employers. This formulation should be in a position of good regulatory substance and a good level of welfare as well (Harsono & Ambarepto, 2006).

## RESEARCH METHOD

### 1. Data collection

The electronic database uses the Directory of Verdicts. Publication of Electronic Documents of Decisions of all Courts in Indonesia using the keywords "company closure", "rights dispute", "interest dispute" and "termination dispute".

The mining process of the initial verdict was found to be 122 which were carried out in March 2022 verdicts.

### 2. Inclusion and exclusion criteria

The initial data of 122 decisions were classified through the inclusion and exclusion process (table 1) and the decisions were selected based on inclusion and exclusion criteria and then selected based on the quality of the data that had been determined (table 2)

**Table 1**

Number	Inclusion
1	The ruling has permanent legal force
2	Verdict issued in the span of 2015-2020
3	The decision is at the level of the Industrial Relations Court or the Supreme Court
4	The verdict relates to the closure of the company
5	Beginning or ending with the resolution of industrial relations conflicts
number	Exclusion
1	The ruling has not been of permanent legal force
2	Verdicts issued before 2015 and after 2020



3	Settlement is at the bipartite or mediation or conciliation or arbitration level
4	The ruling has nothing to do with the closure of the company
5	Not Beginning or ending with the resolution of industrial relations conflicts

### 3. Quality criteria

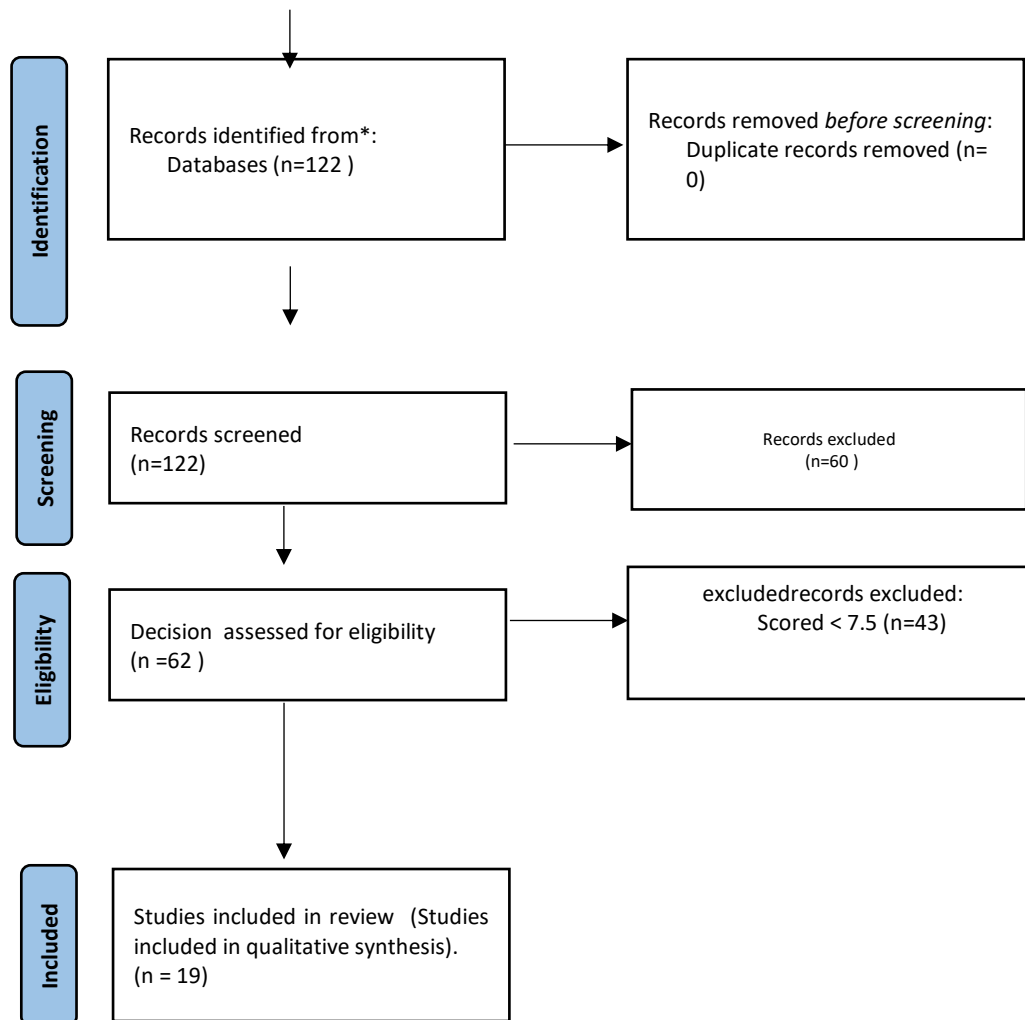
Decisions that are included in the inclusion criteria will be reviewed in such a way that the stage of meeting the quality criteria directed at the concept of closing the company, the form of completion of the industrial relations agreement, the achievement of the objectives of closing the company, the quality criteria are made in the form of a list of questions in the following table:

**Table 2**

Number	question
1	Is the closure of a company defined by the entrepreneur in accordance with the Act?
2	What is the form of resolving industrial relations conflicts after the closure of the company?
3	Is the implementation of the closure of the company achieved?
4	Is the closure of the company carried out to resolve the industrial relations conflict achieved?
5	What limitations are there in court decisions in examining and resolving industrial relations disputes before or after the closure of a company?

In each of the judgments will be presented five quality criteria questions in which the answers obtained from the judgment will be coded yes (1 point), no (0 points and partial (0.5 points). The verdict will be judged on the basis of the content corresponding to the question. Decisions classified as final data must have a minimum score of 7.5 points. The final verdict is evaluated with questions according to the quality criteria as set out in table 2. In this final classification of the remaining 122 rulings 19 rulings were selected to answer the research questions. This data extraction procedure is represented through the PRISMA stream by modifying, primarily, of the object of study. In PRISMA extraction, the main study material is a previous study that has been determined by criteria with a predetermined theme, while in this study the object of analysis is the decision of the industrial relations court which has permanent legal force (Page et al., 2021).

### 4. PRISMA Model Analysis Results



## RESULT AND DISCUSSION

The closure of the company in the context of the final resolution of the industrial relations conflict is the right of the company as is the right of the striking workers. Failure in the negotiations gives both parties the right to exercise their last right. This construction shows that industrial relations conflicts initiate a settlement that leads to the closure of the company or strike. In some cases the closure of the company does not always begin with a conflict of industrial relations. Quite often, it is precisely the closure of companies that cause industrial relations conflicts due to various discrepancies in the views of workers and employers.

Law Number 13 of 2003 Manpower (Manpower Law) Article 1 number 24 of Law Number 13 of 2003 defines company closure (lock out) as an employer's action to refuse workers / laborers in whole or in part to carry out work. The closure of the company cannot be carried out by companies that serve the public interest and/or types of activities that endanger the safety of human life, including hospitals, clean water network services, telecommunications control centers, electricity supply centers, oil and gas processing, and railways and should not be carried out in retaliation for normative demands from workers/laborers and/or trade unions/trade unions.

Technically, Article 148 of the Undang-Undang Ketenagakerjaan stipulates that the company must notify in writing to the worker/laborer and/or trade union/trade union, as well as the agency responsible for local labor at least 7 (seven) working days before the closure of the company (lock out) is carried out. By containing the time (day, date, and time) of the start and end of the company closure (lock out) as well as the reasons and Causes of closing the company (lock out).

If after the closure of the negotiating company Again experiences a deadlock then a juridical settlement becomes the last resort. At the practical level, often the closure of the company is actually carried out first, causing industrial relations conflicts. Especially disputes over termination of employment and rights. This is because the closure of the company is always related to workers. Fulfillment of workers' rights during work as well as the rights of workers who have experienced termination of employment.

Company closures that have the potential to cause industrial relations conflicts are often triggered by violations of the closure mechanism and interpretation of different provisions between companies and workers. After Law Number 11 of 2020 concerning Job Creation. What is translated by Government Regulation Number 35 Tahun 2021 as the implementer of the Job Creation Law actually increases this potential. In Chapter V of Termination of Employment article 36 letter b states that: "The Company performs efficiency followed by the closure of the Company or not followed by the closure of the Company due to the Company experiencing losses". The article does not go into more detail about what the company's losses are and what kind of efficiency measures. The blurring of this article can have a bad impact on workers because employers can abuse this vague article, for example, employers can carry out layoffs on the grounds of making efficiencies caused by the company experiencing insignificant losses.

The description above gives an idea that the definition of closing a company without causing potential industrial relations conflicts with various technical tools has not been able to provide a concrete understanding so that the long road of the possibility of industrial relations disputes after the closure of the company is still very real.

Looking at the cause and effect of closing a company, it is impossible for a company to close without a cause, whether it is directly related to workers (labor relations) or other causes that are socioeconomically unprofitable. Therefore, from the beginning, the closure of the company already has the potential for conflict, so the problem that arises is how the company can be closed without causing industrial relations conflicts.

There are two dimensions that can be done simultaneously to minimize industrial relations conflicts, namely by complying with existing provisions and making fair provisions for the benefit of workers and companies that, of course, must involve the government. In another dimension that is sociological in nature is to reach the point of agreement between workers and companies (golden shake hands).

In the dimension of compliance with the rules, basically it will be able to be obeyed when the provisions have good quality. The provision must at least have a good legal substance, legal structure and legal culture. In addition, the problem of implementing laws and regulations must also be free from obstacles to the formulation of sectoral policies; The policy formulation process is less participatory; Lack of Understanding between policy and regulation; Regulations / laws and regulations that are multi-interpretation; potential conflict; Overlap; disharmonious/out of sync; the absence of rules of its execution; inconsistent ; and inflicting unnecessary burdens, both on the target group and the affected group



In Indonesia, this provision is not ideal. The manpower law has been tattered with so many revisions by judicial review coupled with the Job Creation Law and its derivative regulations that are far from expectations of ideal value. This dimension is rather heavy if it is said that obedience will give a positive value to the labor relationship between the worker and the company .

Another thing that can still be taken even though it must be combined with existing provisions is to establish a balance between workers and companies. It is not perfect but in an atmosphere of mutual need, workers and companies can tolerate each other's interests. This tolerance is like a pendulum that dynamically moves according to the conditions. The ability to create this equilibrium atmosphere that will provide accommodation for the interests of both parties can be fulfilled.

The formulation of the interaction between companies and workers as stated by Harsono and Ambaretno formulates that workers' perceptions of understanding laws and regulations in the field of labor have a positive and significant influence on the harmonization of partnership relations between workers and employers. The perception of workers about the welfare of workers has a positive and significant influence on the harmonization of partnership relations between workers and employers . Workers' perceptions of the existence of trade unions/ trade unions, have a positive but nevertheless insignificant influence on the harmonization of partnership relations between workers and employers. This formulation should be in a position of good regulatory substance and a good level of welfare as well.

**The results of the study of the analyzed verdicts give the following picture:**

#### **Defining Company closure**

This study shows that the penvoy that defines the closure of the company clearly in accordance with Article 148 of Law Number 13 of 2003 there are 16 judgments, while the decisions that are not decif the closure of the company clearly in accordance with Article 148 of Law Number 13 of 2003 there is 1 decision and there are 2 judgments that do not define the closure of the company

The table above gives an idea that the understanding and application of entrepreneurs or companies about closing a company is quite good. One case misrepresented it because in the judgment of Nomor: 139/G/2014/PHI/PN.BDG the company was judged by the judge to have closed the company in an illegal way, i.e. there was no written announcement that addressed to the Plaintiffs (workers), this is not in accordance with the provisions of Article 148 paragraph 1, 2 of Law Number 13 of 2003 concerning Manpower.

Two cases that do not provide a definition are due to termination of employment on the grounds of closing the company because the company was terminated by its corporate partner, PT Holcim, while the fact is that the company is still running (judgment No. 130/Rev.Sus-PHI/2017/PN.Bdg and No. 131/Rev. Sus-PHI/2017/PN.Bdg). This ruling opens up the fact that the definition of the closure of a company can also be forced in a certain situation to protect its interests and even more inappropriately making the action seem as if the company is closed but in reality the company is still operating. The rationale is, that in a situation of labor conflict that cannot be resolved then, for entrepreneurs, the closure of the company is a way out to be able to resolve that conflict.

In a situation of industrial relations conflict, the closure of the company that is carried out can only be proved legally formally in Court and to reach a verdict of legal force it still takes time and costs so that for workers who do not have time and costs

will be the "losing" party not because of the legal settlement but because of the circumstances sociological.

For employers this method is an efficient way, but nevertheless When the worker has the time and cost to settle legally then When the closure of the company is declared undefined in the sense that it is inconsistent with the laws and regulations then the Act becomes futile.

2.What is the form of resolving industrial relations conflicts after the closure of the company?

A lot of background happened before the closure of the company. The emergence of labor conflicts is the main cause. In the applicable regulations in Indonesia, the conflict can be in the form of conflicts of interest, conflicts of rights and conflicts of termination of employment. But not all labor conflicts are always the cause. Other socioeconomic conflicts have the potential to give rise to that Act. Acts of violence for example, have caused the Maruti company to close the company. The closure of the company has led to several consequences and the most frequent is the termination of employment. Especially if the closure of the company is carried out permanently.

The logical consequences of closing a company that ends with termination in Indonesian regulations give rise to workers' rights in the form of unpaid wages and severance pay due to termination work. Some of the factors that cause labor conflicts are wages and other workers' rights that are not paid in accordance with regulations, secondly, deviant termination procedures and inappropriate amount of severance pay . This often happens because there is a view of the position of the relationship between the company and the worker whether it is subordination or collaboration. Subordination relationships will tend not to respect work agreements that have been made, especially parties who feel higher otherwise collaboration relationships will create an atmosphere of mutual respect between the company and the workers.

The transformation of industrial relations from subordination to collaboration does require a lot of energy so that the state must be involved, although it is very likely that state involvement is always driven by factors other major such as politics and economics, however creating collaboration is possible. Creating regulations for the settlement of industrial relations conflicts that are simple, fast and low cost in artinwhich is actually very necessary so that industrial relations and their dynamics become more well.

These two things happen most often and of all the rulings studied by the estuary of labor conflict are on those two factors. Most of them are labor conflicts that arise as a result of company closures and labor conflicts that arise are the fulfillment of rights as workers and rights as workers who are terminated from their work.

3.Is the implementation of the closure of the company achieved as the legal objectives?

Of the Nineteen cases there were three judgments stating that there was no closure of the company. Judgment number: 139/G/2014/PHI/PN.BDG stated that the company in carrying out Lock Out (closing the company) had violated the provisions of Article 146 and Article 148 of Law No.13 of 2003.Second judgment No.130/Rev. Sus-PHI/2017/PN.Bdg. and No. 131/Rev. Sus-PHI/2017/PN.Bdg. that the closure of the company is not / has not been implemented as stipulated in Law No. 13 of 2003 concerning manpower article 146 paragraph (3) and article 148 paragraph (1), (2).

The cause of the failure to close the company from the three rulings is because it was not procedural so that the definition of company closure even though in general is to stop the company's operations both permanently and temporarily but in practice, due

to the legal politics of the law, it has different procedures from state to state with The purpose of the failure to close the company in this study is in the context of Indonesianness. It is very likely that if conditions occur in other countries with different provisions or procedures it can be concluded that the company is successful.

It is even more important to study that company closures in this data give an idea that the understanding and application of company closures is adequate despite the fact that they are still resolved in court. The phenomenal thing is that When the procedure for closing the company has been carried out but, on the basis, the incoming case, is not balanced with the fulfillment of workers' rights either in the form of wages or issues of legality of termination and workers' rights resulting from termination. This made the labor problem drag on until the courts. In peng a dilanlah that precisely the settlement requires a long time and in some cases tends to be slow while a quick settlement (bottle neck) is needed.

From the workers' side, a protracted settlement will consume the energy of those who do have little, so they will give up with atindakan company. In some cases the regulatory violations that companies commit are committed solely in their economic interests which workers expect not to pursue legal remedies until they reach the courts.

Is the closure of the company carried out to resolve the industrial relations conflict achieved?

Company closures and strikes are essentially the last resort in resolving labor conflicts, but on the other hand can be used in order for other purposes. Poilitic, economic conditions and other factors outside of labor conflicts are also very likely reasons to be used.

Based on the data of the judgments published by the court, 19 judgments are the resolution of conflicts arising from the closure of the company while none of the judgments are the resolution of labor conflicts that give rise to the act of closing the company. This data shows that the resolution of labor conflicts is not used by closing the company, in the sense that labor conflicts do not reach the level of not being resolved.

It also shows the similarity of corporate tendencies in the world that there are very few company closures. Business continuity considerations are considered in closing the company after the company invests a lot of capital.

The verdict data in this study has one decision, namely in decision number: 139/G/2014/PHI/PN. BDG where there is a company argument stating that the Workers went on illegal strikes on September 28, 2012 and October 4, 2012 which were not in accordance with Article 140 of Law No.13 of 2003 and because the strike was not in accordance with the provisions of the Article, the company decided on the basic right granted by the Law to take Lock Out action. Although in court this argument was not proven, the Company made a legal construction that it was as if the closure of the company was carried out due to a labor conflict.

From the court ruling, there was also no strike action found as a result of labor conflicts and was used to resolve conflicts. Workers realize that strikes are a basic right and are used as a last resort. Although as a basic right, strike action also has a high risk for workers. Strikes become a dilemma for workers themselves, especially related to the aftermath of strikes that do not meet procedures. The heaviest risk is termination which means it will concern the future of their well-being. Workers who have high skills do have a high bargaining position when going on strike but for workers who do not have skills it will be easy for the company to looking for a replacement.

The main causes of the closure of the enterprise are not used to resolve labor conflicts until the courts. First, the conflict has been resolved through bipartite or courts. Settlement with this pattern can be seen that from all industrial relations cases from 2013 to 2021 there were only 19 cases of company closures involving conflicts of relations Industrial and of the 19 cases have a pattern of company closures that cause labor conflicts, not the other way around.

5. What limitations are there in court decisions in examining and resolving industrial relations disputes before or after the closure of the company?

There are fundamental differences in the resolution of labor conflicts that begin with the closure of the company, end with the closure of the company and the resolution of labor conflicts without any closure of the company.

The labor policy that begins with the closure of the company stems from the closure of the company itself. This action raises several problems, namely first, is the closure of the company carried out in accordance with regulations? Secondly, have the rights of workers before and after the closure of the company been fulfilled? Third, if it gives rise to termination, has the termination procedure been fulfilled? fourth, if the termination is in accordance with the regulations whether the worker's hakatas who was terminated (severance) has been fulfilled?

In labor conflicts that end with the closure of the company separately or simultaneously, it originates in conflicts of rights, conflicts of interest and conflicts of termination of employment. These conflicts could not be resolved sociologically, triggering the company's closure action. When the company is closed, the same problem will arise with the first pattern of closing the company.

Labor conflicts where there is no company closure are relatively simpler in resolving them because the problem is not coupled with the issue of legality and the procedure for closing the company. If the issue of legality has been met by the company, the most important thing to pay attention to is whether the closure of the company has paid attention to the approval and workers' rights of workers. The court's ruling on The Putco and Sun International Case in South Africa taught a lesson that the most important thing in carrying out the closure of the company is the achievement of a balance of interests between companies and workers.

If the interests between the company and the worker are not balanced and not negotiated to reach a point of balance then what happens is precisely the power struggle between the interests of the worker and the company through strikes and company closures. It is also worth noting that if the regulations do not regulate the standard scope of the right to strike and close the company and the bargaining system, the closure of the company will be a conflict that is intertwined.

The three patterns of labor conflicts in Indonesian regulation will eventually boil down to courts with types of conflicts of interest, rights and termination of employment. There is no specific type of labor conflict called a company closure conflict or strike conflict. There is no type of labor conflict about the refusal of company closures by workers or the refusal of strikes by companies.

The Employment Law Article 149 paragraphs (1) to (5) provide for government interference in resolving conflicts due to the closure of companies but when it is deadlocked, it is finally handed over to the authorized institution to resolve the conflict. A settlement in a judge's court will look at the legal side of the company's closing action, but not look at the sociological side.

These two authoritative Institutions each have weaknesses. The government has the authority to resolve sociologically so that it can actually solve to the root of the problem but unfortunately it does not have the authority to decide so that in the end it returned to court. Meanwhile, the court will always look at the legal aspect only so that the court's decision will resolve the conflict from the legal aspect. As a result, this conflict became incomplete.

## CONCLUSION

The closure of the company has legality and is carried out procedurally. The result is that there is a termination of employment with the company's obligation to pay for the rights of workers who are terminated. In some small cases the closure of the company is carried out in violation of regulations. This violation of regulations actually resulted in the closure of the company failing and the rights of workers who were not paid off.

The closure of the company that gives rise to labor conflicts revolves around the legality of termination and compensation. At the close of the company in accordance with the regulations, labor conflicts are resolved by the ratification of termination of employment along with payment of rights during employment and the termination of workers.

The closure of the company meets the regulations. A small percentage that does not meet the regulations is caused by the desire of companies that are unwilling to give workers rights both in employment relations and workers are disconnected.

The closure of the company is not used to resolve industrial relations conflicts, on the contrary, the closure of the company causes labor conflicts. The closure of companies that are not preceded by labor conflicts is largely motivated by social, economic and political factors.

Labor conflicts that begin or end with the closure of a company basically extend the settlement while the resolution of labor conflicts without closing the company is simpler. The limitations of resolving labor conflicts at the close of the company tend to be juridical but unable to reach other aspects so that they are unable to resolve conflicts completely. In the prevailing regulations, governments that have the opportunity to complete settlements are actually required to settle in court if differences of interest are not found.

## REFERENCES

- Achu, Fonja Julius. (2018). Settlement Of Labour Disputes Under Cameroonian Labour Law. *African Journal Of International And Comparative Law*, 26(3), 407–425.
- Botha, Monray Marsellus, & Lephoto, Motsoane. (2017). An Employer's Recourse To Lock-Out And Replacement Labour: An Evaluation Of Recent Case Law. *Potchefstroom Elec. Lj*, 20, 1.
- Briggs, Chris. (2004). *Lockout Law In Australia: Into The Mainstream?* Citeseer.
- Darlington, Ralph. (2016). British Labour Movement Solidarity In The 1913-14 Dublin Lockout. *Labor History*, 57(4), 504–525.
- Gerasimova, Elena. (2014). The Resolution Of Collective Labour Disputes And The Realization Of The Right To Strike In Russia. *Labour Law In Russia: Recent Developments And New Challenges*, (6), 259–288.
- Gourevitch, Alex. (2018). The Right To Strike: A Radical View. *American Political Science Review*, 112(4), 905–917.
- Hamark, Jesper. (2022). Strikes And Lockouts: The Need To Separate Labour Conflicts. *Economic And Industrial Democracy*, 43(4), 1891–1910.



- Harsono, Mugi, & Ambarepto, Agus. (2006). Analisis Beberapa Faktor Yang Mempengaruhi Harmonisasi Hubungan Kemitraan Antara Pekerja Dan Pengusaha. *Jurnal Manajemen Sumber Daya Manusia*, 1(1).
- Hiscock, Hugh. (2019). *The Afterlives Of The Algerian War In Contemporary France: Literary Narratives and Contested Spaces Of Memory*. The University Of Liverpool (United Kingdom).
- Iriyanto, Erik, & Nugroho, Arinto. (2022). Analisis Yuridis Terkait Pemutusan Hubungan Kerja Karena Efisiensi Tidak Diikuti Dengan Penutupan Perusahaan Yang Disebabkan Perusahaan Mengalami Kerugian. *Novum: Jurnal Hukum*, 28–39.
- Mardiah, Andri N. R., Lovett, Jon C., & Evanty, Nukila. (2017). Toward Integrated And Inclusive Disaster Risk Reduction In Indonesia: Review Of Regulatory Frameworks And Institutional Networks. *Disaster Risk Reduction In Indonesia: Progress, Challenges, And Issues*, 57–84.
- Narayanamurthy, Gopalakrishnan, Kumar Hota, Pradeep, Pati, Surya Prakash, & Dhal, Manoranjan. (2015). Maruti Manesar Lockout: The Flip Side Of People Management. *Emerald Emerging Markets Case Studies*, 5(2), 1–14.
- Odeku, Kola O. (2014). An Overview Of The Right To Strike Phenomenon In South Africa. *Mediterranean Journal Of Social Sciences*, 5(3), 695.
- Page, Matthew J., Mckenzie, Joanne E., Bossuyt, Patrick M., Boutron, Isabelle, Hoffmann, Tammy C., Mulrow, Cynthia D., Shamseer, Larissa, Tetzlaff, Jennifer M., Akl, Elie A., & Brennan, Sue E. (2021). The Prisma 2020 Statement: An Updated Guideline For Reporting Systematic Reviews. *International Journal Of Surgery*, 88, 105906.
- Sherly, Sherly Ayuna Putri, Karsona, Agus Mulya, & Inayatillah, Revi. (2021). Pembaharuan Penyelesaian Perselisihan Ketenagakerjaan Di Pengadilan Hubungan Industrial Berdasarkan Asas Sederhana, Cepat Dan Biaya Murah Sebagai Upaya Perwujudan Kepastian Hukum. *Jurnal Bina Mulia Hukum*, 5(2), 310–327.
- Suherman, Toha. (2016). Pertanggung Jawaban Penyelenggaraan Pemerintahan. *Penelitian Masalah Hukum. Bp-Hn. Jakarta*.

**Copyright Holders:**

**Yogo Pamungkas, Andari Yurikosari, Amriyati (2023)**

**First publication right:**

**Devotion - Journal of Research and Community Service**



**This article is licensed under a [Creative Commons Attribution-ShareAlike 4.0 International](https://creativecommons.org/licenses/by-sa/4.0/)**