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Prospects of Industrial Relations Court Complete Employment Disputes in Indonesia in the ASEAN Economic Community (MEA)

Agus Mulya Karsona[a], Sherly Ayuna Putri[b], Efa Laela Fakhriah[c],
[a,b,c]Faculty of Law Padjadjaran University Indonesia, Email: [a]agus.karsona@gmail.com, [b]sherly.ayunaputri@yahoo.com, [c]efa.laela@yahoo.co.id

Industrial relations is relative interest between workers and entrepreneurs is backed by differences or disagreements between two parties. The legislation to resolve labour disputes is indispensable. Industrial relations disputes are disagreements that result in conflicts between entrepreneurs, or joint entrepreneurs with workers/labourers or trade unions/unions due to disputes over rights, conflicts of interest, disputes of termination of employment and disputes between workers/trade unions in one company. The Industrial Relations Court replaced the Labour Dispute Resolution committee, with changes to labour dispute resolution mechanisms, so that the dispute resolution process could be implemented quickly, precisely, fairly and in an inexpensive manner following the development of industrialisation and the scientific era. The Industrial Relations Court is a special tribunal formed in the environment of the state court which is authorised to examine, prosecute and provide verdicts against industrial relations disputes. Settlement of industrial relations disputes should be implemented quickly. This is because it is necessary for the production process to create harmonious industrial relations. In order to face the ASEAN Economic Community era (AEC) there is a need to prepare an Industrial relations court that is able to resolve employment disputes arising in the era of globalisation. The problem raised is in relation to the prospects and readiness of the Industrial Relations Court in resolving employment disputes globally in the ASEAN Economic Community era.

Key words: *Employment, Globalisation, Court, Dispute.*

Introduction

The complexity of labour issues has increased in the industrialisation era. Industrial relations is of interest to the workers/labourers and entrepreneurs who have potential to show difference of opinions. Accordingly, legal advice about dispute resolution is the indispensable norm, the legislation regulating industrial relations disputes is governed by law No. 2 year 2004, concerning the settlement of industrial relations disputes. Settlement of industrial relations disputes is one of the components of the labour law system, as well as the sub system of labour law, and the qualification about the existence of the settlement of industrial relations disputes is strongly influenced by other labour law sub-systems. In other words, the system of employment law is essentially an attempt to identify the conflict between workers and entrepreneurs.
(Syahrul, 2014).

The Industrial Relations Court was formed and established to resolve problems or disputes in working relationships between employers and workers. Industrial relations disputes are disagreements that result in conflicts between entrepreneurs or joint entrepreneurs with workers/labourers or trade unions due to disputes over rights, conflicts of interest, disputes of termination of employment, and disputes between workers/trade unions in one company.

Arrangements of the settlement of industrial relations disputes have many weaknesses both from the implementation aspect and through regulation, concerning the costs, competence, procedures and application of the principle of judicial. Furthermore, some of the workers interests have not been handled by industrial relations courts. Problems of industrial relations through the Industrial Relations Court receive criticism. For example Industrial Relations Court is often located far from residential communities, which adds problems and costs of settlement of matters. They are not located in every district/city so community members must travel to the provincial Capital to settle the case through the Industrial Relations Court. If the parties are not satisfied with the industrial relations court's decision, then the parties shall submit the cassation to the Supreme Court. This means the parties must return, and it takes time and costs a lot to get the ruling on industrial relations. Then, each verdict can be executed because it does not possess socially binding power. (Siti, 2016).

Indonesia implemented a free market through the ASEAN Economic Community (AEC) in early 2016. However, questions still remain about how the free market implementation mechanism functions, the anticipation of the government, and its implications for many sectors in Indonesia. One of them is the issue of employment (industrial relations).
At present, labour flows freely into Indonesia providing more livelihood, and eventually foreign workers become free to enter the country. Indonesia's workforce is then able to compete with members of Asia-Pacific Economic Corporation (APEC). Furthermore, there

are a number of separate regulations regarding foreign workers in the field of the beverage processing industry, and in the field of energy. Indonesia's Chamber of Commerce and Industry (KADIN) assesses the employment development in Indonesia, which is still low. The problem can lie in the level of individuals, institutions, intermediaries or precisely to existing regulations.

The labour sector in Indonesia faces three main problems that can affect the competitiveness of people power. Firstly, the problem of limited employment opportunities, due to economic growth that has not been able to absorb the work force that enters into the job market and the a lot of unemployment. *Secondly*, the low quality work force. Based on data from the center agency statistics, the low quality work force is calculated from an estimate of work force composition, which is largely educated elementary school people, which still reaches 52 million people or 46.95%. *Thirdly*, there is still a high unemployment rate. Based on data from the Statistical Central Body, the open unemployment rate in Indonesia reached 6.25% or increased. The Open Work Rate (TPT) in Indonesia in August 2013 reached 6.25 percent, increased the dissolution of TPT february 2013 by 5.92 percent and TPT August 2012 by 6.14 percent.

Therefore Indonesia seeks innovation and solutions to the workforce. This condition requires us to look for a solution that is not normative but innovative, so that labour is an asset of the nation and not a burden on development.

The difference of interest between workers and entrepreneurs has caused many problems in industrial relations that impact not only on workers, but workers and entrepreneurs. These recent labour actions have not only resulted from foreign investors, but can also influence foreign exchange, national and international trade politics, security, the spread of criminal acts and others. This shows that the issue of labour is closely related to all aspects of national and state life. The complexity of employment problems and industrial relations often leads to disputes between workers, labourers and entrepreneurs. It can be said that industrial relations disputes will always occur while there are still workers and entrepreneurs. All efforts are made to minimise the issues arising and that will arise, following the impact. For this reason, a thorough, constructive and fairness of labour laws is required.

Issues can be identified from the previous description as follows;
What are the prospects of the Court of Industrial Relations in resolving employment disputes in Indonesia? And; How well prepared is the Industrial Relations Court to face the ASEAN Economic Community?

Industrial Relations Disputes

Based on employment law theory, there are two kinds of industrial relations disputes, namely rights disputes and conflicts of interest. These two kinds of industrial relations disputes need attention because there are often difficulties in understanding and distinguishing them. Dispute rights occur due to rights already in the provisions of legislation, employment agreements, corporate regulations or joint work agreements are not fulfilled due to discrepancies in the implementation or interpretation by either party. Meanwhile, disputes of interest occur due to the absence of conformity of opinions in the creation, and/or change of employment conditions in the employment agreement, or the company's regulation or joint employment agreement. (Lalu, 2014).

Frequently there are two types of labour disputes occurring, namely (Laica, 1996):

1. Cases of dispute rights (*rechtsgeschil, conflict of right*), due to the absence of such conformity, emphasise the legal aspects (*rechtsmatigheid*) of the problem, mainly concerning the prevention of promises (*Tort*) to the employment agreement, a violation of labour legislation.
2. Cases of dispute of interest (*Belangeschillen, conflict of Interest*), due to lack of understanding of the terms of work and/or labour conditions, mainly concerning economic improvement and accommodation of workers' lives. Such disputes prioritise the aspects of the *Doelmatigheid oelmatigheid* problem.

In relation to the two disputes, the type of disagreement of industrial relations termination of actual employment is already included in the formulation of rights disputes. In the disputes of rights, the laws that are violated, are not executed or interpreted differently (Aloysius, 2001). Law Number 2 Years 2004, on the settlement of industrial relations disputes is assessed too excessive in formulating types of industrial relations disputes. Disputes of employment termination are disputes arising as a result of a working relationships, either due to default to the employment agreement, or violations of labour law. So this bocomes part of the dispute of rights.

Based on the provisions of Law no. 2, Years 2004 on the settlement of industrial relations disputes, the procedure of settlement of industrial relations can be pursued based on the following non-litigation and litigation settlement mechanisms:

Bipartite

The legal basis of the settlement mechanism through bipartite is governed by article through article 7, of the Law Number 2, Years 2004, concerning the settlement of industrial relation

disputes. The definition of bipartite in this case is as a mechanism in the ordinance or negotiation process between two parties; that is the entrepreneur with the worker/workers or unions/trade unions. Bipartite negotiations are essentially a deliberation effort for consensus between entrepreneurs and workers/labour unions or unions/trade unions. The scope of industrial relations disputes through bipartite is covering the four types of disputes, namely rights disputes, conflicts of interest, disputes in termination of employment, and disputes between trade unions/unions in one company. (Abdul, 2006).

A bipartite dispute resolution must be resolved for at least 30 working days from the date of commencement of the negotiations. If within that period agreement is not reached, then bipartite negotiations are deemed to fail. In case of settlement bipartite failure (did not reach the agreement), then either party or both parties listed, dispute to the institution responsible in the field of local employment by attaching evidence that the settlement efforts through bipartite has been conducted. If the evidence is not attached then the agency must return the file to be completed within at least seven days.

After hearing the dispute, the institution responsible in the field of employment shall then be obliged to offer to the parties to agree, to choose a conciliation settlement, or arbitration. In the event that the parties do not choose settlement through conciliation or arbitration within seven working days, then their dispute solution will be bestowed to the mediator. (Abdul, 2006).

Mediation

The legal basis for the settlement through mediation is governed by article 8 to article 16, of Law Number 2, Years 2004 on the settlement of industrial relations disputes. Settlement of industrial relations disputes through mediation is settlement by deliberation, mediated by a person or more a neutral mediator. A mediator is an employee of a government agency, responsible in the field of employment that meets the requirements as a mediator.

The scope of settlement of industrial relations disputes through mediation, cover the four types of disputes, namely rights disputes, conflicts of interest, disputes in termination of employment, and disputes between trade unions/unions in one company. (Abdul, 2006)

If agreement through mediation is not reached, the following is undertaken:

1. Mediator issued written recommendation.
2. The recommendation must be submitted within ten days from the first mediation session.
3. The Parties shall provide an answer to the mediator on the recommendation that the content accepts or rejects the recommendation.

4. In the event that both parties agree to the recommendation, the mediator must make a joint agreement no later than three working days and be registered to the Court of Industrial Relations.

Conciliation and arbitration

1. Conciliation
The legal basis of settlement through conciliation is governed in article 17 to article 28 of Law Number 2, Year 2004 on the settlement of industrial relations disputes. Conciliation settlement is conducted by a conciliator registered to the office/institution responsible in the field of employment. The scope of settlement of industrial relations disputes through conciliation includes three types of conflicts of interest, disputes of termination of employment, and disputes between trade unions/unions in one company. (Abdul, 2006)

2. Arbitration
The legal basis for settlement through arbitration is governed in article 29 through article 54 of Law Number 2, Year 2004 on the settlement of industrial relations disputes. The settlement by arbitration is conducted by the arbitrator elected by the parties, which is carried out on the basis of the disputed parties. The scope of settlement of industrial relations disputes through arbitration includes two types of disputes, namely the conflict of interest and disputes between trade unions/labour unions in one company. (Abdul, 2006)

Industrial Relations Court

The legal basis of the industrial Relations Court shall be governed by article 55 to Section 60 of Law Number 2, Year 2004 on settlement of industrial relations disputes. The Industrial Relations Court is a special court in the general judicial environment, tasked and authorised to examine and terminate at the first level of disputes over rights, and disputes in termination of employment, as well as at the first and final level of disputes of interest and disputes between workers/trade unions in one company.

Settlement through the Industrial Relations Court is pursued if settlement through bipartite, conciliation or arbitration and mediation is not reached, and either party or parties may submit a lawsuit to the Industrial Relations Court. Thus, the settlement through the Court of Industrial Relations was taken as the last. Alternatively, so it is legally not an obligation, but is the right for the parties, (Abdul, 2015).

The Industrial Relations Court is a special judicial institution formed and established in its essence to resolve problems or disputes between workers/labourers with entrepreneurs. Disagreements resulting in opposition between the parties on such issues are still occurring

and are difficult to resolve themselves. However, in the implementation of the application there are constraints in the arrangement and implementation of the Court of Industrial Relations, as an attempt to resolve industrial relations disputes. These issues include:

1. long-chain completion link makes settlement arrangements at the court level are not often alluded to. Such conditions make arrangements regarding the law of the settlement of industrial relations disputes in the Industrial Relations Court difficult and existing regulations limit the authority of the Court of Industrial Relations in accepting matters. Considering, the event process at the HI judiciary refers to the law of the applicable civil proceedings, including the execution of the law of the court ruling that still uses Dutch law (HIR and RBG), causing difficulties for justice seekers in its application. This has an impact on the guarantee of the implementation of workers' rights as stipulated in the legislation even if the court rules the industrial relations shall be tied to the formalities that must be fulfilled by the parties. Whereas with a special form of labour Court that has its own characteristics, it becomes important the specific arrangement is typical of each procedure and the Ordinance of Dispute in the Industrial Relations Court.

2. Settlement of industrial relations disputes by the Industrial Relations Court in a fast, precise, fair, way and with inexpensive cost has not been carried out in accordance, and if fast judicial process still has not been implemented. Although the appeal does not apply to the Supreme Court, considering the frequency of only once a week, the legal efforts of the Supreme Court can take 6 months which is fast, as the process can take 3-5 years, (Abdul, 2006).

Appropriate; considering the level of knowledge of workers in Indonesia varies, legal process using civil proceedings is considered to burden labour as plaintiff. Workers/labourers do not master the techniques in the courts.

Fair; this was not achieved because although the decision of the Industrial Relations Court had the power of forced tools through execution, however, the execution process was difficult to implement, for various reasons.

Cheap fees; Law Number 2, Year 2004 on the settlement of industrial relations disputes mandated that in each district/city a court of self-established industrial relations in each district Court. In fact, until recently, industrial Gresik's Court of relations was a court of industrial relations established outside of the provincial capital. Some districts/cities with large industrial areas, such as: Bekasi Regency, Karawang, Bogor, Pasuruan, Mojokerto, and Batam do not have industrial relations courts. If labour is litigated in the area, it should be litigated to the Industrial Relations Court located in the provincial capital, which is far enough. Although the value of things under one hundred and fifty million Rupiah is not

subject to the cost of matters, but travel time and expenses certainly cost a small amount. From this, situation, an element of affordability in resolving the matter becomes unfulfilled. Therefore, the establishment of a Court of Industrial Relations with operational resources in each district/city per industrial area becomes a necessity

3. The problem of people power is the scope of the Court authority of industrial relations, but the employment problem is still very broad.

4. The mediation matters, competence of mediator in the field of employment cannot be fulfilled. This is due to the delegation of the authority of the field of employment to the area Regency/City, so that the employees often found employment and transmigration agencies less knowledgeable in the field of employment.

5. Domination of the general civil proceedings law, including the proof and execution of the court ruling, the joint Agreement or the Act of Peace which has obtained the execution of the deed, thus complicating the worker/labourer in obtaining their rights.

6. There is still the cost of the lawsuit even if the claim value is less than Rp. 150.000.000 (one hundred of fifty million rupiah), including the cost of casket and execution.

7. The trade union competence /union in the court event;

8. The cassation of legal efforts for the dispute over rights and disputes of termination of employment to the Supreme Court took 6 months to 5 years.

9. Assertion of implementation regarding the ruling from the Constitutional Court concerning labour law. The provisions of the legal norms governing the issue of labour have been deemed void, or construed conditional constitutionally by the Constitutional Court. So, in practice there are various implementations of ruling in the different constitutions between the judges of the Court of Industrial relations with each other. Some of the related norms that can be included are issues of administrative registration of claims related to the payment demands of workers/labour and any payments arising from employment relationship. This is now not limited to 2 years, based on the decision of the Constitutional Court No. 100/Puu-X/2012 and the necessity of Court judges in industrial relations to carry out the verdict of the constitutional Court No. 37/Puu-IX/2011. Payment of wages to workers must occur until the case of a permanent legal force (wage process), during the ruling tribunal of the Court of Industrial Relations varies widely in interpretation.

Basic principles of ASEAN Economic Society (MEA)

The ASEAN Economic Community (AEC) is a form of ASEAN economic integration meaning the existence of free trade between ASEAN countries. The ASEAN Economic Community (AEC) is the realisation of the final goal of economic integration; therefore the establishment of the ASEAN Economic Community (AEC) basically also refers to the purpose of the establishment of ASEAN itself. Indonesia and nine other ASEAN member countries have agreed on the ASEAN Economic Community Agreement (AEC) or ASEAN Economic Community (AEC). The establishment of the ASEAN Economic Community (AEC) is based on the four pillars, or the characteristics of the ASEAN Economic Community (AEC) itself. The first pilar is to make ASEAN a single market and a production center. Secondly, it becomes a competitive economic area. The third pilar is to create balanced economic growth and the last pillar is the integration into the global economy. With the commencement of the ASEAN Economic Community (AEC), each Member State of ASEAN must expand the territorial boundaries in a free market. AEC will unite the market of every country within the region into a single market. As a single market, the flow of free goods and services is one of poverty. In addition, the countries within the region also require a free flow of investments, capital and skilled personnel.

With the implementation of the ASEAN Economic Community (AEC), a free market will be established in the field of capital, goods and services, and labour that will later impact on the free flow of goods, services, investments, labour flows and capital for ASEAN countries. Thus, the countries that enter the ASEAN Economic Community (AEC) will compete to improve the quality of their respective economies including Indonesia. Indonesia should really make use of this free market so that Indonesia's economy can grow rapidly and enjoy the benefits of the ASEAN Economic Community (AEC). This will lead to improved welfare of the people of Indonesia. If Indonesia does not participate, the ability to compete with other countries will be lost. There is a huge opportunity for jobseekers because there can be many jobs available with a variety of needs for diverse skills. In addition, access to overseas employment opportunities becomes easier, without any particular obstacle. The ASEAN Economic Community (AEC) is also a great opportunity for entrepreneurs to find the best workers according to the desired criteria. Indonesia should look at AEC as an open opportunity to improve the quality of existing human resources by increasing competitiveness, providing adequate education and health, and providing education to the importance of ASEAN Economic Community (AEC).

In the ASEAN free market, Indonesia should pay attention to its labour problems. As it is known that the quality of Indonesian labour is still undervalued, or even inferior to other countries such as Singapore. Despite its small population, compared to the population of Indonesia, the quality of Singapore's workforce is highly competitive in Southeast Asia or

even the world. The competitiveness of people power in Indonesia will be a stumbling block to success in the utilisation of ASEAN Economic Community (AEC), if the government does not improve the quality of its workforce. Thus, the Government must launch a strategy to improve the quality of this potential workforce.

Labour problems in Indonesia reflect inadequate quality of ability, low levels of education and expertise. The majority of Indonesian education graduates are still under undergraduate level or have only graduated Elementary School or Junior High School. This means Indonesian society may find it difficult to innovate or even develop their ideas. It should be understood that the ASEAN free market is not only about competing regionally, but also about being globally effective. The Indonesia workforce is very abundant, but the quality of workers is still very minimal. If this does not develop, then it is difficult for the Indonesian workforce to develop past roles greater than subordinate of other countries labour.

Therefore, the government must prepare special strategies to confront the ASEAN Economic Community (AEC), if they do not want to lose when competing with other countries especially within the ASEAN region. This is because the ASEAN Economic Community (AEC) not only meets all members of the country in ASEAN, but the countries in the ASEAN Economic Community (AEC) are economic competitive, including labour. Indonesia has very abundant human resources because the number of Indonesian workers is much higher than other ASEAN countries. It is not impossible for Indonesia to be a winner in the competition of the free market of ASEAN later. The Indonesian Government should be encouraging skills training because the majority of Indonesian workers are lacking in attitude intelligence, English proficiency and computer operation.

Although, the Government wants to improve quality, this does not mean the whole responsibility is in the hands of government. Underpinning the government, is awareness of the effect of the ASEAN Economic Community (AEC) by the community, and the responsibility to participate and prepare to belong together. Risks are that education and productivity within the workforce is still inferior to the labour that originates from Malaysia, Singapore, and Thailand. The industry foundations of Indonesia ensure that the country is only at the fourth stage in ASEAN. Within the free market of goods and services, foreign workers are easily able to enter and work in Indonesia, resulting in a tougher labour competition in the field of employment.

Within the ASEAN Economic Community (AEC), there are 8 (eight) agreed developing professions, namely engineers, architects, nurses, surveying personnel, tourism personnel, medical practitioners, dentists, and accountants. A major challenge facing Indonesia is labour and its workforce to meet the demands of the ASEAN Economic Community (AEC). The nature of the national resilience framework is an opportunity to meet the challenges of the

Indonesian nation in the era of ASEAN Economic Community (AEC) in the future, especially in readiness of Indonesian workers to compete against foreign workers**.**

Discussion

The prospect of a Court of Industrial Relations in resolving employment disputes in Indonesia.

Mechanism of settlement of industrial relations disputes as regulated by Law Number 2 Year 2004 on the settlement of industrial relations disputes can be achieved through;

a. A course outside the court (non-litigation); Through the efforts of bipartite negotiations, mediation, conciliation and arbitration; and
b. Court path (litigation); Through the Industrial Relations Court.

Bipartite institutions, mediation, conciliation, arbitration and court of Industrial relations are the pillars of the implementation of industrial relations which is very important, especially in the Enforcement of labour laws, so its existence is required to be professional. The presence of Law Number 2, Year 2004 on the settlement of industrial relations disputes is expected to respond to the lack of professionalism of law enforcement in the handling of industrial relations disputes and the lagging of handling processes. The presence of the Court of Industrial relations in the settlement system of industrial relations disputes, will improve the performance of regional Labour Dispute Settlement (P4D)/ Provincial Labour Dispute settlement (P4P).

According to Law Number 2, Year 2004 on the settlement of Industrial relations disputes several principles in the settlement of industrial relations disputes are;

a. Seek bipartite means through deliberation, to reach consensus. Emphasis on this principle is very reasonable because deliberation is the best way for the parties to resolve any problems or disputes encountered. Prioritising bipartite negotiations, if the negotiations failed or encountered a new stalemate taken into dispute resolution as stipulated in Law Number 2, Year 2004 on the settlement of Industrial relations disputes.
b. When the deliberation efforts through the negotiations of the parties do not reach the agreement, the settlement of industrial relations disputes is done by the procedure of settlement of industrial relations disputes. The parties may determine the mechanism of settlement that is through non-litigation lines or through litigation lines through industrial relations courts.
c. Registration of disputes by responsible agencies in the field of employment when the bipartite negotiations fail.

d. The obligation of the mediator, conciliators, arbitrators and the Industrial Relations Court judges to keep the information confidential to resolve the dispute.
e. Settlement of disputes through industrial relations courts is pursued using the law of civil proceedings prevailing in the General Court, except as specifically stipulated in the settlement of industrial relations disputes

Under the provisions of Article 56 of Law Number 2, Year 2004 on the settlement of industrial relations disputes, the Industrial Relations Court is in charge and authorised to inspect and terminate: first level of dispute rights; In the first and last level of the dispute of interest; On the first level of disputes over termination of employment; On the first and last level of disputes between labour unions/trade unions in one company. From the description that the Industrial Relations Court does not handle any other matters than the foregoing, such as disputes between companies and other companies, companies with communities around businesses, workers with communities, or employees or companies with the government.

The Industrial Relations Court is a special court formed in a public judicial environment that is authorised to examine, prosecute and award against industrial relations disputes. As for the Law Number 48 Year 2009 about judicial authority is mentioned that "the Justice power is done by a Supreme Court and the judicial body that is under it, namely in the environment of the public justice, the environment of religious justice, the environment of the military justice, the judicial Environment of the State administration, and by a constitutional Court".

The principle of dispute resolution through the Industrial Relations Court is as follows:

a. The civil proceedings apply, unless specifically stipulated in Law Number 2, Year 2004 on the settlement of industrial relations disputes;
b. The event process is free of charge for matters whose value is less than Rp. 150.000.000 (one hundred and fifty million rupiah);
c. The lawsuit is filed on the Industrial Court of Relations where workers work;
d. The judge shall return the lawsuit to the plaintiff if the lawsuit is not attached to the treatise on mediation or conciliation settlement;
e. Judges are obliged to do dismissal of the process and if there is a deficiency to ask the plaintiff to improve;
f. Unions or employers' associations may act as representing their members as legal powers for events in the Industrial Relations Court;
g. The hearing is considered valid if conducted by the Assembly of judges with the composition of one person of judges as chairman and two judges of Ad Hoc as a member;
h. The hearing is open to the public;
i. The judgment of the Tribunal is taken with consideration of law, agreement, Customs and Justice;

j. The Council of judges shall give the ruling dispute resolution no later than 50 working days since the first hearing.

Industrial relations disputes are disagreements that result in conflicts between entrepreneurs or joint businessmen with workers/workers or unions due to disputes over rights, conflicts of interest, dispute in termination of employment, and disputes between trade unions/unions within a company.

Based on the understanding above, there are four types of industrial disputes:

a. Rights disputes are disputes arising from the absence of rights, resulting from differences in implementation or interpretation of the provisions of the laws, employment agreements, company regulations, or joint work agreements.
b. A dispute of interest is a dispute arising in a working relationship due to the absence of the conformity of opinions regarding the creation, or alteration of the employment conditions set forth in the employment agreement, company regulation or joint work agreement.
c. Disputes of termination of employment are disputes arising out of the absence of concession concerning termination of employment by either party.
d. Union/trade union disputes in only one company are disputes between trade unions/unions and other unions/trade unions in the same company due to the absence of understanding of membership, exercise of rights, and a common obligation of employment.

Readiness of Industrial Relations Court in the face of ASEAN Economic Community

A country's economic growth is highly important to achieve because every country wants a better process of economic change, and economic growth will be an indicator of the success of a country's economic development. There are several factors affecting the economic growth of human resources, natural resources factors, science and technology factors, cultural factors, and capital power factor. Indonesia has not been able to maximise the five factors; although it is listed as a country's with abundant natural resources and the largest population among Southeast Asian countries, which is about 250 million people or 40 percent of the total ASEAN population.

Indonesia formed the ASEAN Economic Community (AEC) or known as ASEAN Economic Community (AEC) with nine other ASEAN member countries. ASEAN Economic Community (AEC) free trade is a pattern of ASEAN economic integration in which free trade between ASEAN member countries agreed to transform ASEAN into a stable, prosperous, and highly competitive area. The ASEAN Economic Community (AEC) is the realisation of the final goal of the economic integration listed in the vision of ASEAN 2020 that was triggered in the 2nd ASEAN Summit in 1997. With the commencement of AEC, all ASEAN

countries must expand the territory boundaries of each country in a free market, no exception to Indonesia. There are five criteria that cannot be limited by circulation, the flow of goods, the flow of services, the flow of capital, the flow of investment and the flow of labour is educated/professional.

Workers include people who are already working, who are looking for a job, and who do other activities such as school and household care. The last three groups – job seekers, schools, and housekeeping – even if they don't work, are physically considered capable and can at any time work. To confront the Asean Economic Community (AEC), the workforce that is considered be able to compete with the workforce of other countries is a well-educated/professional workforce, whose productivity and participation rate is high. For Indonesia, the Asean Economic Community (AEC) became an early round to develop a variety of economic qualities as well as demonstrate to other countries that Indonesia has qualified and competitive human resources. From the labour aspect, the enforcement of Asean Economic Community (AEC) enables the workforce in Indonesia, especially the educated/professional workforce, compete strictly with foreign workers. Job seekers want to get a job with the best conditions and the company wants to find the most suitable potential worker to fill the vacancies. The company does is not interested in where the human resources are from, just the country that supports its business. They choose the workforce from anywhere, not just from the local. To meet the criteria of the company's needs, labour can be taken from other countries.

The positive influence of Asean economic Community Presence (AEC) for labour in Indonesia is the availability of many jobs, with a variety of requirements for job seekers. The workforce in Indonesia can work in ASEAN countries in accordance with the skills that are possessed, so that it can have welfare of life and subsidies issued by the state for primary needs to be reduced. Access to overseas work opportunities is also easier, and without barriers due to the territorial boundaries of each ASEAN member country in the free market. In addition to producing a variety of positive influences, the Asean economic Community (AEC) can also raise labour risks for Indonesia. Seen from the side of education and productivity, Indonesia is still less competitive with labour originating from Malaysia, Singapore, and Thailand. According to the Coordinating Minister for Economic Affairs of the Republic of Indonesia, Darmin Nasution, at the national Seminar held by the Jakarta State University on 3 May 2016, the formal education system in Indonesia is still not relevant to the needs of labour. There are a lot of education and training institutions in Indonesia, but most do not produce a workforce that suits the requirements of the workforce in the field. Thus the competitiveness of local workers is low. One of the problems facing local labour is the difficulty to compete with foreign workers of ASEAN, as many professional institutions for certification do not have global recognition.

The existence of the free market of goods and services will also result in foreign workers easily entering and working in Indonesia, so that work competition is increasingly strict (Media Indonesia, 27 March 2016). Based on the 2016 Global Competitiveness Index reported by *World Economic Forum 2016/2017* the World Economic Forum 2016/2017, Indonesia occupied the 41st position of the 138 state, far behind the rest of the ASEAN countries. In comparison Thailand occupyed position 34, Malaysia 25th, and Singapore occupied the 2nd place. In addition, the ability to understand Indonesian language, especially in English, as an international language, is still considered lacking. Although in Southeast Asia, it does not mean that the people of ASEAN member countries also understand Bahasa Indonesia. As an international language, English is required for communication between countries to run smoothly, so that there are no obstacles or miscommunication at work.

The impact arising from the free market of Asean is the occurrence of disharmony in partnership relations between entrepreneurs and workers. This is caused by the level of worker welfare and the problem of the existence of trade unions/unions in the enterprise and less in the company's management system. Disharmony often resulted in the emergence of various industrial relations such as rallies and strike action. Even problems that arise in technical industrial relations, and various other problems that make the are increasingly complex can develop and affect social stability. To prevent the occurrence of industrial relations disputes, entrepreneurs can take various strategic steps. Therefore, it takes special attention from entrepreneurs with regards to workers' rights, maintenance of good relations with workers/labour and industrial relations in general.

Step to be taken in industrial relations within the Asean Economic Community (AEC),

a. Carry out the entire worker's normative rights; carry out consequently the provisions of the legislation as well as those set forth in the Government or joint work agreement.
b. Attention to worker welfare; attention is given by companies such as the payment of minimum wages in accordance with those set by the Government without having to wait for workers to demand for such wages.
c. Developing effective communication; communication can be developed in various ways such as by lifting each unit representative, providing a suggestion box, and communication through a direct supervisor.
d. Provide necessary facilities; need to identify the facilities needed by workers according to the company's ability, such as places of worship, canteen, restroom/WC, sports facilities and others.
e. To promote the proper functioning of Industrial relations (trade unions, bipartite, company regulation/joint work agreement, and Court of Professional Industrial Relations).

Conclusion

a. The presence of Law Number 2, Year 2004 on the settlement of industrial relations disputes is expected to respond to the lack of professionalism of law enforcement in the handling of industrial relations disputes, and the completion of the employment dispute resolution process.

b. Strengthen the Industrial Relations Court as a dispute resolution institution of industrial relations, given its role is now a declining tendency caused by: workers are often defeated in the trial, the verdict is often not executable, the business person did not accomplish the obligation, the ability to make a lawsuit from workers, and the ability to fulfill lawyers fee from the workers.

Advice

a. Improve the mechanism of settlement for industrial relations disputes in order to create justice and equitable industrial relations.

b. Provide Industrial Relations Courts in every Regency/City, especially for regions that are industrial areas

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