THE EFFECTIVENESS OF THE ROLE OF THE MEDIATOR IN THE EQUITABLE SETTLEMENT OF INDUSTRIAL RELATIONS DISPUTES

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Abstract: The State of Indonesia is obliged to regulate Mediators to effectively settle industrial relations disputes through a sound industrial relations system. The industrial relations system formed between the actors in producing goods and services is expected to create harmonious and just industrial relations. The problems in this study are; (1) What is the role of the mediator in creating harmonious industrial relations? (2) How is the effectiveness of the mediator’s role in the fair settlement of industrial relations disputes? This research method uses normative juridical, a study that is very closely related to primary data in the form of related laws and regulations, and secondary data in the form of literature books. The approach method used in this research is empirical juridical. Juridical research is the law which is conceptualized as the effectiveness of the mediator’s role in the fair settlement of industrial relations disputes. The results showed that; (1) The role of mediator in creating harmonious industrial relations by providing understanding to workers and employers regarding labor regulations to create harmonious industrial relations. The role of the industrial relations mediator is preventive or preventing industrial relations disputes from occurring. (2) The effectiveness of the mediator’s role in the just settlement of industrial relations disputes must guarantee a fair and effective settlement of industrial relations disputes. In a fair and effective settlement of industrial relations disputes, the ideal mediation is resolved by a fair and non-discriminatory institution. The disputing parties can choose a mediator deemed the neutral parties capable of doing justice and fair settlement procedures.

Keywords: Mediator; Industrial Relations Dispute Settlement; Justice.

Abstrak: Negara Indonesia berkewajiban mengatur Mediator untuk penyelesaian perselisihan hubungan industrial yang ekatif secara kelembagaan melalui sistem hubungan industrial yang baik. Sistem hubungan industrial yang terbentuk di antara para pelaku proses produksi barang dan jasa diharapkan dapat menciptakan hubungan industrial yang harmonis dan berkeadilan. Permasalahan dalam penelitian ini adalah: (1) Bagaimana peran mediator dalam menciptakan hubungan hubungan industrial yang harmonis? (2) Bagaimana efektivitas peran mediator dalam penyelesaian perselisihan hubungan industrial yang berkeadilan? Metode penelitian ini menggunakan yuridis normatif, yaitu suatu penelitian yang sangat erat hubungannya data primer berupa peraturan prundang-undangan terkait dan data sekunder berupa buku-buku literatur. Metode pendekatan yang digunakan dalam penelitian ini adalah yuridis empiris. Penelitian yuridis adalah hukum yang dikonsepsikan sebagai efektivitas peran mediator dalam penyelesaian perselisihan hubungan industrial yang berkeadilan. Hasil penelitian menunjukkan bahwa: (1) Peran mediator dalam menciptakan hubungan industrial yang harmonis dengan memberikan pemahaman kepada pekerja dan pengusaha mengenai peraturan ketenagakerjaan agar tercipta hubungan industrial yang harmonis. Peran Mediator hubungan industrial bersifat preventif atau mencegah agar tidak terjadi perselisihan hubungan industrial. (2) Efektivitas peran mediator dalam penyelesaian perselisihan hubungan industrial yang berkeadilan harus memberikan jaminan penyelesaian perselisihan hubungan industrial yang adil dan efektif. Mediasi yang ideal, dalam penyelesaian perselisihan hubungan industrial yang adil dan efektif diselesaikan oleh
kelembagaan yang adil dan tidak diskriminasi, pihak yang bersengketa dapat memilih mediator dianggap para pihak netral mampu berbuat adil dan prosedur penyelesaian yang adil.

Kata Kunci: Mediator; Penyelesaian Perselisihan Hubungan Industrial; Berkeadilan.

A. Introduction

Industrial relations in Indonesia are based on industrial relations based on Pancasila, namely the relationship between actors in the production process of goods and services (workers, entrepreneurs, and the government) based on values that are a manifestation of the overall precepts of Pancasila and the Constitution. The Republic of Indonesia in 1945 (the 1945 Constitution of the Republic of Indonesia) grew and developed above the nation’s personality and national culture. (Adrian Sutedi, 2009)

The principle adopted in industrial relations based on Pancasila is that industrial relations aim to: a) create peace of mind or peace of mind in business; b) increase production; c) improve the welfare of workers and their degrees following human dignity. Industrial relations based on Pancasila must be carried out according to three partnerships: partnership responsibility, partnership in production, and partnership in profit. The situation strongly influences the development of the business world and the condition of industrial relations, especially the role of interested parties in the business world (stakeholders). The better the industrial relations, the better the development of the business world.

Based on Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes (UU PPHI), the mediator is the Mediator. The Regency/Municipal Government at the Regency/Municipal Manpower and Transmigration Office is obliged to provide industrial relations mediators in their regions so that public services, especially workers/laborers and entrepreneurs, in settlement of industrial relations disputes can be resolved properly.

According to Abdul Khakim (Abdul Khakim, 2003), the definition of industrial relations is more based on the Pancasila industrial relations theory, which is a system formed between actors in the process of producing goods and services based on the values of Pancasila and the 1945 Constitution of the Republic of Indonesia, which grows and develops on the personality of the nation and Indonesian national culture. Industrial relations, as formulated in Article 1 point (16) of the UUK, which provides an understanding of industrial relations, are a system of relations formed between actors in the process of producing goods and/or services consisting of elements of entrepreneurs, workers/laborers, and the government based on the values of Pancasila and the 1945 Constitution of the Republic of Indonesia.

In creating harmonious, harmonious, and harmonious industrial relations, it is necessary to balance the interests of workers, employers, and leaders because the three components have their respective interests. This follows the principle of industrial relations applied in Indonesia, namely the principle of industrial relations Pancasila. This principle requires that various problems or disputes in the labor sector be resolved through the Pancasila industrial relations principle. (R. Joni Bambang, 2013)

Industrial Relations Mediator has a strategic and decisive role in realizing conducive and harmonious industrial relations. This is due to the function of the industrial relations mediator as the spearhead in a mediation mechanism for the settlement of industrial relations disputes outside the courts.

The role of the mediator in the case of a dispute over termination of employment is to act as a conciliator, i.e., if he has officially received a notification from one of the
disputing parties and formally brings together the parties concerned and brings them to deliberation to reach a consensus which will then be poured into an agreement. The disputing parties signed a mutual agreement. This issue is interesting to study in writing a journal entitled “The Effectiveness of the Role of Mediator in the Equitable Settlement of Industrial Relations Disputes.”

B. Formulation of the Problem
Based on the description of the background above, the problems are as follows:
1. What is the role of the mediator in creating harmonious industrial relations?
2. How is the effectiveness of the mediator’s role in the fair settlement of industrial relations disputes?

C. Research Method
This research method uses normative juridical, a study closely related to the library, secondary data in the form of literature books, and primary data in the form of related legislation. The approach method used in this research is empirical juridical. Juridical research is law conceptualized as the mediator’s role in settlement of industrial relations disputes. Oriented to legislation, both the current law as positive law, then the formulation of the law for the future. While empirical research (Mukti Fajar ND, 2010) examines the reactions and interactions that occur when industrial relations disputes arise between workers and employers in the norm system that works against local government human resources, the task of the researchers is to examine the effectiveness of the mediator’s role in the fair settlement of industrial relations disputes.

D. Discussion
1. The Mediator’s Role in Creating Harmonious Industrial Relations
   a. Industrial Relations in the Employment Law System
      Disputes that arise between entrepreneurs/employers or associations of entrepreneurs and trade unions/labor unions because one of the parties in the work agreement or collective labor agreement does not fulfill the contents of the work agreement or violates the legal provisions that apply to the mutually agreed working relationship. (Sehat Damanik, 2006)

      One or both parties shall register their dispute with the agency responsible for the local human resources sector by attaching evidence that efforts to resolve it through bipartite negotiations have been carried out. After receiving a record from one or both parties, the agency responsible for local human resources affairs is obliged to offer the parties to agree and choose a settlement through conciliation or through arbitration. (Bagus Sarnawa dan Johan Erwin Isharyanto, 2010)

      The relationship between workers, employers, and the government in the labor law system is an effort to regulate conflicts between workers/labor and employers/employers into a system of legal rationality. The goal is to find a compromise that will win the most significant “Consensus.” Social phenomena show that with the passage of time and the process of industrial relations activities that have not yet reflected the existence of industrial peace, there is an impression that the government tends to be ambivalent in dealing with conflicts between workers/laborers and entrepreneurs/employers.
The government recognizes that conflicts or disputes are inevitable. Still, on the other hand, the government seems to avoid taking a position in anticipation of harmonization of relations between workers and employers. In realizing the harmonization of industrial relations, the government has made various efforts. These efforts are actualized by reconciling the parties for freedom of association and efforts to settle industrial relations disputes in the context of achieving stability and economic growth. The government has made various efforts for harmonious relations between workers/labors and employers/employees. However, the many obstacles faced still take time and more hard work for its effectiveness and realization.

The government has provided legal protection for workers/labors facing industrial relations disputes with employers. These include: in the case of layoffs, Law Number 13 of 2003 concerning Manpower (UUK) stipulates that “the entrepreneur can only terminate the employment relationship with the worker/laborer after obtaining a determination from the industrial relations dispute settlement institution.” The UUK stipulates that a written application for termination of employment shall be submitted.

In this case, the government intends to improve matters concerning legal employment issues, namely the mechanism for resolving industrial relations disputes, the primary purpose of which is to provide enlightenment in realizing justice in settlement of industrial relations disputes. The parties may proceed to settle the dispute to the Industrial Relations Court at the local District Court. The procedural law that applies to the Industrial Relations Court is the Civil Procedure Law used to the Courts within the General Courts, except those specifically regulated in this law. In the Industrial Relations Court proceedings, the litigating parties are not charged any fees, including the execution fee whose claim value is below IDR 150,000,000.00 (one hundred and fifty million rupiahs).

The time limit for the Panel of Judges to settle the case at the District Court Level is no later than 50 (fifty) working days from the trial of the case. In the case of an appeal for cassation, the time limit for the Registrar of the Industrial Relations Court at the District Court for submission of case files to the Chief Justice of the Supreme Court is no later than 14 (fourteen) working days from the date of receipt of the cassation application. The deadline for the Supreme Court to declare settlement of disputes over rights or layoffs is no later than 30 (thirty) working days from the date of receipt of the appeal.

b. The Mediator’s Role in Creating Harmonious Industrial Relations

The function of the Mediator as a settlement of industrial relations disputes is a fundamental issue in industrial relations. Harmonious industrial relations will create peace of mind at work, which will also affect increasing worker productivity and welfare. (Dermawan & Sarnawa, 2021)

Mediators as ASN (state civil apparatus) indeed cannot be separated from the hierarchy of positions. Even though he held a functional role, from the beginning, the nomination of a mediator would be legitimized by the Minister of Manpower. In this case, it will result in a link between the mediator and structural officials. The neutral principle can be disrupted in implementing mediation tasks if there is intervention from the structural official as his
superior. The position of ASN as a mediator in the settlement of industrial relations disputes is a manifestation of government intervention in industrial relations because the neutral principle of a mediator is doubtful. (Sobron et al., 2020)

The Minister of State Apparatus Empowerment Regulation Number PER/06/PAN/4/2009 explains the meaning of industrial relations development as a series of efforts to create, perfect, develop systems, methods, technical industrial relations to meet the demands of developments and changes in the situation and conditions of employment both in the scope of sectoral, regional, national and international. The development carried out by the mediator, as mentioned above, includes development in coaching and dispute resolution.

The concept of industrial relations dispute settlement is included in economic law reform because the parties to the dispute are business actors who will play a role in economic development. The definition of economic law reform, according to Peter Mahmud Marzuki, as quoted by Asri Wijayanti (Sobron et al., 2020), that economic reform includes three components, namely: first, a component of legal development whose activities contribute to academic texts of new laws or changes to changes in laws in economic activities; second, a sophisticated legal information system; third, legal education that is able to improve the ability of human resources in the field of law.

Mediation of the disputing parties, as a mediator, is also obliged to create or perfect and develop systems and methods in resolving disputes through mediation. In conducting coaching, the mediator must also develop the methodology used in carrying out his duties so that the coaching is carried out following the existing conditions, situations, and conditions of employment. The development of the world of human resources will always experience changes along with the development of the era of mediators who are required to actively participate in technical improvements in the implementation of dispute resolution through mediation.

Based on the construction of the arguments above, what is meant by “Ideal Mediation Arrangements for Fair and Effective Settlement of Industrial Relations Disputes” is a mediation process that can provide guarantees for advice and/or fair and effective settlement of industrial relations disputes. The words “fair” and “effective” in the sentence “Ideal Mediation Arrangements for the fair and effective settlement of industrial relations disputes” are related words.

The Mediation Process is one form of law enforcement, so the five factors above will also apply to the Mediation process in settlement of industrial relations. The suggestion given by the Mediator does not rule out the possibility of providing restorative justice. The understanding of restorative justice is justice that emphasizes the repair of losses caused or related to criminal acts. (Prayitno, 2012) Restorative justice can be carried out by the Mediator as long as the disputing parties approve it, for example, in resolving disputes over layoffs caused by workers who are negligent in doing their work, to the detriment of the company, the Mediator makes legal discoveries in calculating the company’s losses.

Based on the provisions of the PPHI Law and the Kepmenakertrans Number Kep. 92/MEN/VI/2004 closes the opportunity for other institutions to become
mediators to resolve disputes through mediation, such as lawyers, academics, and different types of mediators. The mediator regulated in the PPHI Law is one manifestation of government intervention in industrial relations. At the same time, many other institutions can be used as mediators in settling industrial relations disputes, such as advocates, lecturers, Komnas HAM (National Commission on Human Rights), and so on.

The provisions of Article 3 letter a and letter g Kepmenakertrans Number Kep. 92/VI/2004, facing various problems which include three things: First, the regulation that places only ASN as a mediator that can affect the principle of neutrality of a mediator, because of the immense possibility of intervention; Second, the limited number of mediators; Third, the high burden of the budget borne by the state budget or regional budget. If the above situation is maintained, it will lead to the ineffectiveness of the mediator and the lack of public confidence in the settlement through mediation. If that happens, the goal of reducing arrears in court cases will not be realized.

Renewal or reform of the legal material of the PPHI Law, especially the provisions of articles that are directly related to the regulation of the sole existence of ASN as mediators in the mediation process to resolve industrial relations disputes. It is important to remember that the main objective of the reform should be to direct the creation of mediation arrangements that can ensure the neutrality and objectivity of the mediator. Thus, it is hoped that it will produce fair and effective legal advice and decisions.

As regulated in the PPHI Law and implementing regulations, mediation procedures for independent mediators can be applied to mediation procedures. Quoting Galenter’s opinion that the presence of alternative courts does not need to occur in physical form, but (also) in ongoing processes.

The parties agree that other than those determined by the laws and regulations, as long as they do not conflict with the laws and regulations, the procedure can be submitted to the Mediator (ASN Disnaker), of course, with the agreement of the parties. Although assisted by a mediator, settlement of disputes by Mediation, the mediator still uses the principle of deliberation to reach consensus.

A mediator is an employee of a government agency responsible for human resources affairs who meets the requirements as a mediator determined by the Minister to carry out mediation and has an obligation to provide written advice to the disputing parties to resolve disputes over rights, disputes over interests, disputes over the termination of employment, and disputes between trade unions/labor unions in only one company, (Adrian Sutedi, 2009)

Based on an agreement on the settlement of industrial relations disputes through mediation, a Collective Agreement is drawn up, which is signed by the parties and witnessed by the mediator and registered at the Industrial Relations Court at the District Court in the jurisdiction where the parties enter into a Collective Agreement to obtain a certificate of registration. If an agreement on the settlement of industrial relations disputes through mediation is not reached, then: (Asri Widjayanti, 2009)

a. The mediator issues a written recommendation;
b. As referred to in letter a, the written recommendation must be submitted no later than 10 (ten) working days from the first mediation session to the parties.

c. The parties must have given a written answer to the mediator, who agrees or rejects the written recommendation within 10 (ten) working days after receiving the written recommendation.

d. The party who does not give his opinion as referred to in letter c is considered to have rejected the written recommendation;

e. If the parties agree to the written recommendation as referred to in letter a, then within 3 (three) working days after the written recommendation is approved, the mediator must have finished assisting the parties in making a Collective Agreement to be registered at the Industrial Relations Court at the District Court in the jurisdiction of the parties to enter into a Collective Agreement to obtain a registration certificate.

Deliberation for consensus is the principle used in resolving disputes outside the court. Some things that need to be considered by the parties as a guide are: the existence of a written agreement from the parties, which is called a mediation agreement, the minimum material that must be regulated in this agreement includes: the identity of the disputing parties, the chosen mediation place, the name of the chosen mediator, honorarium and travel expenses of the mediator, the settlement prioritizes the principle of deliberation to reach consensus, the parties have the right to accept or reject the suggestion from the mediator.

2. The Effectiveness of the Mediator’s Role in the Fair Settlement of Industrial Relations Disputes

a. The Role of the Mediator in settlement of Industrial Relations Disputes

The function of the government in industrial relations is a system of relations formed between actors in the process of producing goods and/or services consisting of elements of entrepreneurs, workers/laborers, and the government based on the values of Pancasila and the 1945 Constitution of the Republic of Indonesia. Three parties, namely workers/labor, employers, government, show that the government intervenes in the relationship between workers and employers. The state, in this case, is represented by the government as a tool of the community that has the power to regulate relations between humans in society. (Asshidpidie et al., 2005)

According to Soeharto, the state has the authority to maintain harmony and balance between human rights and human obligations. (Widiastiani, 2019) The basis of the constitution is Article 28-D paragraph (1) which states: “everyone has the right to recognition, guarantees of protection and fair legal certainty and equal recognition before the law.” Article 28-D paragraph (2) states: “everyone has the right to work and to receive fair and proper remuneration and treatment in an employment relationship.”

Harmonious industrial relations will create peace of mind at work, which will also affect increasing worker productivity and welfare. (Soewono, 2019) The analysis on the regulation of industrial relations dispute settlement by Mediation according to the PPHI Law can be described from several aspects, namely institutional aspects, and settlement procedures.
Settlement by Mediation as regulated in Article 1 Point 11 of the PPHI Law are disputes over rights, interests, disputes over the termination of employment, and disputes between trade unions/labor unions in only one company, through deliberation mediated by one or more neutral mediators. In this case, all types of disputes can be resolved through mediation.

The mediator, as regulated in Article 9 of the PPHI Law, must meet several requirements. Still, if you pay attention to Article 9 of the PPHI Law, it has not detailed the requirements to be appointed as a mediator in settlement of industrial relations. This is understandable if you pay attention to the provisions of Article 9 letter g, namely other conditions set by the Minister. In addition, Article 16 of the PPHI Law also mandates that the requirements regarding the procedure for the appointment and dismissal of mediators and mediation work procedures are regulated by a Ministerial Decree.

The mechanism for resolving industrial relations disputes through mediation is carried out as follows.

a. Settlement through mediation is carried out no later than 30 (thirty) working days from receiving the delegation of dispute resolution;

b. If it turns out that in the mediation session an agreement is reached, a Collective Agreement is made, which is signed by the parties, witnessed by the mediator, and then registered at the Industrial Relations Court at the District Court in the jurisdiction of the disputing parties;

c. If it turns out that in mediation, no agreement is reached, the mediator makes a written recommendation;

d. The mediator must have issued a written recommendation no later than 10 (ten) days after the mediation session is held;

e. The disputing parties must have submitted written responses or answers on the recommendation of the mediator no later than 10 (ten) days after the mediator’s recommendation is received;

f. If it turns out that the disputing parties do not provide written responses or answers, it is considered to have rejected the mediator’s suggestion;

g. If the disputing parties can accept the mediator’s recommendation no later than 3 (three) days, a collective agreement must be drawn up to be registered at the industrial relations court at the district court in the jurisdiction of the disputing parties’ legal domicile to obtain a registration certificate; and

h. If an agreement is not reached and the parties reject the mediator’s suggestion, one of the parties may continue the dispute resolution by filing a lawsuit to the Industrial Relations Court at the District Court in the jurisdiction of the worker/laborer.

The definition of economic law reform, according to Peter Mahmud Marzuki as quoted by Asri Wijayanti (Suhartoyo, 2019) that economic reform includes three components, namely: first, a component of legal development whose activities contribute to academic texts of new laws or amendments to laws in economic activities; second, a sophisticated legal information system; third, legal education that is able to improve the ability of human resources in the field of law.

Based on the provisions of Article 6 of Law Number 12 of 2011 concerning the Formation of Legislation which stipulates that the legislation must be based on equitable justice, meaning that the legislation must reflect justice for every
citizen without exception. Fair here must be contained in material law and formal law or, in other words, fair in the law enforcement process.

Satjipto Rahardjo, as quoted by Rusli Muhammad (Muhammad, 2009), said that essentially law contains ideas or concepts and thus may be classified into something abstract, including ideas about justice, legal certainty, and social benefits. A law enforcer can produce fair, and just decisions when the rule of law to be enforced does not conflict with the concept of justice unless the law enforcer dares to act not only as a mouthpiece of the law. When held by good law enforcers, a good and fair set of legal rules will produce fair decisions.

b. The Effectiveness of the Mediator’s Role in the Fair Settlement of Industrial Relations Disputes

Even though the mediator holds a functional position, from the beginning, the Minister of Manpower will legitimize the nomination of the mediator. The relationship between the mediator and structural officials, so that the principle of neutrality can be disrupted in carrying out mediation duties if there is intervention from a structural official as his superior. The position of ASN as a mediator in the settlement of industrial relations disputes like this is a manifestation of government intervention in industrial relations because the neutral principle of a mediator is doubtful.

According to this provision, the PPHI Law and Kepmenakertrans Number Kep. 92/MEN/VI/2004 concerning the Appointment and Dismissal of Mediators and Mediation Work Procedures close the opportunity for other institutions to become mediators to resolve disputes through mediation such as lawyers, academics, and other types of mediators. The mediator regulated in the PPHI Law is one manifestation of government intervention in industrial relations.

The provisions of Article 3 letter a and letter g Kepmenakertrans Number Kep. 92/VI/2004 concerning the Appointment and Dismissal of Mediators and Mediation Work Procedures, face various problems which include three things: First, the regulation that places only ASN as a mediator which can affect the principle of neutrality of a mediator, because of the immense possibility of intervention; Second, the limited number of mediators; Third, the high budget burden borne by the state budget or regional budget. If the above situation is maintained, it will lead to the ineffectiveness of the mediator and the lack of public confidence in the settlement through mediation. If that happens, the goal of reducing arrears in court cases will not be realized.

One of the efforts that can be taken to overcome this problem is by reforming or reforming the legal material of the PPHI Law, especially the provisions of articles that are directly related to the regulation of the sole existence of ASN as a mediator in the mediation process to resolve industrial relations disputes. It is important to remember that the main objective of the reform should be to direct the creation of mediation arrangements that can ensure the neutrality and objectivity of the mediator; thus, it is hoped that it will produce fair and effective legal advice and decisions.

Industrial Relations Mediator has a strategic and decisive role in realizing conducive and harmonious industrial relations. The work function of the Industrial Relations Mediator is as the spearhead in a mediation mechanism for resolving industrial relations disputes outside the courts. The officers who
function as Industrial Relations Mediators must increase quality and quantity through education and training, various dialogue training, and national and international seminars. This effort can be optimally successful if supported by policies in the regions, both provincial and district/city governments, following regional autonomy.

The government’s steps to improve the quality and increase the number of Industrial Relations Mediators are issued by the Minister of State Apparatus Empowerment Regulation Number 06/M.PAN/412009 concerning the Functional Positions of Industrial Relations Mediators and their Credit Scores. The mediator must have theoretical competence in terms of mediation and be able to find alternative settlements following the dynamics of the increasingly complex development of industrial relations disputes. In the context of dispute resolution, a mediator is prohibited from appointing partiality at the beginning of the process to one of the parties because this will hinder the achievement of consensus deliberation for the resolution of existing disputes.

A good mediator must be able to analyze every complaint both from employers and workers fairly. The high quantity of dispute resolution of a mediator and the mediator’s experience in dispute resolution will affect the effectiveness of dispute resolution by the mediator. Various industrial relations disputes will be bridged through the deliberation and consensus process and minimize the tendency for dispute resolution through the Industrial Relations Court. The level of knowledge and extensive experience of the complexities of resolving industrial relations disputes will increase the confidence of the workers and employers in the role of the mediator. This knowledge is not only knowledge that is soft skills but also hard skills. (Ramadhany et al., 2021)

Based on the construction of the arguments above, what is meant by “Ideal Mediation Arrangements for Fair and Effective Settlement of Industrial Relations Disputes” is a mediation process that can provide guarantees for advice and/or fair and effective settlement of industrial disputes. The words “fair” and “effective” in the sentence “Ideal Mediation Arrangements for fair and effective settlement of industrial relations disputes” are related words.

A fair decision will not be created if it is held by law enforcers who are ineffective in providing legal judgments and considerations. Fair and effective law enforcement can be born by several factors, namely: the existence of a fair and effective legal rule; there is no opportunity for intervention from various parties in law enforcement; do not discriminate in conducting negotiations or deliberation; wise and wise to listen to the arguments presented by the disputing parties; have sufficient knowledge in the field of employment or the object of dispute.

The mediation process is one form of law enforcement, so the five factors above will also apply to the mediation process in settlement of industrial relations. The advice given by the mediator does not rule out the possibility of providing restorative justice. Restorative justice is a judiciary that emphasizes reparation for losses caused or related to criminal acts.

According to the author, that Restorative Justice can be carried out by the Mediator as long as the disputing parties approve it, for example, in settlement of disputes over layoffs caused by workers who neglect to do their work, so that
industrial relations harm the company, the mediator makes legal findings in calculating the company’s losses. The concept of an ideal mediation arrangement, a fair and effective settlement, will undoubtedly be resolved by a reasonable and non-discriminatory institution. The disputing parties can choose a mediator deemed neutral parties are able to do justice and a fair settlement procedure as described in the following research.

E. Closing
1) Conclusions
   1. The role of the mediator in creating harmonious industrial relations provides understanding to workers and employers regarding labor regulations to create harmonious industrial relations. In settlement of industrial relations disputes, the mediator’s task is curative, meaning that it resolves industrial relations disputes that have already occurred. District/City Regional Governments for which there is no Mediator cannot carry out their obligatory affairs in industrial relations, both preventive and curative in terms of the duty of the Mediator as a settlement of industrial relations disputes and carrying out the function of fostering industrial relations so that industrial relations disputes do not occur.
   2. The effectiveness of the mediator’s role in the fair and effective settlement of industrial relations disputes is a mediation process that can provide a guarantee of advice and/or fair and effective settlement of industrial relations disputes. Mediation Arrangements that are ideal for the fair and effective settlement of industrial relations disputes are interrelated words. Fair and effective law enforcement can be born by several factors, namely: the existence of a fair and effective legal rule; there is no opportunity for intervention from various parties in law enforcement; do not discriminate in conducting negotiations or deliberation; wise to listen to the arguments presented by the disputing parties; have sufficient knowledge in the field of employment or the object of dispute. The concept of an ideal mediation arrangement, a fair and effective settlement, will undoubtedly be resolved by a fair and non-discriminatory institution. The disputing parties can choose a mediator deemed the neutral parties to be able to do justice, and the settlement procedure is fair.

2) Suggestions
   1. For Regency/Municipal Governments where there is no industrial relations mediator, an industrial relations mediator will be provided immediately so that public services, especially workers/laborers and entrepreneurs in dispute, can resolve their cases quickly, efficiently, and at a low cost.
   2. The working community and entrepreneurs should foster a sense of belonging and a sense of responsibility towards the company in which they work. In addition, through the employee share ownership program in companies, especially state-owned companies, workers will make every effort to improve the company’s progress so that the company achieves maximum profit.
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