Legal Protection of Employee Work Agreements with the Contract System Based on Law Number 6 of 2023

(Study of PT Sunwoo Garment Indonesia)

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ABSTRACT
The main purpose of this research is to find out how the implementation of the employment agreement between PT Sunwoo Garment Indonesia and its workers is based on Law Number 6 of 2023 and review the extent to which the employment agreement brings welfare to the workers. This research includes a literature study with an empirical juridical method in which primary, secondary, and tertiary legal sources are used. As a result, the employment agreement is an important thing that PT Sunwoo Garment Indonesia pays attention to. The employment contract they have is made based on the applicable legislation. It's just that currently the employment agreement is still based on the old law and has not been updated to follow the new law because it is still waiting for a circular letter from the government. The existing work agreements have generally been able to provide welfare for the workers, such as wage increases every year, compensation, severance pay, benefits, and working leave. However, in terms of reimbursement of working leave, the company has not yet fulfilled it. Even though the workers have felt sufficient with the wages given, the company is still obliged to pay the workers' rights so that workers' welfare can be truly achieved.

Keywords: Companies, Constitution, Laws, Workers

1. INTRODUCTION

In the current era, Indonesia is a country that is experiencing very rapid development in various sectors, including the industrial sector in the field of labor. Seeing the pace of Indonesia's development affects the quality of the global economic increase. With this, many foreign countries are looking at Indonesia to invest in various industrial sectors. So it has a good impact on opening up many job opportunities, especially labor from Indonesia itself.

The increasing number of Indonesians is a concern for the government to organize plans by providing employment opportunities. So that this can fulfill the survival of life and reduce the unemployment rate in Indonesia. So it can be said that this is a means of government programs to boost the wheels of the country's economy that can lead Indonesia to prosperity. Efforts to improve welfare need to be accompanied by equal distribution of employment opportunities in various industrial sectors because this is very influential on national development. Then there needs to be an attitude from the government to provide legal protection and guarantee obligations in fulfilling welfare, especially related to aspects of employment in Indonesia.
Regulations regarding employment have specifically been designed in Law Number 13 of 2003 concerning Manpower, namely regulations that discuss objectives related to aspects that regulate the position of workers and companies. Increasingly with the development, the law on employment has also changed, especially in the provisions of the employment agreement. The state has guaranteed its citizens by providing legal protection for employment agreements to obtain welfare by the contents of Article 28D paragraph (2) of the 1945 Constitution of the Republic of Indonesia which states that everyone has the right to work and receive fair and appropriate compensation and treatment in labor relations.

Based on labor provisions, there is a work agreement that regulates the existence of a work contract system commonly known among workers as a Fixed Time Work Agreement (PKWT) and an Indefinite Time Work Agreement (PKWTT) with the existence of these provisions having the intention based on the provisions regulated by the government relating to the period of work agreements between workers and companies. So every working relationship will automatically be bound by the rights and obligations that must be carried out by employers and workers by the agreement made in the agreement. (Azis et al., 2019). The agreement contains an element of order under supervision where the worker submits to the company to complete the task. In return, the company will provide wages based on the employee's performance as agreed in the employment contract (Ramadhani, 2018). It can be said that the existence of this employment agreement can provide welfare for workers in the process of supporting life, so companies need to pay attention to aspects that guarantee workers’ rights in agreeing on employment agreements.

The purpose of implementing this contract system is to make the company more effective to benefit both workers and companies. With the existence of a work contract between the two parties, there is more certainty in an agreement, even though there is no single binding regulation on the form and content of the agreement because it is guaranteed by the principle of freedom of contract, which is a principle stating that everyone is allowed to make contracts (agreements) containing and of any kind as long as they do not conflict with the law, decency and public order (Syidda, 2023).

To realize the welfare of workers, the author in this discussion will examine the legal protection of workers with a contract system that reviews the welfare of its workers through the perspective of Law Number 6 of 2023 concerning the Stipulation of Government Regulations instead of Law Number 2 of 2022 concerning Job Creation into Law. With this, the author looks at the reality that occurs in the field of whether the fulfillment of rights to workers has been
implemented with the new Manpower Law, so this needs to be done to develop research to provide legal certainty regarding the welfare of workers.

PT Sunwoo Garment Indonesia is a company from Indonesia listed as a bonded area according to the registration number SKEP MENKEU NUMBER: 641/KM.4/2016. The company is located in Dusun II, Telukan, Kec. Grogol, Sukoharjo Regency. PT Sunwoo Garment Indonesia is a company engaged in garment production whose targets focus on foreign production. PT Sunwoo Garment Indonesia in carrying out its production applies to its workers with a contract work system, namely the system implemented has used the current law, Law Number 6 of 2023.

Work agreements that arise through the contract system are related to workers to achieve the goal of a more secure life. Article 88 paragraph (1) has been amended to state that every worker/laborer is entitled to a livelihood that is decent for humanity (Undang-Undang Nomor 06 Tahun 2023, 2023). The provisions in this article provide for the fulfillment of workers' rights and obligations. The contract system agreed with the company has an influence on the career path of workers, because assessing the regulations used now the company no longer appoints workers as permanent workers but rather agreements with a certain time (PKWT), this certainly has a good impact on workers, especially in workers' guarantees of occupational health and safety that have been applied at PT Sunwoo Garment Indonesia. Along with the performance of workers affected by the extension of contracts for workers who can guarantee workers a lifetime contract in the company through the agreement offered, these changes also affect the welfare of employees which can be a solution offered for the fulfillment of a sustainable life.

The enactment of Law Number 6 of 2023 as a basis of reference to pay attention to the appropriate aspects of labor, to obtain legal certainty to facilitate the parties concerned in agreeing on a work agreement. because in practice many facts make a work agreement that is carried out unilaterally by the employer so that the contents only benefit the employer's parties. And workers usually only agree intending to work (Harahap, 2020). Therefore, the government has made policy changes to work agreements because this is very necessary in fulfilling the rights and obligations of workers.

2. RESEARCH METHOD

This writing, which is a literature study, is prepared using an empirical juridical approach which is descriptive where the author focuses on the implementation of the law on the object of research in the form of legal protection of employee work agreements at PT Sunwoo Garment Indonesia with a contract system based on law number 6 of 2023. The primary data used in this
writing is taken directly from PT Sunwoo Garment Indonesia through the interview method which is then processed together with primary legal secondary data, namely Law Number 6 of 2023 concerning the Stipulation of Government Regulations instead of Law Number 2 of 2022 concerning Job Creation into Law and a Work Agreement Letter between workers and the company PT Sunwoo Garment Indonesia. So that this writing becomes directed and can be accounted for legality and truth, the author also takes data from primary legal sources such as books, journals, articles, or other literature that is continuous with the subject matter studied in this writing. The existence of tertiary legal sources that are also included in the writing has been limited in number so as not to eliminate the main purpose of the writing.

3. RESULTS AND DISCUSSION
Implementation of Law No. 6 of 2023 on Employment Agreements with the Contract System at PT Sunwoo Garment Indonesia

PT Sunwoo Garment Indonesia is a company engaged in garments commonly called apparel, PT Sunwoo Garment Indonesia began running its business in 2016 by expanding from Bogor, because it was considered that the operational costs in Bogor were quite high, finally decided to shift to the Central Java region and was located in Sukoharjo. PT Sunwoo Garment Indonesia is a company that uses foreign investment in running its business, by using PMA or foreign investment the company is simply looking for orders from brands that want to use the services of PT Sunwoo Garment Indonesia. The service in the company's cooperation is sewing services from raw materials to ready-made clothes. So the production requires many workers to achieve the target every month. If the target is ready, the production will be exported to various countries such as Europe and America. Therefore, the contract work agreement is a crucial thing that deserves attention so that all employees are guaranteed their welfare. The most important thing is that the employment agreement must be by what is desired by the applicable laws and regulations, which is none other than the Law on Manpower. If the employment agreement contradicts the existing regulations, it is considered invalid and will cause several consequences (Putra & Wajdi, 2022).

Law Number 6 of 2023 is a new legal product in which there are changes in the contents of articles from the previous Labor Law. The changes to the Articles in the new Labor Law will certainly have an impact on the contents of the employment agreement. However, even so, this Law still has legal force as the old Law which acts as a legal basis for the formation and implementation of employment agreements between companies and employees. So that its existence can be used as a comparison material in changing whether it can be effective in
increasing or experiencing a bad impact on the legal protection of workers. The form of legal protection itself includes fulfillment of rights, compensation, legal assistance, and restitution costs which can be said to be an effort to realize legal protection and provide a sense of security (Azis et al., 2019).

The existence of a work agreement applied in the company is an effort to implement a government program that requires workers to have a working relationship with a work agreement, where the work agreement applied by PT Sunwoo Garment Indonesia is a specific time work agreement or commonly abbreviated as (PKWT). This type of work agreement strongly refers to the process of working period which has a period of 12 months in one contract agreement, then workers can increase working time in line with worker performance and company needs. However, in this case, the company also applies an additional working period through performance results and offers to extend the working period by the company. The reason the company does this is on the basis that there is no prohibition in its implementation, only the agreement of both parties (Purnama, 2021).

The employment agreement owned by PT Sunwoo Garment, in substance, is by applicable laws and regulations, and there are no discrepancies in the contents and provisions of the employment agreement. Starting from the employment contract period that has been determined accordingly and the contents that contain rights and obligations are also appropriate. This indicates that the employment agreement offered by PT Sunwoo Garment Indonesia has represented the application of the applicable law to workers, which in writing can be concluded that legal protection can be guaranteed and workers can easily get their rights. The existence of new worker rights will be given to workers if it is by the agreement of the parties between the worker and the company and the worker performs his obligations as agreed upon (Nita & Susilo, 2020). Regarding obligations, workers must obey the rules set by the company, if they do not obey this means that workers are not carrying out their obligations as workers, if workers have obeyed the rules and are disciplined at work, it will benefit the company and workers because they see the performance of workers being able to provide an increase (Gunawan & Suci, 2022).

The employment agreement by PT Sunwoo Garment Indonesia will initially be offered in the process of recruiting new workers. From the provisions included in the process of recruiting new workers using a specific time work agreement contract system, it can be analyzed from the contents of the results agreed upon by both parties by reviewing the applicable law whether the specific time work agreement can run optimally and thoroughly so that the second party as a worker is not disadvantaged. Then from the analysis obtained from the employment agreement
form, there are no provisions that cause the second party to be disadvantaged and the provisions included in the form are by the current law.

The application of the employment agreement held at PT Sunwoo Garment Indonesia is the implementation of a working relationship between workers and companies that arises to carry out workers with agreed conditions and the rights and obligations of each other are fulfilled to fulfill a good working relationship in the sustainability of life by the application of applicable labor laws. Based on the data collected, since Law Number 6 of 2023 was born, PT Sunwoo Garment Indonesia's fixed-term employment agreement has had no changes. This is because the fixed-term employment agreement is still formed based on the old law. Even though the employment agreement has not been adjusted to the new law, in practice the employment agreement is still effective and the company also remains by government regulations which are always updated as a basis for employment relations.

From the results of data in the field through the Staff and HRD Manager of PT Sunwoo Garment Indonesia conducted by the author (2023), the implementation of Law No. 6 of 2023 can be applied by government regulations, but until now it has not been applied at PT Sunwoo Garment Indonesia. Certainly, if a government regulation has been issued to change the provisions of the Law, the company will change and apply it to workers, especially in providing appropriate legal protection from the renewal of the contents of the article so that the company has also fulfilled these requirements.

Certain points are by the amendments to Law Number 6 of 2023 because at these points the articles governing employment agreements have not changed. However, in terms of the overall application, PT Sunwoo Garment Indonesia has not made a comprehensive update to Law Number 6 of 2023. The company will continue to update and follow according to government regulations. This research is conducted as a parameter for PT Sunwoo Garment Indonesia to update the contents of what articles contain provisions, especially in labor agreements in terms of Law Number 6 of 2023.

The non-implementation of Law Number 6 of 2023 as the basis for the legal basis for making employment agreements is a definite step that must be taken by the company in the future. The implementation of Law Number 6 of 2023 will be clear evidence that companies and workers will both obtain legal certainty that can maintain public order in carrying out work relations.

Efforts to Improve Employee Welfare with the Contract System at PT. Sunwoo Garment Indonesia
Workers' welfare is one thing that must be achieved by companies apart from obtaining profits during the production process. Workers who are satisfied with the company's services indicate a company that has a high dedication in terms of fulfilling the rights of its workers. In this research, efforts to improve worker welfare at PT Sunwoo Garment Indonesia are examined based on the Theory of Legal Effectiveness where this theory highlights appropriate attitudes or behavior. The theory of legal effectiveness will assess whether the welfare obtained by workers is in line with the law, whether existing policies have been implemented, whether law enforcement is running, and whether workers have obtained their rights. The application of legal effectiveness theory can help find out whether the implementation of legal rules is successful or failed (Siregar, 2018). In terms of addressing the facts that occurred at PT Sunwoo Garment Indonesia, this theory will develop based on empirical reality where the law will be seen as an action that is repeated in the same form in has a specific purpose (Soekanto, 1976).

In the employment agreement between PT Sunwoo Garment Indonesia and its employees, there are clauses regarding the rights and obligations that must be fulfilled by each party. The main purpose of the employment agreement is none other than so that these rights and obligations are carried out and maintain harmonious relations between the company and its workers. Talking about the welfare of workers, the point of discussion will focus on what instruments are provided by the company for its workers during the employment relationship. Based on the data obtained from the field, many efforts have been made by PT Sunwoo Garment Indonesia to improve the welfare of its workers, including protecting the fulfillment of welfare guarantees which include health insurance, employment insurance, death insurance, and old age insurance. In the fulfillment of guarantees, it is not just wages that are given during the month, the guarantees mentioned earlier are guarantees of fulfillment in the survival of workers. The existence of these guarantees is an obligation that must be realized by the government to implement government programs so that workers' welfare can be achieved (Sudrajat, 2020). The guarantees aimed at improving the welfare of these workers, based on the author's opinion, have been successfully realized by PT Sunwoo Garment Indonesia through:

First, payment of employee work efforts. Workers at PT Sunwoo Garment Indonesia will receive wage payments every 10th (tenth), and if the 10th (tenth) falls on a holiday, then the provision will be given on a working day before the 10th (tenth) or after according to more feasible circumstances. Based on the data obtained, PT Sunwoo Garment Indonesia always pays wages on time and there has never been a delay in providing wages. The amount of wages received by workers has also increased every year. This is evident from the increase in the MSE in 2023 to Rp.
2,138,248, an increase of Rp. 140,095 (one hundred forty-nine rupiah) from the previous year which was at Rp. 1,998,153. Meanwhile, in 2021 the minimum wage obtained by workers is IDR 1,986,450. Although the increase in wages that occurred from 2021-2022 was not as large as in 2022-2023, this has shown significant and continuous development from the company to realize welfare for workers.

In addition to the basic wage that workers are sure to get, there are other wages attached to workers if they are more active in carrying out their work such as overtime wages. The provision of overtime to workers is the satisfaction of workers. The existence of additional working time can provide additional living allowances for them. On weekdays, the first hour of overtime is paid at 1½ times the hourly wage, then the second hour and so on is paid at 2x the hourly wage. Whereas overtime on weekly rest days and official national holidays, the first 8 hours are paid 2x an hour's wage, then the 9th hour is paid 3x an hour's wage, and the 10th hour and so on 4x an hour's wage. Based on the analysis, workers carry out overtime according to the wishes of the workers, so the company only offers and is not obligatory. In addition, the implementation is also by the applicable legislation where overtime is not more than 14 hours a week. This is also because PT Sunwoo Garment Indonesia has not been able to provide a lot of overtime due to production being constrained by the US recession as a result of the Russian and Ukrainian wars.

The realization of the implementation of welfare improvement through wage increases is a requirement that companies can prosper their workers, with the hope that workers' needs are met. Workers also feel happy with this wage increase, because this is what workers have been waiting for. The implementation of the company as an employer is by the procedure so that the company does not result in procedural errors, especially in providing wages because the relationship between employers and workers is in the realization of legal protection that provides order, harmony, certainty, and usefulness.

*Second, Worker's Compensation. Work compensation money will be obtained by workers when their work contract period expires. The amount obtained is equal to one month's wages, the provision of compensation money should be regulated in Law Number 6 of 2023 which states in Article 61 A that employers are obliged to provide compensation money to workers by the worker's length of service in the company concerned. At PT Sunwoo Garment Indonesia, compensation money will be given to workers if workers have carried out work relations for 12 months and that has become a regulation set by PT Sunwoo Garment Indonesia. As for workers who resign before their contract period expires, they will only get the remaining contract compensation from the remaining period of employment. For example, if a worker has signed a*
contract for one year of work and then resigns in the sixth month, then he will only get half of the minimum wage.

This compensation money is a form of appreciation from the company to workers for their services and dedication, not merely to comply with laws and regulations. However, several groups of workers do not receive compensation, including due to death, involvement in criminal offenses that carry the threat of imprisonment, and events committed by workers that can end the employment agreement.

Third, severance pay. The provision of severance pay is a provision that has been stipulated in Law Number 6 of 2023 in Article 156 paragraph (1) which states that in the event of termination of employment, employers are obliged to pay severance pay that should have been received by workers if the employment relationship ends. The provisions for calculating severance pay are still by the previous law, the provision of severance pay is to obtain the rights of workers who have dedicated their time and energy to the company as an employer. PT Sunwoo Garment Indonesia looks at performance and length of service in providing severance pay which will consist of basic wages and fixed allowances. Severance pay is also given to workers who have entered retirement age with the title of severance pension. Based on field data, there is nothing for the company to give severance pay as per existing regulations.

The provision of severance pay was also carried out by PT Sunwoo Garment Indonesia, which some time ago took the step of mass dismissal of 400 workers as a result of the conflict between Russia and Ukraine. Based on the reduction of workers, PT Sunwoo Garment Indonesia still provides the best solution to its workers by channeling some of its workers through companies around PT Sunwoo Garment Indonesia, this is done as a corporate responsibility by providing solutions to its workers. Quoted through solos; the workers affected by the reduction will get the following amount of compassion money (Putri & Yuniati, 2022):

a. Regular employees are calculated with a basic salary/12 x length of service (months) provisions with a maximum length of service of 20 months.

b. Staff employees (all in) are calculated with basic salary/12 x length of service (months) x 50% provisions with a maximum length of service of 20 months.

Fourth, the allowance. The allowance is a gift from the company as an additional income commonly known as a bonus to workers. The matter of allowances is not regulated by the Manpower Law, but its provisions are regulated in the provisions of Government Regulation Number 15 of 2023. PT Sunwoo Garment provides 2 (two) types of allowances for its workers, namely holiday allowances and attendance allowances or attendance premiums. Holiday
allowances such as Eid al-Fitr will be given to workers who have served a minimum of 1 month continuously and will be given no later than 7 (seven) days before Eid al-Fitr. The calculation for the holiday allowance is based on and adjusted to the applicable legislation. Eid al-Fitr allowance is not given to employees whose contracts have expired before the date of Eid al-Fitr (for PKWT employees) while for PKWTT employees it is not given if the employee has left more than 30 (thirty) days before Eid al-Fitr.

Meanwhile, the attendance allowance will be given to workers as a form of appreciation for attendance that is always on time and able to make a good contribution to the company. The calculation of the attendance premium provided by PT Sunwoo Garment Indonesia is:

a. Attendance Allowance / Attendance Premium is provided for employees with UMK / UMR wages and staff whose salary is not more than twice the UMK / UMR salary.

b. Attendance Allowance / Present Premium is not given to employees with the position of Section Head, Chief, Assistant Manager, and Manager.

c. The nominal amount of Attendance Allowance / Present Premium is Rp. 50,000 per person per month, given every month on the 10th together with the provision of salary.

d. Attendance Allowance / Present Premium is not given to employees who within 1 month there are absences for any reason.

Fifth, leave rights. PT Sunwoo Garment Indonesia provides leave rights by established regulations. Usually leave is given by the company if workers have worked for 12 (twelve) consecutive months and at least 12 working days are given and as long as they use the leave the fulfillment of their rights are still fulfilled, namely still paid by the company (Devita & Nugroho, 2022). Not only annual leave like maternity leave is still paid by the company. Because this leave right already exists in the provisions of labor law. The employment agreement document of PT Sunwoo Garment Indonesia includes provisions regarding leave rights, employees have leave rights that have been regulated by the law as follows:

a. Annual Leave: Leave granted to employees who have worked 12 consecutive months. The amount of annual leave is 12 days in 1 year.

b. Married employees: 3 days
c. Marriage of a child: 2 days
d. Circumcising/baptizing a child: 2 days
e. Childbirth 1.5 Months before and 1.5 months after childbirth.
f. Miscarriage of pregnancy: 1.5 Months
g. Wife giving birth/miscarriage: 2 Days
h. Husband/wife, parents/parents-in-law, children or son-in-law dies : 2 Days  
i. A sibling in the same house passed away: 1 Day  
j. Menstruation (first & second day) : 2 Days

The procedures and procedures for taking leave are explained in company regulations or leave-taking procedures. A company that grants its workers the right to leave will improve the welfare of its workers if the right to leave is fulfilled. If a worker for 1 year does not take the work leave to which he is entitled, then he is entitled to payment of work leave. However, in the field it was found that there is an obligation that PT Sunwoo Garment Indonesia has not carried out, namely eliminating the rights already in the employment agreement in the form of the right to payment of leave to its workers. This attitude violates Article 156 paragraph (4) of Law Number 6 of 2023 that the right replacement money should be received by workers provided that the leave has not been used and the company is obliged to pay it.

The incident is a violation of the employment agreement made by the company. In these conditions, workers are legitimate in the eyes of the law if they want to fight for their rights which should be the company's obligation in carrying out employment relations. Given that the specific time work agreement at PT Sunwoo Garment Indonesia in the signing of the contract has determined the amount of wages by the minimum wage set by the government the agreement is in charge of providing legal certainty. This is also an effort to provide legal protection for workers considering that the problems that lurk in workers are not only about rights that are not given but also the threat of unemployment if at any time there are circumstances that make workers stop or are dismissed (Wardana et al., 2023). That is why workers are the ones who deserve more attention regarding their rights to legal protection given their position as a vulnerable group.

In response to this incident, the company has provided an option to convey criticism and suggestions through a complaint box. Workers can write anything that becomes an obstacle and their complaints through the complaint box which will then be followed up by the company in an evaluation meeting. Unfortunately, the payment of leave entitlements is still stagnant due to several factors, including the company's attitude that leaves reimbursement is not something that must be paid immediately and the workers feel that they have enough income. Complaints about this problem have already been submitted by several workers. It's just that because the number is not comparable to other workers who are not concerned about this, this leave replacement has never found a bright spot. For this matter to be resolved, the company must immediately take a firm and responsive attitude by providing compensation for working leave as a form of corporate responsibility in fulfilling its obligations. So that in the future there will no longer be a legal
vacuum between companies and workers, which will certainly have an impact on the efficient implementation of work contracts and the achievement of workers' welfare as expected.

4. CONCLUSIONS

PT Sunwoo Garment is a company engaged in the textile sector that absorbs many workers, especially from the surrounding community. The employment contract is a crucial thing that must be considered so that the continuity of working relationships between companies and workers runs well. The employment contract owned by PT Sunwoo Garment Indonesia is still based on the old Labor Law and has not been updated to follow the new Labor Law Number 6 of 2023 because it is still waiting for a circular letter from the local government. However, in practice, the existing employment contract is not contrary to the prevailing laws and regulations.

PT Sunwoo Garment in carrying out work relations with its workers gives high attention to achieving employee welfare. The company provides various facilities to support employee comfort at work. This consists of work wages which always increase every year, compensation money, severance pay, allowances, and also work leave. However, in practice, a violation was found by the company where they did not provide payment instead of working leave. This happens because workers feel that they have enough income and the company feels that this is not something that must be paid immediately. Therefore, it can be concluded that in writing the employment contract owned by PT Sunwoo Garment Indonesia is by existing regulations, but in practice, some problems come from the company. So it can be said that the employment contract has not been fully efficiently implemented, which means that the company must immediately resolve it so that good working relationships can continue to be established and workers' welfare can be achieved.

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