

## Substantive and Procedural Justice Principles in the Implementation of Industrial Court Decisions: Challenges and Solutions



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**ABSTRACT:** The issues related to the execution of industrial relations court decisions often involve delays in implementing decisions and resistance from employers that can postpone or avoid the execution of decisions. Additionally, discrepancies between court rulings and field implementation frequently occur due to inadequate law enforcement and weak supervision. The research questions in this study are: How do the principles of substantive justice and procedural justice apply to the implementation of industrial relations court decisions? And what are the challenges and solutions in the implementation of industrial relations court decisions? This research is classified as normative legal research. The approach used in this research is the statute approach. Data collection is conducted through literature study, and data analysis is performed descriptively. Substantive justice requires that industrial relations court decisions reflect a fair distribution of rights and obligations, such as compensation and the restoration of rights for workers unfairly dismissed. Procedural justice emphasizes an equitable and transparent decision-making process, which is related to the effective implementation of decisions. Major challenges in implementing decisions include delays, employer resistance, and discrepancies in implementation, while solutions involve strengthening law enforcement, simplifying legal processes, education, socialization, and alternative dispute resolution mechanisms.

**KEYWORDS:** Substantive Justice, Procedural Justice, Industrial Relations Court Decisions.

### I. INTRODUCTION

Industrial relations is a crucial aspect of the employment system that ensures a balance of rights and obligations between employers and employees. In Indonesia, industrial courts play a key role in resolving labor disputes and ensuring the enforcement of labor laws. One of the primary objectives of these courts is to guarantee that decisions reflect fairness for all parties involved. In this context, two main principles that must be observed are substantive justice and procedural justice.

Substantive justice focuses on the outcome or content of the court's decisions. This principle requires that the results of the decisions align with the rights and obligations established by applicable laws and are fair to all parties. The decisions must reflect a deep understanding of the case facts and relevant laws. It is important to ensure that both workers' and employers' rights are respected and fulfilled in a balanced and equitable manner.

However, the application of substantive justice in practice often faces various challenges. Industrial relations cases frequently involve many complex aspects, such as labor regulations, employment contracts, and interpersonal relationships. This complexity makes fair assessment difficult. Additionally, issues related to information gaps arise, where parties in disputes may lack adequate access to relevant information or evidence needed to defend their rights.

On the other hand, procedural justice concerns how the judicial process is conducted. This principle emphasizes that the decision-making process must be fair and transparent, providing equal opportunities for all parties to present their views and evidence. A fair process not only ensures that the decisions made are substantive but also strengthens public trust in the judicial system.

However, challenges to procedural justice are also significant. Complicated and unclear court procedures can hinder parties in a dispute from effectively participating in the judicial process. A lack of transparency in the judicial process can also lead to mistrust in the outcome, especially if there is a perception that the process is unfair or influenced by external interests.

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Inequality in access to justice is also a critical issue. Parties with more resources may have an advantage in legal proceedings compared to those with fewer resources. This can create unfairness in the judicial process and disadvantage those who are less able to effectively defend their rights.

In addressing these challenges, it is important to seek effective solutions to ensure that both substantive and procedural justice principles are well applied. For example, enhancing judges' and lawyers' understanding of these principles through training and education could help. Additionally, ensuring adequate access to information for all parties and establishing independent oversight mechanisms to prevent external influences are also crucial steps.

Furthermore, efforts to simplify legal procedures and improve transparency in the judicial process can help address challenges related to procedural justice. This way, all parties in a dispute can better understand the judicial process and participate effectively.

Overall, addressing these challenges and implementing appropriate solutions will help improve the quality and fairness of industrial court decisions. This will not only enhance the industrial relations court system but also contribute to the creation of a more just and sustainable industrial relations environment in Indonesia.

Based on the background above, the research questions in this study are: How are substantive and procedural justice principles applied in the implementation of Industrial Court decisions? And what are the challenges and solutions in the implementation of Industrial Court decisions?

### **II. RESEARCH METHODS**

This research is a type of normative legal research, namely legal research that places law as a building system of norms consisting of principles, norms, rules and regulations, court decisions, agreements, and doctrine. The approach used in this research is the statute Approach, which is an approach that uses regulations. The data collection technique used is literature study. Data analysis is conducted descriptively. Descriptive analysis means that the author provides an explanation of the subject and object of the research based on the results obtained from the study.

### **III. RESULTS AND DISCUSSION**

#### **PRINCIPLES OF SUBSTANTIVE AND PROCEDURAL JUSTICE IN THE IMPLEMENTATION OF INDUSTRIAL COURT DECISIONS**

##### **1. Substantive Justice**

Substantive justice is a principle that measures fairness based on the final outcome of a decision or policy, rather than just the process or procedures used to reach it. This principle emphasizes the content of the decision's outcome and the equitable and fair distribution of rights and obligations.

According to Rawls (1971), substantive justice involves two main principles: the principle of equality and the principle of difference. The principle of equality states that each individual should have the same rights to equal freedoms. The principle of difference allows inequalities only if they benefit the least advantaged positions in society.

In the context of public policy, substantive justice assesses whether a policy effectively reduces inequality and provides fair benefits to all parties. For example, a wealth distribution policy aimed at reducing the economic gap between the rich and the poor can be evaluated in terms of substantive justice if it effectively improves the well-being of the less fortunate groups.

Substantive justice measures fairness based on the final outcomes of decisions or policies, not just the process. In the context of industrial relations, this principle ensures that court decisions are not only fair in their procedures but also in their results.

Substantive justice requires that court decisions in industrial relations reflect a fair distribution of rights and obligations. For instance, if a worker is unfairly dismissed, the court's decision should provide fair compensation and restore the worker's rights equitably. According to Rawls (1971), the principle of substantive justice ensures that decision outcomes benefit the least advantaged positions.

In industrial relations, substantive justice necessitates attention to the specific conditions of the parties involved. This includes factors such as working conditions and the social impact of decisions. Sen (2009) emphasizes the importance of considering the social and economic context in the assessment of substantive justice.

The implementation of Industrial Court decisions must align with the principles of substantive justice. Nussbaum (2000) highlights the importance of effectively implementing the rights recognized by decisions to ensure substantive justice. Substantive justice also balances competing interests between workers and employers, striving to find fair solutions for all parties. This aligns with the principles discussed by Rawls (1971), where decisions must consider the well-being of all parties, especially the least advantaged.

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Decisions that meet the standards of substantive justice are likely to be more accepted by the involved parties, reducing the risk of prolonged conflicts. This supports more efficient dispute resolution, consistent with Sen's (2009) theory of justice in a social context.

An example of substantive justice in unilateral termination of employment involves a fair assessment of the reasons for termination, as well as the compensation or rights of workers that must be fulfilled. Court decisions should consider the rights and obligations of both parties.

### **2. Procedural Justice**

Procedural justice and the implementation of court decisions in industrial relations are closely related, as procedural justice focuses on how decisions are made, while the implementation of decisions concerns applying those outcomes in practice. Procedural justice ensures that the decision-making process is conducted fairly, transparently, and inclusively, while the implementation of decisions aims to apply those decisions fairly and effectively.

Procedural justice refers to the principle that decision-making processes should be conducted fairly, transparently, and accessibly. In the context of industrial relations, this includes the right to be heard, equal access to information, and impartial procedures. There are several ways in which procedural justice and the implementation of Industrial Court decisions are interconnected, as follows:

#### **a. Fair and Transparent Processes**

Procedural justice ensures that decision-making processes are conducted in a fair and transparent manner, providing all parties with an equal opportunity to present their arguments and evidence. When the Industrial Court adheres to procedural justice principles, the implementation of its decisions is more likely to be accepted by all parties because the process is perceived as fair. According to Lind and Tyler (1988), procedural justice contributes to the acceptance of decisions by increasing trust in the process.

#### **b. The Right to Be Heard**

In industrial relations, the right to be heard is a crucial element of procedural justice. If parties feel that they have been given a fair opportunity to present their views, they are more likely to comply with and implement the issued decisions. Tyler (2006) emphasizes that procedural justice enhances compliance with decisions because parties feel the process is fair and represents their interests.

#### **c. Oversight and Accountability**

Procedural justice also includes mechanisms for oversight and accountability to ensure that decisions are applied fairly. Transparent and monitored implementation of decisions enhances trust in the judicial system and reduces the potential for additional disputes. According to Thibaut and Walker (1975), procedural justice plays a vital role in reducing dissatisfaction and post-decision conflicts by ensuring that decisions are made through accountable processes.

#### **d. Prevention of Deviations**

By applying the principles of procedural justice, courts can prevent deviations and injustices in the implementation of decisions. A fair process ensures that decisions are not only legally valid but also substantively fair. Lind and Tyler (1988) explain that fair procedures help reduce the likelihood of dissatisfaction by providing adequate procedures for all parties.

#### **e. Compliance and Law Enforcement**

Compliance with court decisions greatly depends on the belief that the judicial process was fair. Procedural justice supports law enforcement by ensuring that all parties perceive the decision-making process as fair, which in turn enhances compliance with the decisions. Tyler (2006) shows that a fair process leads to outcomes that are more accepted and easier to implement.

## **CHALLENGES AND SOLUTIONS IN THE IMPLEMENTATION OF INDUSTRIAL COURT DECISIONS**

### **1. Challenges**

#### **a. Delays in the Execution of Decisions**

Delays in the execution of decisions occur when the implementation of court decisions is not carried out within the specified time frame or experiences postponements. This can be caused by various administrative factors or resistance from the involved parties.

Several factors contribute to delays in the execution of decisions, including:

- 1) **Slow Bureaucracy:** Complex administrative procedures often lead to delays in decision execution.
- 2) **Resistance from Parties to the Decision:** The losing party may delay the implementation of the decision through various means, including appeals or non-compliance with orders.

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3) Lack of Resources: Limitations in resources for implementing decisions, such as manpower or budget constraints, can cause delays.

The impact of slow decision execution affects workers, employers, and the judicial system. For workers, the economic well-being is at stake as those disadvantaged may experience financial difficulties if favorable decisions are not implemented promptly. Additionally, the uncertainty and delays can exacerbate stress and emotional pressure on workers.

For employers, the impact involves reputational damage, as delays in decision implementation can harm their reputation and lead to further conflicts. There are also additional costs, as delays may incur extra expenses such as fines or interest on unpaid compensation.

For the judicial system, the impact relates to public trust. Delays can erode public confidence in the judicial system and its effectiveness. Moreover, they disrupt the efficiency of the legal system and contribute to a backlog of cases.

The aspects causing delays in the execution of decisions include:

- 1) Procedural Aspects: Complex legal procedures that take time to follow can lead to delays. Additionally, limitations in court administration, such as delays in registration or other administrative processes, can hinder implementation.
- 2) Involved Parties Aspects: The losing party often files appeals or other legal measures to delay execution. Moreover, a lack of cooperation or non-compliance from the involved parties can slow down the execution process.
- 3) External Aspects: Limited resources available for executing decisions, such as funding or manpower, can cause delays. Additionally, external factors such as economic crises or natural disasters can impact the execution of decisions.

### b. Resistance from Employers to the Implementation of Court Decisions

Resistance from employers to the implementation of court decisions often poses a significant issue within the legal system. This non-compliance can negatively impact the fairness and efficiency of the judicial system. Research indicates that employers frequently seek various methods to avoid or delay the implementation of decisions, whether through legal procedures or negotiation strategies. This may include requests for postponements, appeals, or attempts to file new lawsuits related to the same issue.

One of the primary reasons for this resistance is the economic burden incurred by employers as a result of implementing the decision. Some employers perceive that the cost of complying with the decision is much higher compared to the cost of delaying its execution. Additionally, this resistance can also stem from legal uncertainty or a lack of clarity in legal implementation, providing employers with reasons to postpone compliance.

### c. Discrepancies Between Court Rulings and On-the-Ground Implementation

Discrepancies between Industrial Court rulings and on-the-ground implementation refer to issues that arise when the decisions made by the industrial court are not fully applied or do not align with the practical realities in the field. Industrial relations in Indonesia are governed by Law No. 13 of 2003 on Manpower, which provides a dispute resolution mechanism between employers and employees through the industrial court. However, there are often discrepancies between court decisions and their implementation.

The Industrial Court, under Law No. 2 of 2004 on Industrial Relations Dispute Settlement, has the authority to resolve disputes between workers and employers. Court decisions are expected to be accepted and implemented by the parties involved in the dispute.

Issues related to Industrial Court decisions include a lack of implementation. Often, despite the court issuing a clear decision, the on-the-ground execution does not align with it. This is due to various factors, including insufficient law enforcement or non-compliance by the losing party.

Oversight of the implementation of court decisions is frequently weak. Relevant agencies may lack the capacity or resources to ensure that decisions are properly executed. For example, in the case of PT. XYZ versus the Workers' Union, although the court ruled that the company must pay compensation to workers who were unlawfully terminated, the company did not implement the decision. This case illustrates a common problem in labor law enforcement.

To reduce discrepancies, there needs to be improved oversight and coordination between the court, labor departments, and other relevant agencies. Additionally, enhancing understanding of court decisions and legal obligations through socialization and education for employers and workers is crucial.

## 2. Solutions

Solutions for Enhancing Execution of Decisions:

### a. Strengthening Law Enforcement

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To enforce the law effectively, it is necessary to apply sanctions or fines for parties that do not comply with court rulings to encourage timely execution. Alternative approaches can include mediation and conciliation to resolve disputes more quickly.

- 1) Enhancing Supervisory Capacity  
Increase the capacity and authority of supervisors to address non-compliance with decisive actions.
- 2) Collaboration with Law Enforcement Authorities  
Involve law enforcement authorities such as the police to assist in the execution of decisions that involve high levels of conflict or resistance.
- b. Simplifying Legal Processes
  - 1) Procedural Reform  
Simplify legal procedures for executing decisions to make them more efficient and faster.
  - 2) Digitalization of Legal Processes  
Implement digital systems to track and manage the execution of decisions, which can expedite the process.
- c. Education and Socialization
  - 1) Educational Programs for Employers and Workers  
Enhance knowledge about their rights and obligations, as well as the impact of implementing court decisions.
  - 2) Socialization of Court Decisions  
Socialize court decisions to relevant parties to ensure they understand and comply with the rulings.
- d. Alternative Dispute Resolution Mechanisms
  - 1) Mediation and Conciliation  
Use mediation or conciliation to resolve disputes before executing decisions, which can reduce conflicts and speed up resolution.
  - 2) Utilization of Arbitration  
Employ arbitration to handle disputes that cannot be resolved through traditional judicial processes.

## V. CONCLUSIONS

1. Substantive Justice requires that Industrial Court rulings reflect a fair distribution of rights and obligations, such as providing compensation and restoring workers' rights if they are unlawfully terminated. The execution of decisions must align with this principle, ensuring that the rights recognized by the ruling are effectively implemented. On the other hand, Procedural Justice and the implementation of Industrial Court decisions are interconnected: procedural justice emphasizes a fair and transparent decision-making process, while the implementation of decisions focuses on applying the ruling fairly and effectively in practice.
2. Challenges in the implementation of Industrial Court decisions include delays in the execution process, resistance from employers against the implementation of rulings, and discrepancies between decisions and their on-the-ground execution. Solutions to improve the execution of decisions include: Strengthening Law Enforcement (Enhancing Supervisory Capacity and Collaboration with Law Enforcement Authorities), Simplifying Legal Processes (Procedural Reform and Digitalization of Legal Processes), Education and Socialization (Educational Programs for Employers and Workers and Socialization of Court Decisions), and Alternative Dispute Resolution Mechanisms (Mediation and Conciliation, and Utilization of Arbitration).

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