

Legal Protection of Contract Workers' Rights to Compensation in Cases of Premature Termination of Employment from The Perspective of Indonesian Positive Law

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Abstract

Premature termination of employment (PHK) of contract workers is a common problem in the Indonesian workforce. This problem can be detrimental to workers, both economically and legally, primarily due to the loss of income and the face of legal uncertainty. Although there are provisions in the law, in reality, legal protection for contract workers still faces various problems. This study aims to examine the rights of contract workers to receive compensation when their employment is terminated prematurely, from a legal perspective in Indonesia. In this study, the method used is a normative juridical method with a statutory and conceptual approach. Data were obtained by searching for information from laws and regulations, legal books, and scientific journal articles related to legal protection for contract workers who experience premature termination of employment. This study provides a more detailed explanation of the protection of contract workers' rights when experiencing premature termination, with a focus on the preventive and punitive aspects of protection, and analyzes the extent to which its implementation is effective in industrial relations practices in Indonesia. Research shows that legal protection for contract workers' rights is regulated in Law Number 13 of 2003, Law Number 6 of 2023, and Government Regulation Number 35 of 2021. Preventive protection is implemented by regulating the use of PKWT (Fixed-Term Work Agreements) and limiting termination of employment, while repressive protection is implemented by providing compensation and damages. However, the implementation of these protections has been inadequate due to violations by employers, lack of supervision, and workers' low legal understanding.

Keywords: contract workers, premature layoffs, compensation money, legal protection, PKWT

INTRODUCTION

In national life, every country wants its people to live prosperous and peacefully. In order for this ideal to be achieved, the state must undertake development. This can improve the welfare of the people slowly and continuously, by increasing their spending. Because if consumption increases, it will greatly help increase income. And this increase in income depends on increased production. Therefore, as part of society, every citizen should participate in the development process. Thus, the

realization of a just and prosperous society can be promoted. In the current era of globalization, economic development has contributed to a growing demand for labor in Indonesia. Article 27 paragraph (2) of the 1945 Constitution explains that every citizen has the right to obtain work and a decent living in accordance with human values. In this article it is stated that all Indonesian citizens who want and are able to work have the right to receive what they should receive and have rights that are protected by law. Labor issues related to the welfare and prosperity of a citizen's life are strongly protected by the Constitution of the Republic of Indonesia. (1)

The workforce, consisting of workers, is crucial in the employment sector in Indonesia, particularly within a company. To achieve company goals, workers naturally strive hard, possess high morale, and utilize their abilities. Therefore, workers have the right to legal protection to ensure their rights are guaranteed and not exploited. The state is obliged to provide jobs that support and facilitate citizens' employment, and the jobs obtained must provide adequate income for workers. In addition to having decent work, workers must also receive salaries in accordance with applicable Indonesian regulations. In Indonesia, all regulations regarding rights, obligations, and employment agreements are regulated by Law Number 13 of 2003 concerning Manpower. Indonesia has two types of employment contracts: fixed-term employment contracts and indefinite-term employment contracts. Fixed-term employment contracts (PKWT) are often referred to as contract workers because they have a specific work period agreed upon with the worker at the outset. Meanwhile, permanent or indefinite employment contracts (PKWTT) are widely known as permanent employment contracts because they have a fixed position and an unlimited work period.

The Indonesian workforce is undergoing significant changes. One common example is the unilateral termination of employees with fixed-term contracts (PKWT) before the end of their contracts. Workers are often dismissed without clear reasons, and companies frequently fail to fulfill their rights properly. This creates anxiety among workers, as their rights are being undermined by their employers. Workers' rights are clearly regulated through Law Number 13 of 2003, the Job Creation Law, and Government Regulation Number 35 of 2021. These regulations outline the legal protections afforded to workers under the PKWT employment system. However, in practice, these regulations have not been effectively implemented, and many companies still terminate employment without justification and fail to provide workers with the rights they deserve. This is despite the fact that employment contracts must comply with Article 1320 of the Civil Code concerning the requirements for a valid agreement. This article states that an agreement must be in accordance with the agreement

of both parties, with the necessary skills, a specific matter, and a lawful cause. Employment contracts are governed by the principle of *pacta sunt servanda*, as stipulated in Article 1338 paragraph (1) of the Civil Code. This principle provides that every legally valid agreement is binding upon the parties involved. This condition can be very detrimental to workers because they lose income before the contract ends. Therefore, legal regulations state that if there is termination of employment before the contract period ends, the company is obliged to provide compensation to workers according to the remaining contract period. (2) Therefore, this study was conducted to find out how the legal protection of workers' rights in premature termination of employment is according to the perspective of legislation in Indonesia, which includes preventive and repressive protection.

RESEARCH METHODS

The research method used is normative juridical. In this case, it examines whether the legal norms written in legislation are in accordance with the actual situation and also seeks solutions to resolve emerging legal problems. In this study, the author did not conduct direct field research, but rather focused on analyzing the legal regulations that serve as sources of the legal material. This legal research was conducted by studying official regulations related to employment issues, such as the Employment Law, the Job Creation Law, and Government Regulation Number 35 of 2021. Furthermore, this study also utilized secondary legal sources such as books, articles, journals, and research results relevant to the topic discussed.

In addition, the methods used are based on statutory regulations (statutory approach) and conceptual methods (conceptual approach). This statutory approach is carried out by studying various legal regulations governing fixed-term employment contracts, termination of employment, and compensation payments to workers. Meanwhile, the conceptual approach is carried out by studying various legal concepts related to legal protection for workers in industrial employment relations. Data analysis is carried out qualitatively by understanding and interpreting related legal norms, then conclusions can be drawn about the form of protection of contract workers' rights to compensation in situations of premature termination of employment.

RESULTS AND DISCUSSION

How is the legal protection regarding workers' rights regarding Premature Termination of Employment from the perspective of Indonesian Legislation?

Rights are essentially the power or interest protected by law and held by a person to legally acquire something. In law, rights are always linked to the obligations of others, so when someone has a right, it means that someone else is obliged to fulfill that right. Therefore, the existence of rights in the legal system aims to ensure order, justice, and protection for everyone in society, so that no party is harmed. In work situations, workers' rights are included among the basic human rights that must be respected, valued, and protected by the government and company owners. These rights cover various aspects, such as the right to have a good job, the right to receive proper payment, the right to social security, and the right to be protected from actions that harm workers, including arbitrary termination of employment. Protection of workers' rights is crucial because in employment relationships, workers are usually in a weaker position than employers. Therefore, the state, through laws, provides several forms of legal protection for workers.

In Indonesian labor law, workers' rights are regulated through various laws and regulations such as Law Number 13 of 2003 concerning Manpower, Law Number 6 of 2023 concerning Job Creation, and Government Regulation Number 35 of 2021. These various regulations aim to provide a sense of legal security and ensure protection for workers in employment relationships, including when the employment relationship ends and fulfilling workers' rights after the employment relationship ends. The Indonesian government has made regulations explained in Article 27 paragraph (2) of the 1945 Constitution, namely that every Indonesian citizen has the right to have a job and earn a decent living in accordance with humanity. In addition, Article 28D paragraph (2) also states that everyone has the right to work and receive fair and proper compensation and treatment in employment relationships. Legally, workers have the right to freedom that is protected by various applicable regulations. The goal is to ensure that employment relationships continue to run smoothly and in balance, and that no stronger party puts pressure on the weaker party. (3)

Termination of employment is a common issue in industrial relations in Indonesia. Layoffs can occur for several reasons, such as efforts to make the company more efficient, employees failing to comply with work regulations, changes in company structure, or unfavorable economic conditions. Although termination of employment is permitted under labor law, it must be carried out in accordance with applicable regulations to avoid harming workers. Discipline is crucial when carrying

out work. Companies always provide written warnings to employees who violate company regulations or provisions agreed upon when signing the agreement. Warning letters are issued as an administrative measure aimed at providing a warning and giving workers the opportunity to correct their previous mistakes. Rules and sanctions should be established in accordance with applicable laws to align with the principle of protecting workers' rights. However, in reality, companies often create their own internal regulations without involving worker representatives. This often leads to unfairness and overlapping errors, especially when these regulations contain provisions that diminish workers' rights.

In practice, many cases of arbitrary termination of employment are still found by companies without following procedures in accordance with applicable law. This condition often triggers debates between workers and employers because workers feel their rights are not being met after termination of employment. Have you ever heard of companies frequently terminating employment without following applicable regulations? Of course, this can cause problems in an unbalanced employment relationship. Workers often feel that they have no influence when dealing with the company. Because of this imbalance, there is an opportunity for violations of workers' rights, including violations of rights in the termination procedure. One thing that attracts attention is the termination of employment by companies without clear reasons and without following proper procedures. Companies often issue warning letters as a step to end the employment relationship, although not always because there is a very significant violation. In fact, this clearly contradicts the legal protections for workers as explained in the Employment Law and Government Regulations. The reason is that termination of employment cannot only be done administratively, but must also be followed by clear steps and valid and provable reasons. (4)

Another problem is the lack of resilience among workers in employment relationships, especially those working on contracts. Contract workers often experience job uncertainty due to limited work duration and the possibility of being dismissed before the contract period is complete. This can cause workers to suffer economic losses due to sudden job losses without adequate protection. Therefore, regulations are needed that can provide good legal protection for dismissed workers. Termination of employment carried out without considering the worker's conditions can have a major impact on their mental health. It is clear that getting a job is not as easy as it seems. Finding a job is increasingly difficult due to very tight competition, so workers must continue to learn and develop. The work environment also tends to be unstable, making working conditions more

complex. This raises many concerns about being fired. Many factors can cause someone to be fired from their job, such as globalization, the shift towards a knowledge-based economy, and crises at the national and international levels. (5)

Protection for dismissed workers in Indonesia is provided through various applicable legal regulations. One important regulation governing employment is Law Number 13 of 2003 concerning Manpower. This law explains various matters regarding employment relationships, such as types of employment agreements, the rights and duties of workers and employers, and regulations regarding termination of employment. The law also states that termination of employment must be carried out according to certain procedures and cannot be carried out arbitrarily by employers. Subsequently, regulations regarding employment were amended through Law Number 11 of 2020 concerning Job Creation, which was then further strengthened by Law Number 6 of 2023. This regulation introduced several changes to the work system, such as regulations for temporary work, transfers, and how to terminate employment relationships. These changes aim to make the labor market more flexible and provide a sense of legal security for employers and workers.(6)

In addition, the government also issued Government Regulation Number 35 of 2021, which specifically regulates fixed-term employment contracts (PKWT), outsourcing, working hours, rest periods, and how to terminate an employment relationship. This regulation is a regulation implemented based on the Job Creation Law, which provides further explanation regarding workers' rights, including regarding compensation money given to workers who work under limited-term employment contracts. With this regulation, it is hoped that clearer legal protection will be created for contract workers. Since the enactment of the Job Creation Law, several changes have occurred, particularly in the employment sector, which was previously regulated in Law Number 13 of 2003. These changes in the employment sector provide benefits, but also cause several problems when implemented. One of these is the issue of payments that should be given by employers to workers in accordance with fixed-term employment agreements, as a form of severance pay. In this case, many employers still prioritize agreements between parties regarding the amount of compensation given rather than following established regulations. (7)

In addition to these regulations, protection for dismissed workers is also regulated through the settlement of industrial relations disputes, as stipulated in Law Number 2 of 2004 concerning the Settlement of Industrial Relations Disputes. This law provides guidance on how to resolve differences between workers and employers, namely through mediation, conciliation, arbitration, or by

submitting the case to the Industrial Relations Court. With these regulations, workers who feel disadvantaged due to being fired can file a lawsuit to obtain their rights. Meanwhile, during the industrialization period, industrial relations disputes are increasingly occurring, so that institutions and methods for resolution are needed that are fast and appropriate. Therefore, there is a need for a model for the settlement of industrial relations disputes regulated by law, so that it can resolve all types of disputes, both through judicial and non-judicial processes. Therefore, Law Number 2 of 2004 is a solution to differences of opinion that cause conflict between workers and employers due to various disputes that occur. (8)

Under Indonesian labor law, dismissed workers have several rights that must be granted by the employer. One important right is the right to severance pay. Severance pay is money paid by the employer to employees as compensation for the termination of their employment relationship. The amount of severance pay is determined by law and is usually calculated based on the length of service the employee has worked for. In addition to severance pay, employees are also entitled to a service award and compensation for existing rights. Service award money is given to employees as a way of appreciating their time with the company. Compensation is a form of compensation for workers' rights that were not fulfilled during their employment, such as unused annual leave or the cost of returning to their hometown. Article 62 of the Manpower Law states that if one party terminates an employment relationship, the terminating party is obliged to provide compensation in the form of wages until the end of the employment contract. However, following the enactment of Government Regulation Number 35 of 2021, new regulations have emerged regarding compensation for workers with a fixed-term employment contract (PKWT). Article 15 states that workers who work with a PKWT have the right to receive compensation calculated according to the length of their work period. (9)

In Law Number 13 of 2003 concerning legal protection of employment, there are several rights that workers must obtain, namely:

1. Economic Protection Rights

The right of workers to receive economic protection is part of legal protection that aims to ensure that all workers' financial rights are fulfilled during and after their employment. This protection includes the right to receive fair wages, severance pay, and compensation in the event of termination of employment. In the Indonesian labor law system, economic protection is based on the principle that workers have a weaker position than employers. Therefore, the state must be present to provide guarantees of certainty and justice in the

economic sector. Economic protection is very important for workers who experience premature termination of employment, because these workers lose income before their work period is over. Workers must only rely on the compensation money that should be given, and this money is the main thing in protecting them. If compensation is not given, then there is a violation of workers' economic rights. (10)

2. Safety and Health (K3) Protection Rights

Workers' rights related to occupational safety and health (OSH) protection are an important part of the labor protection system in labor law. This OSH protection aims to ensure the physical and mental safety of workers while working, prevent work accidents and occupational diseases, and create a safe, healthy, and comfortable working environment. In Law Number 13 of 2003 concerning Manpower, occupational safety and health are considered basic rights for workers that must be fulfilled by employers as part of their social and legal responsibilities. This provision is also reinforced by various implementing policies that determine safety standards, the types of protective equipment that must be used, and how to recognize and manage risks in the workplace. OSH protection not only prevents personal harm to workers, but also has broader social and economic impacts, such as increasing labor productivity and realizing sustainable welfare. Therefore, the topic of OSH is very important in the context of protecting workers' rights legally. (11)

3. Rights to Protection Against Termination of Employment

Workers' rights in situations of termination of employment by a company include several important matters that need to be considered. These rights aim to protect workers from the possibility of employers using their own power arbitrarily, especially when termination of employment is carried out without a valid legal reason or before the end of the employment contract. Protection against termination of employment is legally regulated in Law Number 13 of 2003 concerning Manpower. This law explains the legal framework regarding the procedures and requirements for termination of employment, as well as the rights that must be granted to laid-off workers, such as severance pay, long service awards, and compensation. Amendments to several provisions in the Manpower Law through Law Number 6 of 2023 concerning Job Creation and its implementing regulations, such as Government Regulation Number 35 of 2021, also explain how the termination procedure

is carried out. In work situations that are vulnerable to premature termination of employment, legal protection is very important to avoid detrimental termination actions and ensure that workers' economic rights and welfare are still fulfilled in accordance with applicable legal regulations. (12)

4. Social Security Protection Rights

Workers' rights in the context of social security are a form of legal protection provided to workers, so that their decent living needs are met and provide protection against various social and economic risks that may occur during the employment relationship. In the employment sector, social security plays a role as a protection tool that ensures workers remain protected when facing various risks such as work accidents, illness, death, retirement, or job loss. The Republic of Indonesia manages a social security system for workers which is run by the Social Security Administering Agency (BPJS) Employment as the implementer of social security programs for workers. The program includes several types of protection, such as Work Accident Insurance (JKK), Death Insurance (JKM), Old Age Security (JHT), Pension Insurance (JP), and Job Loss Insurance (JKP). Through this program, the state strives to provide definite protection for workers, so that they continue to receive social protection when facing work-related risks, both while still working and after leaving work. (13)

5. Employment Agreement Procedure Protection Rights

Workers' rights in the context of procedural protection of employment agreements form the basis for establishing an employment relationship between workers and employers, encompassing the rights and obligations of each party. Under Indonesian labor law, an employment agreement is not only an agreement between workers and employers but also serves as a legal protection tool that protects workers from unfair treatment. Therefore, the procedures for creating an employment agreement are clearly regulated in laws and regulations to ensure legal certainty, justice, and a balance of rights and obligations between the two parties. Regulations regarding employment agreements in Indonesia are contained in Law Number 13 of 2003 concerning Manpower. This law was later amended by the Job Creation Law Number 6 of 2023 concerning Job Creation, followed by implementing regulations such as Government Regulation Number 35 of 2021. In these provisions, it is agreed by the parties that the parties have the capacity to take legal action,

there is promised work, and the work does not violate laws and regulations, morality, or public order. In addition, employment law also divides employment agreements into two main types, namely Fixed Term Employment Agreements (PKWT) and Indefinite Term Employment Agreements (PKWTT). These differences will certainly impact the rights and obligations of each party, including in terms of terminating the employment relationship and providing compensation to workers. Therefore, procedures in employment agreements are important to protect workers, especially contract workers, from abuse of employment relationships that could harm them legally. (14)

Of the various protections provided, in cases of termination of employment, two types can be distinguished: preventive legal protection and repressive legal protection after the termination occurs. In the employment sector, preventive protection is implemented by establishing legal regulations that clearly regulate employment relations and limit government action in terminating employment. Meanwhile, repressive protection can be implemented by resolving industrial relations disputes, for example through mediation at the Manpower Office, conciliation, arbitration, or by filing a lawsuit with the Industrial Relations Court. Through these mechanisms, employees who feel disadvantaged due to dismissal can file a claim to obtain their rights, such as severance pay, compensation, or other compensation in accordance with applicable laws and regulations. With the existence of legal protection that prevents and punishes, it is hoped that a balance will be created in the relationship between workers and employers, as well as the realization of legal protection that truly functions for workers. These two forms of protection are contained in various laws and regulations in the Indonesian employment sector, such as Law Number 13 of 2003 concerning Employment, Law Number 6 of 2023 concerning Job Creation, and Government Regulation Number 35 of 2021 which regulates fixed-term work agreements, outsourcing, working hours, rest hours, and termination of employment. (15)

The following is an analysis of the forms of preventive and repressive protection in the regulations governing the protection of workers' rights.

a. Law Number 13 of 2003 concerning Manpower

Law Number 13 of 2003 is the principal law governing employment relations in Indonesia. This law contains provisions that protect workers, both to prevent problems from occurring and to address existing ones. Preventive protection in this law aims to prevent employers from arbitrarily terminating employment relationships. One example of this

protection can be seen in Article 50, which states that an employment relationship arises from an employment agreement between the employer and employee. This provision states that the employment relationship must begin with a valid agreement between the two parties, so that the rights and obligations of each can be clearly defined from the outset. Furthermore, Article 52 also explains the requirements for a valid employment agreement, namely an agreement between the two parties, the legal capacity or maturity of the parties, the existence of agreed-upon work, and the work not being in conflict with legal regulations, decency, and public order. This provision aims to protect workers from the very beginning of the employment relationship, so that the employment agreement does not cause harm to them. Furthermore, preventative protection is also explained in Article 59, which discusses the use of Fixed-Term Employment Agreements (PKWT). This article regulates restrictions on the use of contract workers to prevent them from performing permanent work. The purpose of this regulation is to prevent companies from exploiting the contract system improperly and harming workers. Other protections to prevent termination of employment are regulated in Article 151, which states that employers, workers, unions, and the government are obliged to strive to avoid termination of employment. This provision states that termination of employment must be carried out as a last resort, or what is commonly called the *ultimum remedium*, in an employment relationship. However, in the field, termination of employment often occurs alone without following proper procedures, thus indicating that the protections stipulated in the law are not yet sufficiently strong in their implementation.

On the other hand, Law Number 13 of 2003 also provides legal protection in the form of sanctions for workers who have been dismissed. This protection aims to restore the rights of workers who have been lost because the employment relationship has ended. One form of repressive protection is Article 156 which states that employers are obliged to provide severance pay, long service awards, and compensation for rights to workers who are dismissed due to layoffs. This provision is a form of economic payment for workers who are no longer working. In addition, Article 62 also provides repressive protection for workers who work under temporary work agreements. This article explains that if one party terminates the employment relationship before the work period in the agreement is completed, then the party terminating the employment relationship must provide

compensation to the other party in the form of workers' wages until the end of the employment agreement. This provision is very important to protect contract workers who are dismissed before the specified time. (16)

b. Law Number 6 of 2023 concerning Job Creation

Law Number 11 of 2020 concerning Job Creation amends several articles in the Manpower Law. Its purpose is to make the labor market more flexible and provide legal certainty for businesses and workers. This law also contains provisions that provide preventive and repressive legal protection for workers. Preventive protection in the Job Creation Law can be seen in changes to provisions regarding temporary employment contracts. Articles 56-59 regulate the types of PKWT and PKWTT jobs, the requirements for creating a PKWT work agreement, and also the limitations on the types of PKWT jobs. These regulations aim to clarify the types of jobs that can use the contract system and the limitations on the use of PKWT, as well as to prevent contract abuse and misuse by employers. These regulations are expected to prevent the possibility of work that is detrimental to workers. Furthermore, preventative protection is also evident in the regulations governing how to terminate an employment relationship. The Job Creation Law states that termination of employment must be carried out in accordance with applicable regulations and must provide clear reasons. Employers cannot dismiss employees themselves without following the procedures stipulated in statutory regulations.

Meanwhile, the repressive legal protection in the Job Creation Law can be seen in the provisions governing workers' rights after termination of employment. One form of this protection is the regulation regarding severance pay, long-service bonuses, and compensation for privileges that employers are obligated to provide to dismissed workers. Furthermore, this law also launched the Job Loss Guarantee (JKP) program, which is included in the employment social security system. The JKP program provides cash, access to job market information, and job training for those who lose their jobs. With this program, dismissed workers still receive economic protection and the opportunity to find new jobs. Therefore, the JKP program can be considered a form of repressive legal protection provided by the government to workers who are no longer employed. (17)

c. Government Regulation Number 35 of 2021

Government Regulation Number 35 of 2021 provides further clarification on the Job Creation Law. This regulation governs temporary employment agreements, worker transfers, working hours, rest breaks, and how to terminate an employment relationship. This regulation provides several legal safeguards aimed at preventing and addressing mistreatment of workers. The legal protection provided in Government Regulation Number 35 of 2021 can be seen in the regulations regarding the types of work permitted to use fixed-term contracts (PKWT) and the limitations on the duration of the PKWT. These provisions are regulated in several articles, stating that permanent employment may not use a contract system. The purpose of this regulation is to prevent companies from misusing the contract system, which could harm workers. Furthermore, preventative protection is also evident in the provisions regarding termination procedures. Government Regulation Number 35 of 2021 also states that employers must have valid and legitimate reasons when terminating an employment relationship and must follow the steps specified in the legislation. This provision is expected to prevent arbitrary terminations by employers.

In addition to acting as a deterrent, Government Regulation Number 35 of 2021 also provides legal protection for dismissed workers, particularly those working under fixed-term employment agreements. One way to protect these workers is by determining the amount of compensation for workers using fixed-term employment contracts. This provision means that workers working under fixed-term employment contracts are entitled to compensation calculated according to the length of service they have served. Furthermore, this regulation also stipulates the obligation of employers to provide severance pay or other compensation to workers dismissed due to layoffs, in accordance with applicable regulations. With this regulation, workers who lose their jobs still receive economic protection that can help them meet their daily needs after the employment relationship ends. (18)

However, this repressive protection still faces numerous challenges in its implementation. One of the main issues is workers' lack of legal understanding and lack of awareness of their actual rights. Many workers remain unaware of their rights to compensation and redress. Furthermore, there is a lack of government oversight and inadequate law

enforcement against labor violations. These are also reasons why legal protection has not been implemented effectively.

CONCLUSION

Based on the results and discussion described above, legal protection for contract workers in cases of early termination of employment in Indonesia is regulated in various laws and regulations, such as Law Number 13 of 2003 concerning Manpower, Law Number 6 of 2023 concerning Job Creation, and Government Regulation Number 35 of 2021. Of these regulations, legal protection consists of two types: preventive legal protection and repressive legal protection. Preventive legal protection is implemented by determining the conditions that must be met for an employment agreement to be valid, limiting the use of fixed-term employment agreements, and prohibiting termination of employment without valid reasons. As an alternative, legal protection in the form of repressive measures is carried out by providing the rights of workers affected by layoffs, such as severance pay, compensation, and compensation for contract workers, in accordance with the provisions of Article 62 of the Manpower Law and Article 15 of Government Regulation Number 35 of 2021. In Law Number 6 of 2023 concerning Job Creation also provides preventive protection, namely in articles 56-59 which regulate what types of PKWT and PKWTT work are, what conditions must be met in making a PKWT work agreement, and also restrictions on the types of PKWT work, which are then further regulated in Government Regulation Number 35. Furthermore, if a layoff occurs, the procedure is carried out more quickly because it is sufficient to be notified directly by the employer to the worker and does not need to go through the dispute resolution institution first. In addition, there is repressive legal protection in the form of previously if a layoff occurs, severance pay will be given, in Law Number 6 of 2023, severance pay is also provided, but not as much as before because some of it is transferred to the Job Loss Guarantee (JKP) program. The JKP program includes cash assistance, access to job market information, and job training for people who have lost their jobs.

In cases where contract workers terminate their employment before the end of the contract, they are entitled to compensation equal to the wages they have not received until the end of the contract, as well as compensation commensurate with the length of service they have served. This demonstrates that officially, Indonesian labor law provides adequate protection for contract workers. However, in reality, this protection has not been fully implemented due to ongoing violations by employers, a lack of strict supervision, and low legal awareness among workers. Therefore, the government needs to

make better efforts to improve supervision and implementation of labor laws, as well as improve workers' understanding of their rights so that legal protection for contract workers in cases of early termination of employment can be effective and provide justice to all parties in industrial relations.

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