



Industrial relations in Pekalongan City Central Java

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INFO ARTIKEL

Abstract

Keywords:

*industrial relations, workers,
employers, government*

This study aims to determine the general overview of industrial relations in Pekalongan and the implementation of industrial relations in Pekalongan. This research is a quantitative descriptive study, with the object of companies that have implemented Mandatory Reporting of Company Manpower in Pekalongan. the number of samples is 100 respondents, the data analysis using secondary data to find out the problems of industrial relations in Pekalongan, and to find out the implementation of industrial relations in Pekalongan, an analysis of the results of the questionnaire is used, with the steps of data reduction data display, and conclusion drawing/verification. the results of the questionnaire to workers, employers, and government representatives found that there are regulations that serve as a reference for employment in Pekalongan ,the existence of trade unions, employers organizations, company regulations, bipartite cooperation institutions, and tripartite cooperation institutions. Our main findings are that there are still regulations in the field of labor that are not yet known by workers and employers, and that there is still a lack of information on labor regulations in Pekalongan.

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E-ISSN: 3026-0965

DOI : _____

Introduction

Industry is one of the means that plays an important role in improving the economy in Indonesia. The actors in the industrial sector are employers and workers. The work relationship between employers and workers is based on a work agreement that has elements of work, wages, and orders. A good and sustainable relationship in an organization or company is very much needed to support the development of the organization or company (Iswadi & Mahfudoh, 2020). Industrial relations is a system of relationships formed between actors in the production process of goods and/or services consisting of elements of employers, workers/laborers, and government based on the values of Pancasila

and the 1945 Constitution of the Republic of Indonesia.

Industrial Relations is a system of relationships formed between actors in the company consisting of elements of employers, workers or trade unions, and the government based on the values of Pancasila and the 1945 Constitution (UU Nomor 13 Tahun 2003). Industrial relations in Indonesia are characterized by, first, recognizing and believing that work is not just about earning a living, but as a human devotion to God, fellow human beings, society, nation and state, second, considering workers not as production factors, but as human beings with dignity, and third, seeing between employers and workers not in different interests, but have the same interests for the progress of the company. The relationship between employers and employees does not always go well, sometimes there are disputes.

Industrial relations disputes are differences of opinion that result in conflicts between employers or a combination of employers and workers/laborers or trade unions/labor unions due to disputes over rights, disputes over interests, disputes over termination of employment and disputes between trade unions/labor unions in one company. Settlement of industrial relations disputes can use litigation or non-litigation channels (Supono, 2014). Disputes must first be resolved by bipartite negotiations and Mediation is essentially the settlement of industrial relations disputes by negotiation or deliberation to reach an agreement (Yuliastuti & Syarif, 2021, and Mantili, 2021).

In line with this, the Pekalongan City Government issued a labor protection policy in order to improve the welfare of workers and social security of workers and their families directed at increasing labor productivity. The policy also includes the implementation of guidance and supervision carried out programmatically and continuously in order to improve an investment- friendly climate and law enforcement to ensure legal certainty for workers and employers. The policy has the target of realizing the settlement of industrial relations disputes and the realization of harmonization between workers, employers and the government.

The role of the manufacturing sector and wholesale and retail trade, car and bicycle repair as the main drivers of the economy in Pekalongan City can be seen from the contribution to the economy. In general, until 2022, the contribution of the manufacturing industry reached 20.75 percent, while wholesale and retail trade, car and bicycle repair reached 21.08 percent of the economy of Pekalongan City and is the largest contributor to business fields in Pekalongan City. The Large and Medium Manufacturing Industry in Pekalongan City consists of 75 large and medium industrial companies that are still active in Pekalongan City until 2021. Industrial companies are said to be "medium" if they have a workforce of between 20 and 99 people, while industrial companies are categorized as "large" if they have a workforce of 100 people or more.

Micro and small industries in Pekalongan City currently reach 6,823, consisting of 1,560 small industries and 5,263 micro industries. Micro industries are manufacturing companies whose workforce is between 1-4 people, while small industries are manufacturing companies whose workforce is between 5-19 people. The labor absorption from reached 1,991,532 people consisting of 949,591 men, and 1,041,941 women. The large number of workers employed in the

industrial sector in Pekalongan City must receive serious attention from the Pekalongan City Government to create conducive industrial relations.

Table 1. Companies Experiencing Industrial Relations Disputes

No	Disputing Parties	Reason	Quantity
1	Bengkel Las	Layoff due to death	1
2	PT Mujitex	Holiday allowance	1
3	PT Tiga Dara	Holiday Allowance	1
4	Ninja Express	Unilateral layoffs	1
5	PT Bintan	Unilateral layoffs	13
6	PT Adira Dinamika	Disciplinary Layoffs	1
7	PT Tiga Dara	Efficiency Layoffs	5
8	PT Gween	Unpaid wages	5
9	PT Gedong Jembar	Disciplinary Layoffs	1
10	PT Bintang	Efficiency Layoffs	34
11	PT Mafatex	Efficiency Layoffs	105
Amount			171

Source: *secondary data processing*

Table 1 provides an overview of the complexity and variety of industrial relations disputes involving different parties and reasons. The disputes involve different companies in Pekalongan City, different labor issues, and different categories of disputes. The presence of significant numbers suggests that labor conditions in some companies need further attention to manage and resolve conflicts. This phenomenon may reflect the challenges and dynamics in labor relations in these companies. This study aims to determine an overview of industrial relations in Pekalongan City and the implementation of industrial relations in Pekalongan City.

Industrial Relations

Industrial Relations is a process of fostering communication, consultation, deliberation and negotiation supported by the ability and high commitment of all elements in the company. The direction is to create ideal systems and institutions, so as to create productive, harmonious, dynamic and equitable working conditions (Maswandi, 2017). Haryani (2002) describes industrial relations as a relationship that discusses all aspects and issues of economic, social, political and cultural issues that are directly or indirectly related to the relationship between workers/laborers and employers. In industrial relations, there is a role of government called tripartite. Meanwhile, according to Rahadi (2021), industrial relations are created by diverse and complex attitudes and approaches of both management and workers in relation to industrial management. The purpose of industrial relations is to maintain industrial peace and to secure industrial cooperation. If industrial peace is to be established, workers must be assured of fair wages, good working conditions, reasonable working hours, holidays and minimum living facilities.

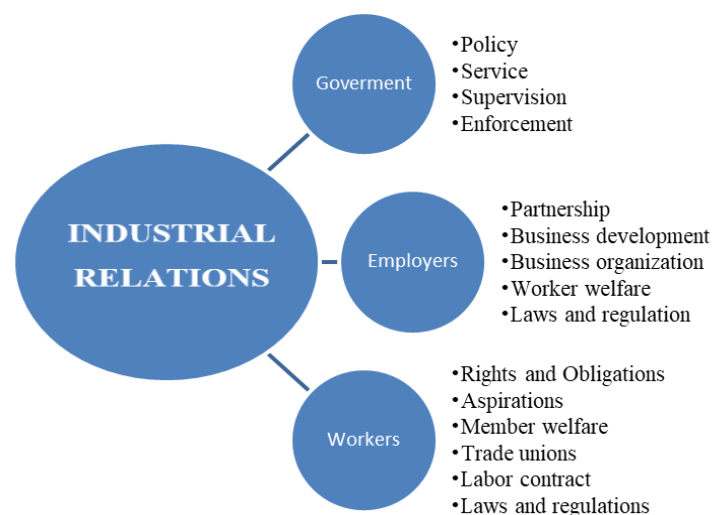
According to Hunaeni & Kirana (2016), employers and workers/laborers

must work together to develop the company. The cohesion between them succeeds in the output that it must offer to society and the state. Their participation in the development and welfare of the people is a big contribution, in connection with this, their participation must be maintained by preventing all forms of congestion in their company. Based on Indonesian Law No. 11 of 2020 concerning Job Creation Article 66 paragraphs 1 and 2 states that:

- 1) The working relationship between outsourcing companies and the workers/laborers they employ is based on a work agreement made in writing, either a specific time work agreement or an indefinite time work agreement.
- 2) Protection of workers/laborers, wages and welfare, working conditions, and disputes that arise are carried out at least in accordance with the provisions of laws and regulations and are the responsibility of outsourcing companies.

Policy on industrial relations

The Indonesian government is committed to providing protection and welfare for laborers or workers. The Indonesian government in this case is committed to realizing a just and prosperous society based on Pancasila and the 1945 Constitution (Reza et al., 2020). Law Number 23 of 2014 as amended by Law Number 2 of 2015 concerning Regional Government as a revision of Law Number 32 of 2004. Related to supervision in the field of labor, where starting in 2015 labor supervision becomes a central government affair. In this law, labor supervision affairs are mandatory and concurrent affairs between the central government and the provincial government. So labor supervision is no longer at the Regency / City level, but is drawn to the central level for its regulation and implementation by the provincial government. Meanwhile, the settlement of industrial relations disputes still remains the authority of local governments.



Picture 1. The role of parties in industrial relations in Indonesia

RESEARCH METHODS

The design of this research is descriptive quantitative, with the object of this research is companies that have implemented Mandatory Company Labor Reporting in Pekalongan City because this research has the benefit of knowing about the implementation and development strategies of industrial relations in Pekalongan City. The population used in this study were workers, employers and government in Pekalongan City, totaling 20,494. By using the simple random sampling technique and using the Slovin formula, the number of samples in the study was 99.51 respondents, which was rounded up to 100 respondents.

The data analysis used in this study was carried out in stages:

- 1) To find out the formulation of industrial relations problems in Pekalongan City, an analysis of the existing industrial relations conditions is used in accordance with secondary data obtained from the Pekalongan City Industry and Manpower Office.
- 2) To determine the implementation of industrial relations in Pekalongan City, the results of the questionnaire were analyzed using the following steps:
 - a. Data Reduction, the data obtained from the field is quite a lot, for that it needs to be recorded in the form of detailed descriptions or reports,
 - b. Data Display (Presentation of Data), after the data has been reduced, the next step is to present the data.
 - c. Conclusion Drawing / Verification, drawing conclusions may be able to answer the formulation of the problem formulated from the start, but maybe not, because the formulation of problems in qualitative research is still temporary and will develop after researchers are in the field.

RESULT

Overview of Industrial Relations in Pekalongan City

By 2023, the number of companies in Pekalongan City that have implemented the Mandatory Company Labor Report is 484 companies. There are 225 companies that have a workforce of 10 or more people and are required to have company regulations, and only 99 companies have company regulations by 2022. A total of 19 companies have collective bargaining agreements, and 60 companies have labor unions. There are 134 labor unions in Pekalongan City. The number of companies that have registered as BPJS employment participants is 471 companies.

The number of companies required to form a Bipartite Cooperation Institution is 80 companies, and only 55 companies have a Bipartite Cooperation Institution. Meanwhile, the productivity improvement program from the Pekalongan City Government has been implemented and until 2022 there are 338 companies implementing productivity improvement programs, while 1 (one) company is included in the list of company closures, namely Pratama Clinical Laboratory and Radiology. Welfare of workers is carried out by companies in the form of providing wages following the wage scale. There are 61 companies that have developed a wage scale structure. Meanwhile, 46 companies have implemented decent work governance, with indicators:

- 1) Have a company regulation/collective labor agreement
- 2) Has a Bipartite Cooperation Institution
- 3) Has a wage scale structure
- 4) Join the BPJS Employment program

The industrial relations disputes that occurred up to 2023 there were 171 workers from companies who were laid off with various arguments, companies that experienced industrial relations disputes were 11 companies. industrial relations disputes resolved through Bipartite negotiations resolved through bipartite agreements This section is the most important part of the article and contains at least 50% of the entire content of the article.

Implementation of industrial relations in Pekalongan City

The identity of respondents can be divided into three categories: workers/employees, employers, and government representatives in the field of industrial relations. Furthermore, the identity of respondents from each party involved in industrial relations is explained as follows:

Workers

The number of workers sampled in this study reached 90 people consisting of 56 men and 34 women. The identity of workers based on the level of education is known that the majority of respondents' last education from workers is high school (SMA), namely 71% or as many as 64 people, while 1 respondent or 1% of workers are graduates of junior high school (SMP). Workers who took the Diploma program (D1-D2-D3) were 5 people or 6%, the last education of Bachelor (S1) was 21% or as many as 19 people, while the remaining 1 respondent or 1% was a Postgraduate graduate (S2-S3). Meanwhile, the age of workers is dominated by the age of 21-50 years, reaching 83 people. The results of the worker element questionnaire are presented in Table 2.

Table 2. Results of the Worker Respondent Questionnaire

No	Questions	Answers	
1	You carry out your work in accordance with your obligations	Yes (90)	No (0)
2	You maintain order at work for the sake of production	Yes (89)	No (1)
3	You can express your aspirations democratically	Yes (84)	No (6)
4	You have the opportunity to develop your skills and expertise and participate in advancing the company.	Yes (82)	No (8)
5	You fight for the welfare of members and their families.	Yes (82)	No (8)
6	Is there a labor union and are you a leader/member?	Yes (21)	No (69)
7	If there is a labor union, is there a membership fee?	Yes (19)	No (71)
8	Is there a bipartite cooperation institution?	Yes (28)	No (62)
9	Is there a tripartite cooperation institution?	Yes (25)	No (65)
10	Does the company have company regulations?	Yes (85)	No (5)
11	Did you sign a collective bargaining	Yes (72)	No (18)

	agreement/employment contract/etc. prior to employment?		
12	Do you know the labor laws and regulations?	Yes (59)	No (31)
13	Have you ever experienced work problems with other workers?	Yes (10)	No (80)
14	Have you ever experienced work problems with employers?	Yes (5)	No (85)
15	Do you receive wages in accordance with the minimum wage of Pekalongan City in 2023?	1. < Rp 2.305.822 (21) 2. = Rp 2.305.822 (47) 3. > Rp 2.305.822 (22)	

Source: data processed from questionnaire results

Based on the workers' answers to the questionnaire in Table 2, the following can be seen:

1. Workers have carried out work in accordance with their obligations reaching 100% (90 people).
2. Workers maintain order in their work for the continuity of production, 99% (89 people), and only 1% (1 person) stated otherwise.
3. The channeling of aspirations has been carried out by 93% (84 people) in a democratic manner verbally and non-verbally, such as discussion forums, deliberations, *meetings*, *meetings of each department*, *briefings*, suggestion boxes, telephone media. In addition, workers can convey their aspirations directly to the Management (HRD), Bipartit Cooperation Institution, or other organizations in a company. Meanwhile, 7% (6 people) stated that they could not channel their aspirations democratically.
4. Workers take the opportunity to develop their skills and expertise, and participate in advancing the company. This development is carried out through *training/training* activities, seminars, *workshops*, education, administrative *support*, assignments and target fulfillment, and sales promotion of company products, reaching 81% (73 people). Meanwhile, 19% (17 people) stated that they did not have opportunities for self-development.
5. 91% (82 people) of workers strive for each other's welfare in the form of friendship, donations or contributions to visit the sick, weddings, social gatherings, donations of funeral money, joining BPJS and BPJSTK. Meanwhile, 9% (8 people) of workers were unable to provide welfare for members and families of other workers.
6. The existence of labor unions is known by 23% (21 people) of workers who are either heads or members. Meanwhile, 77% (69 people) of workers did not know about the existence of labor unions.
7. There are dues for union membership, and this was reported by 21% (19 workers), while 79% (71 workers) were not charged dues.
8. The existence of the Bipartite Cooperation Institution is not yet known by 69% (62 people) of workers, because only 31% (28 people) stated that they knew about this institution.
9. The existence of the Tripartite Cooperation Institution was not known by 72% (65 workers), and only 28% (25 workers) knew about the institution.
10. The majority of companies have Company Regulations and are known by 94% (85 workers), while the remaining 6% (5 workers) stated that the company does not have Company Regulations.

11. Cooperation agreements with companies were made by 80% (72 workers), while 20% (18 workers) stated that there were none.
12. The existence of the Labor Law Regulation is known by 66% (59 people) of workers, and only 34% (31 people) of workers are unaware of the regulation.
13. The majority of workers have never had disputes with other workers (89% or 80 people), while 11% (10 people) have experienced work problems or disputes with other workers. The forms of dispute resolution that have been carried out are communication, coordination, deliberation, mediation by superiors, company HRD, and through the Bipatrit LKS institution.
14. 89% (80 people) of workers have never had a dispute with an employer, while 6% (5 people) stated that they had a dispute with an employer and it was resolved through communication and coordination with superiors.
15. 52% (47 people) of workers receive wages in accordance with the Pekalongan City minimum wage, 24% (22 people) receive wages that exceed the minimum wage, while 23% (21 people) still receive wages below the minimum wage.

Employers

There were 9 employers sampled in this study in Pekalongan City, consisting of 6 men and 3 women. The identity of employers based on education is known that the majority of respondents' last education from employers is Bachelor (S1), which is 67% (6 people), 22% of respondents (2 people) have a Diploma and 11% Postgraduate (1 person). The identity of employers based on age is known that most employers are between 31-50 years old, which is 78%. While 22% are over 50 years old. Based on the employers' answers to the questionnaire, the following data were obtained:

1. All Employers have a function of creating partnerships in the organization that reaches 100%.
2. Employers have efforts to develop their business through promotional activities, opening new business units, product diversification, business diversification, *skill* improvement training for their employees, further studies and market expansion. This means that employers have been able to carry out the function of a business manager who is required to be sensitive in dealing with an ever-changing business environment. The changing external environment must be anticipated with promotional efforts or innovation through diversification. Workers have also been given the opportunity to undertake training or further study, which shows that employers have seen that workers are company assets that must always be developed.
3. 8 employers (89%) expanded employment through the addition of new employees/business units.
4. Employers provide the welfare of workers/laborers in an open, democratic and equitable manner through the provision of wages in accordance with and even exceeding the applicable minimum wage, salary increases every 2 years, information disclosure, the involvement of workers in the formulation of company regulations regarding the amount of wages and aspirations through direct supervisors who are forwarded to HRD, the existence of employee cooperatives and BPJS health and labor insurance. This is also supported by the existence of collective labor agreements or agreements so that the position, rights and obligations of employers and employees are very clear.
5. Not all employers are chairpersons/members of business organizations, as only 56% (5 people) of employers are chairpersons/members of business organizations.

6. The employers' organizations that employers participate in are not stated by 67% of employers.
7. The existence of Bipartite cooperation institutions is known by 78% of employers.
8. *The existence of tripartite cooperation institutions is not fully known by employers (77%), as only 33% of employers stated that they are aware of these institutions.*
9. All employers (100%) stated that they have company regulations in order to conduct good industrial relations.
10. 10. Employers state that they have a work agreement/work contract with their workers before employment.
11. The existence of labor laws and regulations is known by 89% of employers, while 11% of employers are not aware of labor regulations.
12. Problems with workers have been experienced by 56% of employers, while the rest (44%) have not experienced any disputes with workers.

The results of the employers questionnaire are presented in table 3

Table 1. Results of the Employer Representative Respondent Questionnaire

No	Questions	Answers	
1	You and your business organization have the function of creating partnerships	Yes (9)	No (0)
2	You strive to expand your business	Yes (9)	No (0)
3	You expand employment through the addition of new employees/business units	Yes (8)	No (1)
4	You provide worker/labor welfare in an open, democratic, and equitable manner.	Yes (8)	No (1)
5	Is there a business organization of which you are a member?	Yes (9)	No (0)
6	If there is an employers' organization, is there a membership fee?	Yes (5)	No (4)
7	Is there a bipartite cooperation institution?	Yes (6)	No (3)
8	Is there a tripartite cooperation institution?	Yes (7)	No (2)
9	Does the company have regulations?	Yes (3)	No (6)
10	Do you have a collective bargaining agreement/work contract/etc. with your employees prior to employment?	Yes (9)	No (0)
11	Are you aware of labor laws and regulations?	Yes (8)	No (1)
12	Have you ever experienced work problems with workers	Yes (5)	No (4)

Source: data processed from questionnaire results

Government

The government / government representatives who were sampled in this study reached 7 people who were ASN (State Civil Apparatus) who worked at the Pekalongan City Industry and Manpower Office in the Industrial Relations Division, consisting of 4 women and 3 men. The identity of government representatives based on the level of education is known that the majority of the last education of government respondents is Bachelor (S1), which is 71% or as many as 5 people, while the other 2 respondents or 29% are postgraduate graduates (S2-S3). The identity of the government based on age is known that

14% of respondents aged 21 - 30 years, then there are 43% who are 31 - 50 years old, and another 43% are > 50 years old. The results of the government questionnaire are presented in table 4.

Table 2. Results of the Government Representative Respondent Questionnaire

No.	Questions	Answers	
1	Government policies on labor in Pekalongan City	Yes (7)	No (0)
2	Services provided by the government in the labor sector in Pekalongan City	Yes (7)	No (0)
3	Supervision that has been provided by the government in the labor sector in Pekalongan City	Yes (1)	No (6)
4	Prosecution of violations of labor laws and regulations committed by Pekalongan City Government	Yes (0)	No (7)

Source: *data processed from questionnaire results*

Based on the questionnaire to government representatives, the following data was obtained:

1. Pekalongan City Government's policies on employment in Pekalongan City are based on Government Regulations, Regional Regulations on Employment, and Pekalongan Mayor Regulations, among others.
2. The government has provided services in the field of employment, such as employment consultations, providing knowledge of company regulations, data collection on collective bargaining agreements, services for validation / registration of industrial relations facilities, mediation of industrial relations disputes, services on transmigration information, and AK-I services.
3. The Pekalongan City Government does not conduct supervision in the labor sector, as stated by 86% of government representatives. This is because supervision is carried out by the Central Java Provincial Labor Inspection Unit (Satwasker). Based on Law No.23/2014 on Regional Government, the implementation of labor inspection is the authority of the Provincial Government.
4. There is no prosecution of violations of laws and regulations committed by the Pekalongan City government because the authority of the Central Java Provincial Satwasker is related to prosecution in the event of a violation.

DISCUSSION

Based on the research data, the suggestions given to the Pekalongan City government are:

1. Optimizing the function of supervision in the field of manpower and the function of prosecuting violations of regulations in the field of Manpower for both employers and workers.
2. Improved industrial relations services in the area of job skills training for workers.
3. Increased socialization of labour regulations to employers and workers.

CONCLUSION

Based on the results of the study, it can be concluded that industrial relations in Pekalongan City are as follows:

- 1 Workers have carried out work in accordance with their obligations, maintaining order in carrying out work.
- 2 Entrepreneurs have created partnerships, expanded their businesses, and increased the number of employees.
- 3 Pekalongan City Government has regulations in the Labor Sector and provides services in the labor sector.
- 4 The channeling of workers' aspirations, the development of workers' skills, and the fact that not all workers have fought for the welfare of other workers are yet optimal.
- 5 Not all workers belong to unions, and not all unions are free.
- 6 Not all workers and employers are aware of the existence of bipartite and tripartite cooperation institutions.
- 7 Not all Companies have Company regulations, and have collective labor agreements.
- 8 Not all workers are aware of government regulations in the Labor Sector.
- 9 There are still employment problems between workers and workers and employers.
- 10 There are still workers who receive wages below the Pekalongan City Minimum Wage.
- 11 Not all workers and employers belong to trade unions and employers' organizations.

The function of labor supervision and prosecution of violations of labor regulations carried out by the Pekalongan City Government is still not optimal.

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