

CHAPTER I

INTRODUCTION

A. Context of Study

The protection of Labor is a fundamental aspect of the Labor system in Indonesia, which aims to ensure the fulfillment of basic rights of Labors and create harmonious Labor relations between Labors and Labors. This is very important to realize the welfare of Labors, while supporting the company's progress. This protection also aims to avoid pressure or injustice from the strong party to the weaker party in the Labor relationship. The state, as the party responsible for the welfare of its people, has an obligation to guarantee the rights of Labors without discrimination, as well as to provide equal opportunities for every citizen to earn a decent income.¹

Within the legal framework, labor protection is also clearly regulated in various laws, such as Law Number 13 of 2003 concerning Labor which includes protection for various groups of Labors, such as people with disabilities, child labor, and women Labors, as well as protection related to working time, health, and occupational safety.² In addition, this protection is also guaranteed by the country's

¹ Adnan Hamid, "Diskursus Perlindungan Hukum Bagi Tenaga Kerja Indonesia Dalam Penempatan di Malaysia", *Arena Hukum*, Vol. 12, No. 1, 2019, page. 156.

² Adnan Hamid, "Protection of Indonesian Domestic Labor: A Study of Law No. 13 of 2003 Concerning Labor law", *International Journal of Scientific & Technology Research*, Vol. 8, Issue 08, 2019, page 6.

constitution, namely the 1945 Constitution, which affirms the right of every citizen to get a decent job and livelihood, as well as the right to fair legal protection. Therefore, the state has an obligation to ensure that every Labor receives protection in accordance with the principles of social justice and general welfare.

In the corporate bankruptcy is a phenomenon that not only impacts financial and business aspects, but also has broad legal implications, especially for labor who depend on the company for their livelihood. What is meant by bankruptcy is a condition where the debtor is in a state of stopping payments or in other words can no longer pay off his debts to his creditors.³ In bankruptcy conditions, labor often face legal uncertainty regarding the fulfillment of their rights, including wages, severance pay, and social security. Although various regulations have regulated protection for labor in bankruptcy conditions, practices in the field still show various obstacles in their implementation. Therefore, it is important to examine the extent to which legal certainty can be guaranteed for labor in facing corporate bankruptcy based on the laws and regulations in force in Indonesia.

Legal protection for Labors in company bankruptcy is a crucial issue in Indonesian labor law. The case of PT Sri Rejeki Isman (Sritex), which was declared bankrupt in February 2025⁴, is a clear example of the complexity of protecting Labors' rights when a company goes bankrupt. A total of 10,000 Labors were affected by termination of Labor (PHK), with normative rights such as severance

³ Yuhelson, *Hukum Kepailitan di Indonesia*, Ideas Publishing, Gorontalo, 2019, page. 11

⁴<https://ekbis.harianjogja.com/read/2025/02/28/502/1205623/sritex-pailit-per-26-februari-ada-10000-buruh-kena-phk> Accessed on 4 May 2025 at 00.48

pay, Job Loss Guarantee (JKP), and Old Age Security (JHT) at stake. This phenomenon reveals the inequality between legal guarantees and implementation in the field, even though regulatory frameworks such as Law Number 13 of 2003 concerning Labor Law and Law Number 37 of 2004 concerning Bankruptcy and Postponement of Debt Payment Obligations (Bankruptcy Law) already exist.

In 2020, Indonesia has passed Law Number 11 of 2020 concerning Job Creation which aims to increase investment and improve the Labor ecosystem. The Job Creation Law amends several provisions in the Labor Law, including provisions regarding severance pay. Based on Government Regulation (PP) Number 35 of 2021, the amount of severance pay given to Labors has been adjusted so that it reflects the balance between Labors' rights and the financial condition of companies that are unable to pay their debts in full. However, in some ways it is considered lower than the previous regulation. If referring to the provisions of the Labor Law regarding the provision of severance pay, judging from the reasons for layoffs such as bankrupt companies, severance pay is given 0.5 times the provisions of Article 40 paragraph (2), according to the previous Law, Labors who are laid off for this reason will get full severance pay.⁵ In the context of bankruptcy, this change has caused debate because it has the potential to reduce protection for labor who lose their jobs due to company bankruptcy.

⁵ Rahmawati Kusuma, "Hak Pekerja Yang Mengalami Pemutusan Hubungan Kerja Berdasarkan Peraturan Pemerintah Nomor 35 Tahun 2021", *Jurnal Ilmu Hukum*, Vol. VI, No. 2, 2022, page 322

As a form of legal protection for Labors, Law Number 13 of 2003 concerning Labor regulates various labor rights, including the right to severance pay, benefits, and other compensation in the event of termination of Labor (PHK). Article 156 paragraph (1) of the Labor Law states that "In the event of termination of Labor, the Labor is obliged to pay severance pay and/or service award money as well as compensation for rights that should be received." However, in bankruptcy cases, the mechanism for fulfilling labor rights is often problematic because it overlaps with the provisions in the Bankruptcy Law. In addition, Article 95 paragraph (4) of the Labor Law states that "In the event that a company is declared bankrupt or liquidated, the payment of wages and other rights of labor/laborers becomes a debt that must be paid first." This article explains that wages and Labors' rights are "privilege debts" in the process of Bankruptcy.⁶ Although labor regulations prioritize Labors' rights in bankruptcy proceedings, their implementation is often hampered by priority payments to separatist creditors.⁷ Separatist creditors are creditors who hold material collateral rights over debtors. They can execute the collateral, even in bankruptcy, as if there were no bankruptcy.⁸

⁶ Article 95 paragraph (4) of The Labor Law

⁷ Hadyan Iman Prasetya, *Reposisi Piutang Negara Sebagai Kreditor Dalam Perkara Kepailitan*, Artikel DJKN, Accessed on February 25, 2025, at 14.30 <https://www.djkn.kemenkeu.go.id/artikel/baca/13839/Reposisi-Piutang-Negara-Sebagai-Kreditor-Dalam-Perkara-Kepailitan.html>

⁸ Mochamad Januar Rizki, *Tiga Jenis Kreditur dalam Proses Kepailitan*, Hukum Online, Accessed on February ,25, 2025 at 13.30, <https://www.hukumonline.com/berita/a/tiga-jenis-kreditur-dalam-perkara-kepailitan-lt62e895eda0096/>

The purpose of labor protection is to ensure that the labor relations system runs harmoniously without pressure from the strong to the weak.⁹

In addition, the Constitutional Court in Decision No. 168/PUU-XXI/2023 has provided a stronger legal basis regarding the prioritization of Labors' rights in the bankruptcy process. This decision emphasizes that Labors' rights must take precedence over the rights of other creditors, considering that these rights are fundamental to the survival of Labors and their families.¹⁰ In its ruling, the Constitutional Court affirmed that "Labors' rights, especially those related to wages and severance pay, must take precedence and must not be defeated by the interests of other creditors." The Constitutional Court Decision Number 168/PUU-XXI/2023 provides a strong legal basis to prioritize Labors' rights in the bankruptcy process. This decree states that the payment of Labors' wages owed must be given priority to all types of creditors, including separatist creditors, state rights claims, auction offices, and public bodies established by the Government.¹¹

In the event of bankruptcy, Labors' rights such as unpaid wages must take precedence over the rights of other creditors, including the state and government agencies. The Constitutional Court's ruling states that wages are a vital right of Labors whose payment takes precedence over all types of creditors, including

⁹ Abdullah Sulaiman dan Andi Wali, *Hukum Ketenagakerjaan/Perburuhan*, Yayasan Pendidikan dan Pengembangan Sumber Daya Manusia, Jakarta, 2019, page. 91

¹⁰ Arbi Dalimunthe, "Perlindungan Hukum Terhadap Hak Upah Pekerja Akibat Perusahaan Telah Dinyatakan Pailit", *Jurnal Publikasi Ilmu Hukum* Vol. 2 No. 3, 2024, page 382

¹¹ Nurlita Sibli, "Perlindungan Hukum Bagi Kreditor Separatis Terkait Jaminan Hak Tanggungan Yang Ditetapkan Sebagai Boedel Pailit", *LexEtSocietatis* Vol XI Issue 1, 2023 page 9

separatist creditors.¹² The Constitutional Court Decision No. 168/PUU-XXI/2023 strengthens the position of Labors as preferred creditors, even above the tax bill.

In the case of PT Sritex, the curator as the party who controls the bankruptcy assets under the Bankruptcy Law¹³ bears the responsibility to prioritize the payment of Labors' rights.¹⁴ However, reality shows that the process of settling assets is time-consuming, while thousands of Labors face economic uncertainty. This is where state intervention through the Ministry of Manpower becomes crucial, by ensuring the fulfillment of JKP, JHT, and coordination with curators to accelerate settlement.¹⁵

The government also took strategic steps by encouraging investors to lease PT Sritex's assets so that production can resume so that Labors affected by layoffs have the opportunity to be rehired. This effort is in line the Labor Law which mandates the state to protect the workforce.¹⁶ However, the mechanism still depends on the decision of the curator and the willingness of investors, which is not necessarily in line with the urgency of the needs of Labors.

¹² Imran Eka Saputra, "Kedudukan Hukum Kreditor Preferen Pajak dan Kreditor Preferen Buruh dalam Proses Kepailitan", *AL-ISHLAH: Jurnal Ilmiah Hukum*, Vol. 23, No. 2, 2020, page 163

¹³ Article 78 Laws Of The Republic Of Indonesia Number 37 Of 2004 About Bankruptcy And Postponement Of Debt Payment Obligations (Law on Bankruptcy)

¹⁴ <https://industri.kontan.co.id/news/pemerintah-komitmen-lindungi-pekerja-dalam-penyelesaian-kepailitan-pt-sritex> Accessed on 4 May 2025 at 01.30

¹⁵ https://www.setneg.go.id/baca/index/pemerintah_tegaskan_komitmen_lindungi_pekerja_dalam_penyelesaian_kepailitan_pt_sritex Accessed on 4 May 2025 at 03.45

¹⁶ Article 8 Law Number 13 of 2003 about Labor

On the other hand, Government Regulation Number 35 of 2021 concerning the Implementation of the Job Loss Insurance Program is the basis for fulfilling the JKP for PT Sritex Labors.¹⁷ However, technical challenges such as bill registration and data verification often slow down the distribution of benefits. This reflects the weak synergy between the labor authority, BPJS Ketenagakerjaan, and curators in handling bankruptcy cases.

The state intervention in the case of PT Sritex can also be seen from the active role of the Ministry of Manpower in ensuring that the normative rights of Labors are not ignored.

For example, Minister of Manpower Yassierli emphasized the government's commitment to overseeing severance payments and JKP.¹⁸ This step is strengthened by coordination with local governments in opening alternative job vacancies for affected Labors. However, the Bankruptcy Law has not fully accommodated a special mechanism for Labor protection. Article 1 of the Bankruptcy Law only defines bankruptcy as a public confiscation of all debtors' assets, without explicitly mentioning the priority of payment of Labors' rights. This

¹⁷ Article 11 paragraph (3) Government Regulation Number 35 of 2021 About Fixed-Time Employment Agreements, Outsourcing, Working Hours And Rest Time, And Termination Of Employment

¹⁸ <https://portal.sukoharjokab.go.id/2025/03/17/menteri-ketenagakerjaan-pantau-pelayanan-jkp-dan-jht-bagi-eks-karyawan-pt-sritex-sukoharjo/> Accessed on 4 May 2025 at 09.00, <https://www.ksp.go.id/pemerintah-tegaskan-komitmen-lindungi-pekerja-terdampak-kepailitan-pt-sritex.html> Accessed on 4 May 2025 at 09.15, <https://www.bloombergtechnoz.com/detail-news/64562/pemerintah-dan-kurator-jamin-uang-pesangon-buruh-pt-sritex> Accessed on 4 May 2025 at 09.20

has the potential to create a conflict between the curator's obligation to settle debts and Labors' rights guaranteed by the Labor Law.¹⁹

From a social justice perspective, the mass layoffs at PT Sritex test the state's consistency in enforcing Article 27 paragraph (2) of the 1945 Constitution which guarantees the right to work⁵. The government's efforts to revive company operations through asset leasing are to be appreciated, but it needs to be accompanied by strengthening regulations that ensure Labors' rights do not depend on the decisions of investors or curators.²⁰

Therefore, uncertainty regarding the labor rights of PT Sritex who are currently affected by layoffs is still a problem that must be taken seriously. Clarity about the company's policy towards them, as well as the legal steps that can be taken to ensure that Labors' rights are still met, is very important in dealing with the impact of the company's bankruptcy. In addition, the bankruptcy of PT Sritex has an impact on the supply chain of the national textile industry, reducing production capacity, and increasing the unLabor rate in the Labor ector, especially in Central Java. The psychological and social impact caused by economic uncertainty also contributes to the increase in poverty rates. Based on the explanation that the researcher has described above, the researcher is interested in examining how to

¹⁹ Marija Mijatović, "Protection of Workers' Rights in Bankruptcy Proceeding in Serbian and Western Balkans Legislation", *Studia Europejskie Studies in European Affairs*, Volume 28 Number 3, 2024, page 253

²⁰ Sonya Liani Ramadayanti, "Position of Tax Debt and Labor Right: Legal Review", *Journal La Sociale*, vol. 01, issue 04, 2020, page 7

arrange legal protection for Labors in the case of company bankruptcy, with the title Legal Protection For Labor Rights At The Bankrupt Of Pt Sritex.

B. Problem Formulation

Based on the context of study above, the following problems can be formulated :

1. How is the legal protection for labor rights at the bankrupt of PT Sritex?
2. What legal steps can labor take to ensure their rights are met in the PT Sritex bankruptcy case?

C. Research Purposes

1. To analyze the legal protection for the settlement of labor rights at the bankrupt PT Sritex.
2. To analyze the legal steps can labor take to ensure their rights are met in the PT Sritex bankruptcy case.

D. Originality of Research

The author has conducted a comprehensive literature review and inventory related to research on Legal Certainty in the Protection of Labor Rights in Bankrupt Companies: A Case Study of PT Sritex. From the search results, no previous studies were found that had similarities overall, but there were several studies that were related or similar in certain aspects. The following are the results of the study and inventory of previous research:

No.	Identity of previous research	Research Results	The Differences
1.	Research in the form of a Scientific Journal created by Dessy Permatasari from the University of Mataram with the title <i>“Perlindungan Hukum Bagi Para Pekerja/Buruh Di Perusahaan Yang Telah Dinyatakan Pailit (Studi Di Pt Asuransi Bumiputera)”</i> (2020)	PT Asuransi Bumiputera, which was declared bankrupt, has the primary responsibility to prioritize payment of Labores' basic wages before paying off other obligations such as taxes and company debts. Severance pay to Labores depends on the availability of company funds after the main obligations are met. Legal protection for Labores who are laid off due to bankruptcy has been regulated in Law No. 13 of 2003 concerning Labor and Law No. 37 of 2004 concerning Bankruptcy, which ensures labor rights to receive wages, long service awards, and compensation in accordance with applicable provisions.	The difference lies in the case studies used. The previous journal discussed the bankruptcy of PT Asuransi Bumiputera, a company in the financial services sector, while my thesis discussed the case of PT Sritex, which operates in the textile industry. This sector difference affects the complexity of the bankruptcy impact, where PT Sritex has a larger number of Labores and links to the global supply chain, while PT Asuransi Bumiputera focuses more on managing funds and financial obligations.
2.	Research in the form of a final assignment made by Bagus Ardiansah from Sultan Agung Islamic University with the title <i>“Perlindungan Hukum Terhadap Upah Buruh Dalam Perusahaan Pailit Di Pengadilan Niaga Semarang (Studi Perkara Nomor: 03/PAILIT/2012/PN.N IAGA.SMG)”</i> (2021)	Legal protection for labor wages in companies declared bankrupt, such as in Case Study Number: 03/Bankrupt/2012/Pn. Niaga. Smg, still faces obstacles in providing legal certainty for labor. Although the Labor Law stipulates that labor rights must be prioritized in the payment of bankrupt assets, in reality labor rights are still below the rights of separatist creditors, especially if the	The difference lies in the research methods used. The previous article used an empirical juridical approach, which involved interviews with relevant sources to understand how the law is applied in practice. On the other hand, my thesis uses a juridical approach which focuses on analyzing statutory regulations

		<p>company is insolvent. In some cases, labor do not even get their rights because all assets are used to pay off debts to creditors. In addition, Article 95 of the Labor Law which regulates the priority of payment of labor rights cannot be directly applied because there are other regulations that prioritize separatist creditors, as stipulated in the Civil Code and the Bankruptcy Law.</p>	<p>and legal doctrine without conducting direct research in the field. Previous writings emphasized aspects of legal practice in society, while my thesis is more oriented towards normative studies of applicable regulations.</p>
3.	<p>Research in the form of a undergraduated thesis made by Alfin Fajar Utomo from Wahid Hasyim University, Semarang with the title “<i>Hak Pekerja Pada Perusahaan Yang Pailit Menurut Undang-Undang Nomor 13 Tahun 2003 Tentang Ketenagakerjaan</i>” (2020)</p>	<p>Labor in a company declared bankrupt are entitled to one-time severance pay, one-time service award, and compensation for rights. If labor have a fixed-term Labor agreement, they are entitled to compensation in the amount of wages until the Labor agreement ends. If labor rights cannot be fulfilled due to the shrinking of bankrupt assets that have been used up by the debtor, labor can take legal action through a curator by filing an actio pauliana with the judge. In addition, labor can also use criminal law instruments based on Article 397 of the Criminal Code to sue debtors who are proven to have committed acts that are detrimental to labor rights.</p>	<p>The similarity between the previous article and my thesis is that both discuss the rights of labor in companies experiencing bankruptcy based on Law Number 13 of 2003 concerning Labor. Both highlight how these regulations regulate protection for labor affected by company bankruptcy, including the right to wages, severance pay and other compensation.</p> <p>The difference lies in the scope of discussion. The previous article examined this topic broadly without being limited to specific cases, thus providing a general</p>

			overview of legal protection for labor in various bankruptcy cases. Meanwhile, my thesis is more specific because it focuses on the PT Sritex bankruptcy case, so the discussion is more in-depth in analyzing how the law is applied in this case.
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E. Literature Review

1. Legal Protection

Legal protection, according to Satjipto Raharjo, is an effort to provide protection for the rights of others who are harmed, where the protection is given to the community to be able to enjoy their rights.²¹ While. According to Sudikno Mertokusumo, legal protection is a form of guarantee of human rights and obligations, both in fulfilling personal interests and in interactions with others.²²

Legal development and protection are built systemically, starting with substance, structure, and legal culture. Legal substance is a norm that forms the basis of human behavior in a society within a particular legal system.

²¹ Satjipto Rahardjo, *Ilmu Hukum*, PT. Citra Aditya Bakti, Bandung, 2000, page 54.

²² Sudikno Mertokusumo, *Mengenal Hukum Sebuah Pengantar*, Liberty, Yogyakarta, 2000, page. 42

Norms are the rules of law and regulations that guide people in their actions.²³

Effective legal development and protection requires alignment between the legal substance, legal structure, and legal culture in a country. The substance of law as a basic norm regulating the behavior of individuals and groups in society, includes rules that are not only coercive, but also reflect the values of justice that apply in that society. These legal norms, which are contained in various laws and regulations, serve to maintain social order and protect individual rights, including in the context of laborelations. However, the success of legal protection does not depend only on the substance of the law, but also on the legal structure that regulates the mechanism for the application and enforcement of the law, as well as the legal culture that exists in society.²⁴ An efficient legal structure, such as an independent judiciary and professional law enforcement officials, will strengthen the implementation of legal norms on the ground. On the other hand, a legal culture that reflects the legal awareness of the community will increase the level of compliance with the law, so that the achievement of optimal legal protection for the community, including workers, can be realized in a sustainable manner. Therefore, the development of a holistic and integrative

²³ Abdul Kadir Jaelani, "Legal Protection of Labor Wage Rights in Bankrupt Companies: Evidence from China", *Legality: Jurnal Ilmiah Hukum*, Vol 2 No.31, 2023, page 208

²⁴ Ida Hanifah, "Legal Protection Against Pays Of Workers Returned During The Covid-19 Pandemic Period In Indonesia", *Jurnal Revista de Gestão Social e Ambiental*, Vol 17 No.06, 2023, page 5

legal system is very important to create a fair and equitable legal order for all citizens.

2. Bankruptcy law in Indonesia

Bankruptcy can be interpreted as a state of creditors in a state of stopping paying debts due to inability. Bankruptcy has a different meaning from insolvency.²⁵ In Law No. 37 of 2004 in Article 1 paragraph (1) it states that "Bankruptcy is a general seizure of all assets of the Bankrupt Debtor whose management and settlement are carried out by the Curator under the supervision of the Supervisory Judge as regulated in this Law."²⁶

This means that this Article confirms that bankruptcy is a legal process that results in all assets or wealth of the bankrupt debtor becoming the object of general participation. This means that once a company or individual is declared bankrupt by the court, all of their assets are no longer under their control, but will be managed by the curator, namely the party appointed to manage and settle the debtor's obligations to creditors. This process aims to ensure that the bankrupt's assets can be distributed fairly to creditors in accordance with applicable laws. The curator acts as a party representing the interests of creditors in the bankruptcy process, with the task of

²⁵ Yuhelson, *Hukum Kepailitan di Indonesia*, Ideas Publishing, tahun 2019, Gorontalo, page 11

²⁶ Article 1 Paragraph (1) of Law No. 37 of 2004 concerning Law on Bankruptcy

calculating, managing and selling the debtor's assets to pay off outstanding debts.

The role of the Supervisory Judge in this article is to supervise the performance of the curator and ensure that the bankruptcy process is carried out in accordance with the law, is transparent, and does not harm any party. The Supervisory Judge is tasked with ensuring that there are no actions that conflict with legal principles, such as embezzlement of assets or illegal prioritization of one creditor. With this mechanism, the law seeks to provide legal certainty for all parties involved in bankruptcy, including creditors, debtors, and labor who have the right to payment of wages and severance pay. This aims to prevent abuse in the asset liquidation process and to ensure that the settlement of obligations is carried out fairly and in accordance with applicable laws.

Bankruptcy is the probability that a bankruptcy court will decide in favor of a bankrupt company exiting bankruptcy. Unlike the risk of entering bankruptcy, bankruptcy is a function of the relative value that creditors expect to receive if the bankrupt company survives versus is liquidated.²⁷ From the creditor's perspective, the existence of the Bankruptcy Law provides a guarantee of protection for their rights, so that it can avoid the possibility of debtor actions that are detrimental to the creditor. With this

²⁷ Niket Jindel, "The Impact of Advertising and R&D on Bankruptcy Survival: A Double-Edged Sword", *Journal of marketing*, Vol 84, Issue 5, 2020, Page 25

regulation, any action that has the potential to harm creditors can be prevented, so that the interests of all parties in the bankruptcy process can be accommodated fairly and transparently.²⁸

3. Labor Rights in Bankrupt Companies

In the bankruptcy process, a director of a company declared bankrupt must consider the interests of their company's creditors.²⁹ Labor are categorized as preferred creditors because they have special rights to wage payments and other rights that have been regulated in laws and regulations. Labor are not included in separatist creditors, who have property security rights such as pledges or mortgages, because labor rights are not guaranteed by certain assets. As preferred creditors, labor have the right to be prioritized in wage payments, severance pay, and other rights as regulated in Article 95 paragraph (4) of the Labor Law. However, labor rights remain below separatist creditors who receive top priority in the distribution of the bankrupt debtor's assets. On the other hand, labor are also not concurrent creditors, namely creditors who do not have collateral rights or special rights, because they still receive legal protection that prioritizes the payment of Labor rights before assets are distributed to concurrent creditors.

²⁸ Yuhelson, *Hukum Kepailitan di Indonesia*, Ideas Publishing, Gorontalo, tahun 2019, page 17.

²⁹ Andrew Kreay, "Financial distressed companies and directors' obligation to consider creditors' interests: An Anglo-Australian comparison of the obligation's trigger and application", *Common Law World Review*, Vol 53, Issue 3, 2024, Page 110

Labor rights are often not respected in practice. Many labor experience non-fulfillment of their Labor's obligations arising from their labor relationship.³⁰ Ineffective enforcement of labor rights in practice is a problem. And often these violations do not only concern individual labor; instead, many labor are victims of the same or similar types of violations. However, in the Constitutional Court Decision Number 67/PUUXI/2013, the difference in position between wages and other labor rights has been in accordance with existing laws and regulations. Labor wages can precede separatist creditors, where labor wages based on the Bankruptcy Law are debts of bankrupt estates that have the right to be prioritized over any creditor.³¹

When a company is declared bankrupt, Labores have the right to terminate their Labor relationship unilaterally. On the other hand, the curator responsible for managing the bankrupt estate also has the right to dismiss Labores, while still following the provisions of the laws and regulations related to Labor..

³⁰ Barbara Kresal, "Collective redress and labor' rights in Slovenia", *European Labor Law Journal*, Vol 12, Issue 4, 2021, Page 479

³¹ Revilia Wulandari, "Analisis Yuridis Putusan Mahkamah Konstitusi Nomor 168/PUU-XXI/2023 Tentang Pengujian Pasal 95 Ayat (4) Undang-Undang Nomor 13 Tahun 2003 Tentang Ketenagakerjaan", Undergraduated thesis from Universitas Negeri Surabaya, page 8

F. Operasional Definition

1. Legal Protection

According to Hetty Hasanah, legal protection is any effort that can guarantee legal certainty, so that it can provide legal protection to the parties concerned or those who carry out legal actions.³²

2. Labor

A labor/laborer is any person who works and receives wages or other forms of compensation.³³

3. Bankruptcy

Bankruptcy is a general seizure of all assets of a Bankrupt Debtor, the management and settlement of which is carried out by the Curator under the supervision of the Supervising Judge as regulated in this Law.³⁴

G. Research Methods

1. Type of Research

In conducting this research, the author employed normative legal research, namely the application of legal rules supported by legal theories and concepts combined with legal facts. Normative legal research was conducted by examining laws and regulations relating to legal protection for workers at the bankrupt PT Sritex, supplemented by an analysis of relevant

³² Hetty Hasanah, *Perlindungan Konsumen dalam Perjanjian Pembiayaan Konsumen atas Kendaraan Bermotor dengan Fidusia*, accessed March 10, 2025, at 20.22 from <http://jurnal.unikom.ac.id/vol3/perlindungan.html>.

³³ Article 1 Paragraph (3) of Law Number 13 of 2003 concerning Labor Law

³⁴ Article 1 Paragraph (1) of Law No. 37 of 2004 concerning Law on Bankruptcy

court decisions. The results of this study were then used to provide an overview of legal protection for workers in the PT Sritex bankruptcy case and the legal remedies that can be taken to fulfill their rights.

2. Research Approach

This research uses two approaches, namely the statutory approach and the case approach. The statutory approach or legal approach is a study of legal products. This statutory approach is carried out to examine all laws and regulations related to the research to be studied, namely the Employment Law No. 13 of 2003, the Bankruptcy Law No. 37 of 2004, and the Constitutional Court decision No. 168 / PUU-XXI / 2023. The case approach is carried out by examining a case that has legal issues related to a court decision that has permanent legal force, namely in the case of PT Sritex which was declared bankrupt in the Semarang District Court decision number 2 / Pdt.Sus-homologasi / 2024 / PN.Niaga.Smg

3. Object of Research

Based on the problems to be studied, the object of this study is legal protection for the rights of PT Sritex labor affected by bankruptcy, based on the Constitutional Court Decision No. 168/PUU-XXI/2023 and the Semarang District Court decision number 2 / Pdt.Sus-homologasi / 2024 / PN.Niaga.Smg

4. Sources of Research Data

The author use secondary data which is data obtained from primary, secondary and tertiary legal materials, including :

a. Primary Legal materials

Primary legal materials are sources of law consisting of laws and regulations, official notes or minutes in the making of laws and regulations, and minutes of judges that have an authoritative nature.³⁵ In this study, the laws and regulations used are :

1) Civil Code

2) Law no. 37 of 2004 concerning Bankruptcy and Postponement of Debt Payment Obligations PKPU

3) Labor Law no. 13 of 2003

4) Government Regulation No. 35 of 2021

5) Constitutional Court Decision Number 168/PUU-XXI/2023

b. Secondary legal materials

Secondary legal materials are sources of law that are closely related to primary legal materials and can assist the research process.³⁶ These

³⁵ Peter Mahmud Marzuki, *Penelitian Hukum*, Kencana, Jakarta, 2017, page 181

³⁶ Mukti Fajar ND and Yulianto Achmad, *Dualisme Penelitian Hukum Normatif dan Empiris*, Pustaka Pelajar, Yogyakarta, 2015, page 318

secondary legal materials are in the form of books, papers, and scientific journals related to the research object.

c. Tertiary legal materials

Tertiary legal materials are complementary to primary and secondary data. These tertiary legal materials include the Legal Dictionary, the Great Dictionary of the Indonesian Language.

5. Data collection technique

The data collection methods used in this research are:

- a. The data collection technique in this writing is done through literature study, namely by searching from various library sources.
- b. The researcher also used interviews to collect additional data by conducting questions and answers to PT Sritex employees as informants.

6. Data Analyze

All data are analyzed qualitatively in narrative form, namely emphasizing data analysis that is not in the form of numbers, but in the form of narratives, stories, written or unwritten documents (pictures and photos) or non-numerical forms.³⁷

³⁷ H. Zainuddin, *Metode Penelitian Hukum*, Sinar Grafika, Cetakan Pertama, Jakarta, 2009, page 133.

H. Thesis Framework

This research was structured by dividing into 4 (four) chapters, as follows:

CHAPTER I is an Introduction consisting of Context of the Study, Problem Formulation, Research Objectives. Originalities of the Research, Operational Definitions, Literature Review, Research Methodology and Thesis Framework.

CHAPTER II is a General Overview, which discusses in detail the theories related to the formulation of the problems in this study, including Bankruptcy Theory, Legal Protection Theory such as the Concept of legal protection for labor, The relationship between legal protection and legal certainty for labor in bankrupt companies. Then Labor Rights in Company Bankruptcy aka Labor Protection in Labor law and the Legal Position of labor in companies experiencing bankruptcy such as the Position of Labor as Creditors in Bankruptcy Law

CHAPTER III is Finding and Results. This chapter contains the research results and discussions obtained by the author by presenting the research results in the form of an analysis of legal protection for labor rights in the company bankruptcy process based on Law No. 37 of 2004 concerning Bankruptcy and Suspension of Debt Payment Obligations, and Law No. 13 of 2003 concerning Labor which has been amended in Law No. 11 of 2020 concerning Job Creation. In addition, this chapter also discusses legal efforts