Implementation of Working Contract with Degree Certificate as a Collateral Related to the Freedom of Contract Principles and Human Rights

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Abstract: This research examines the issues related to the detention of degree certificate as collateral by the employer who provides the consequence that the employee cannot get the better jobs. The powerful position of the employer from the economical side provides the outcome for the contract characteristic as a standard contract and as well as its model as a vertical contract. This research will examine how the contract should be, that provides the equilibrium principle for both parties. From the results of the study, the authors will find that the previous researchers “mostly examined legal protection for workers who were detained by their degree certificate, and never examined their roots, namely the basic rights of workers who were violated in detention of degree certificate and the basic principles of contract violated, so that the implementation of work ties by using a degree certificate as a collateral by examining its relation to the principle of freedom of contract and human rights have never been done before ” The methodology is normative juridical of which the result of this research is the problem is not regulated whilst there are some cases reported. The result showed that the principle of freedom of contract which is implemented in the form of a standard contract and there is no supervision from the government. Therefore, in the case of work bond with degree certificate as collateral, the impact of loss for the workers, where there is a violation of Human Rights of the workers.

1 INTRODUCTION

The phenomenon of degree certificate’s detention is a matter that can not be tolerated by its existence in the working contract, either in private company or a government institution. When an applicant is accepted for work by a company, sometimes the company requires the holding of a degree certificate for a certain period. Regarding the principle of freedom of contract as stipulated in Article 1338 paragraph (1) of the Civil Code, of course, the detention of such degree certificate is allowed. This is because basically according to the principle of freedom of contract, the covenant-makers are free to arrange anything in the agreement provided that by its nature it is required by propriety, custom or law.

The terms of the working contract with the detention of this degree certificate are often encountered in various job vacancies either through the internet or in newspapers, both job vacancies for private companies and government agencies. There is no academic research found on the detention of degree certificate by the company. However, the writer found articles in the newspaper, and electronic media, which conclude the detention of degree certificate by companies is a violation of human rights and the law.

Several violation cases occurred. In Palembang - Indonesia, the case of PT. Indomarco Prisma Tama (Indomaret) holds the employee’s degree certificate and ex-employee’s degree certificate. This case received the spotlight from Palembang city government officials, where the Head of Palembang Labor Department said based on Law number 13 of 2013 there are no rules that allow companies to hold their employee’s degree certificate. It is even said that the policy violates the employee's human right to find the best job.

The practice of detention of this degree certificate also happens in Yogyakarta. According to the Head of the Private Ombudsman Institution (LOS) of Yogyakarta Special Region (DIY), there are some workers from several companies in Yogyakarta who reported cases of injustice that occurred in the employment relationship between workers and employers to LOS. The case examples occurred in five employees of a leading Internet service provider in Yogyakarta. In the employment agreement, it is stipulated that the final graduation certificate of the employee is submitted to the
company as collateral for the cooperation to be returned if the agreement expires. Workers are also required to pay a fine of Rp 6 million (six million rupiahs) and are required to return all compensation received if they cancel the agreement by resigning before the term of the agreement expires.

The practice of detention of this degree certificate also occurs in Banten. Many retailers in Serang City allegedly do the practice of detention of degree certificate. They hold the worker's degree certificate as one of the conditions of employment. They argue as a guarantee when something bad happens. Generally, this practice is mostly done by retail companies. Not only in Serang City, this practice is also suspected to occur in other cities in Indonesia.

The findings were submitted by Commission II of Serang City DPRD (Regional People's Representative Assembly).

The detention of degree certificate certainly benefits the interests of the employer as an employer. In the context of the agreement, the issue is whether the custodial certificate is an act of obligation in the Civil Code which may occur if a party denies the content of the agreement.

The working contract is the most important legal basis of employment. It can serve as a protection of interest, juridical grip and legal certainty for the Employee as well as the Proponent. (Koko Kosidin, 1999) Besides, it is also the initial juridical guidance and also the final juridical reference of the legal subjects involved in it if there will be a dispute within the execution of work (Lanny Ramli, 2001).

The working contract is generally in the form of a standard contract. Standard contracts are made wherever possible to optimize contracts, especially those that focus on the company's interests (Christina Maria Vogerl, 2007).

If within the period of the employment contract the worker in the bond is uncomfortable in performing his/her work, surely the detention of this degree certificate may be categorized as the implementation of the principle of freedom of contract which exceeds the limit to violate the human rights of the Employee. The Government itself regulates such human rights provisions in the provisions of public law. So it can be seen that in labor law there is a conflict between public law and private law. On one side of the contract should be implemented as the implementation of the principle of pacta sunt servanda, but on the other hand, the government must also guarantee the rights of workers by the provisions of human rights enforcement.

Human rights are the rights that are owned by all people at all times and in all places because human beings are born as human beings. These rights include the right to life, freedom and wealth as proposed by John Locke. Recognition is not required for human rights, either from the government or a legal system, because human rights are universal. For this reason, the source of human rights comes solely from humans. (Todung Mulya Lubis, 1993). This universal freedom of human rights applies to all human rights including workers' rights.

The heterogeneous and autonomous law is the result of public and civil law aspects of employment relations. Thus the labor law can be said to be dual, on the one hand, is a public law, and on the other hand is also the nature of civil law. Half people say labor law is no longer privaatrechtelijk (civil matter), but publiekrechtelijk (public law) (Imam Supomo, 2003).
Employers often misuse the absence of regulatory matters in the legislation. For example, even if the Employee applies to quit his job but his degree certificate remains in custody until the contract expires. This necessarily results in the person in the position will be uncertain in his work so that it is contrary to Article 27 paragraph (2) of the 1945 Constitution which states that everyone is entitled to a decent living and work.

Another problem is whether in this case the government can interfere with or tolerate the existence of the degree certificate’s detention so that the welfare of the citizens is fulfilled and there is no human rights violation. Also, there are roles from institutions such as the National Commission on Human Rights, the Labor and Transmigration Office and the Trade Union in addressing this issue.

With the conduct of this study, it is hoped that the results of this study will be contributing, among others: First, contribution to knowledge which is a contribution to the problem by analyzing problems that occur in the perspective of freedom of contract and human rights; Second, contributions to the government, it is expected that the government can draft legislation that explicitly regulates the detention of a degree certificate in a working bond so that there is no violation in the employment bond; Third, contribution to the society, it is expected that the society will understand how the detention of a degree certificate is legally permissible or not.

2 METHODS

The method of research used in this study is normative juridical, namely legal research conducted by examining the literature (Soerdjono Soekamto and Sri Mamudji, 1985). This method is used considering the problems studied revolve around the relationship of legislation to each other and equipped with legal theories and practice of diploma detention in the relationship of work bonds between employers and workers. Approach method used in this research is a method of approach of Act (statute approach). The law approach is carried out by reviewing all laws and regulations relating to the legal issues being addressed (Peter Mahmud Marzuki, 2006). Data collection techniques in this study are through literature study to obtain secondary data in the form of laws, decisions, and other legal materials and tertiary data by researching Sub-Office of Labor and Transmigration of North Jakarta Municipality. Field data collection is used only to complement this normative study.

3 DISCUSSION

3.1 Implementation of Freedom of Contract Principle in Working Bond with a Degree Certificate as a Collateral

In the context of the legal agreement, several important principles must be considered by the parties in making agreements, namely the principle of consensualism, the principle of freedom of contract, the principle of personality, the principle of pactasunservanda, and the principle of good faith (Abdulkadir Muhammad, 2000). These principles are the basis of the will of the parties in achieving their goals. However, this paper will only focus on the principle of freedom of contract as a basis for making work agreements between employers and workers.

The meaning of freedom of contract is that everyone is free to determine with whom he will agree, free to determine the form and content of the agreement and free to choose law (Taufiq El Rahman, 2011). The principle of freedom of contract indicates that there needs to be a bargaining position between the parties. In the context of employment agreements, the principle of freedom of contract prevents the possibility of workers being treated the same as commodities, because by giving workers the opportunity to vote, this principle means in accordance with the principle of respect for the dignity, freedom and equality of workers as citizens (Hugh Collins, 2003). In its development, this principle appears to be a new paradigm in contract law that leads to unrestricted freedom of contract (Lammy Betten, 1995).

Countries that have the Common Law legal system know the freedom of contracting with the terms Freedom of Contract or laissezfaire. Formulated by Jessel M.R. in the case of "Printing and Numerical Registering Co. Vs. Samson: “Men of full age understanding shall have the utmost liberty of contracting, and that contracts which are freely and voluntarily entered into shall be held and enforced by the courts...... you are not lightly to interfere with this freedom of contract” (Jessel, 1993).
The implementation of the principle of consensualism according to the Indonesian agreement law solidifies the principle of freedom of contract. Without agreeing from one of the parties agreeing, without agreeing the agreement can be cancelled. This principle provides information that an agreement has basically existed since the agreement was reached between the parties to the agreement. The principle of consensualism contained in Article 1320 of the Civil Code implies the willingness of the parties to bind themselves and this will to raise the belief that the agreement will be fulfilled.

The principle of consensualism relates to the born of a covenant. Consensualism implies that the agreement occurs because of a free agreement or will from the parties agreeing on the content or subject matter of the agreement. (Wiryono Projodikoro, 1992). Article 1338 Paragraph (1) of the Civil Code states that: "All legally-made agreements act as laws for those who make them". In the article is found the principle of consensualism contained in the word "... legalllymade agreement..." which refers to article 1320 Civil Code, especially in paragraph (1) that they agree to bind himself.

With the principle of consensualism, it means that the agreement was born at the time the agreement was reached from the parties who agreed to bind themselves. In an obligatory agreement, the agreement made has been binding on the parties. This principle of consensualism then influences the form of agreement, namely by the existence of consensualism, the agreement was born or formed at the time the agreement was reached between the parties so that there was no need for another form of formality. As a result, the agreement that occurs because the agreement is a free agreement so that it can be oral or written.

Based on an interview at Sub-Office of Labor and Transmigration of North Jakarta Municipality, in the conduct of employment relations, the construction of this law in which degree certificate are used as collateral in employment bonds continues to operate in the practice of employment relations. Such legal construction makes the Procuring Entity have the right to make provision of degree certificate detention as work security. This can be seen with the reports related to the detention of the certificate in the office of the Sub-Office of Labor and Transmigration of North Jakarta Municipality.

The legal relationship between Workers and Employers in their implementation is essentially unbalanced. This means that the Employee's obligations are more than the Procuring Entity. In such a working relationship between Worker and Employer is sub-ordination (vertical relationship). This is in contrast to the legal relationship in general in a general co-ordination engagement (horizontal relationship) (Aloysius Uwiyono, 2014).

As a treaty that has special characteristics, the employment agreement in principle is an agreement. Therefore, as far as the general provisions are concerned, such as on the terms of the validity of the agreement, the subject and the object of the agreement. Similarly to the terms of the validity of the agreement, the conditions for the validity of the employment agreement are mutual agreement, the ability or the ability of the parties to perform legal acts, the existence of the contracted work, and the contracted work is not contrary to public order, morality, and legislation applicable (Article 1320 jo 1338 jo 1339 Civil Code). If there are unfulfilled requirements, the consequences may be cancelled (for subjective terms) or null and void (objective terms) (Aloysius Uwiyono, 2014).

A work agreement is a dovish contract because the parties can not determine their intention in the agreement. Freedom of contract in such employment agreements has made a distinction between the positions of the parties entering into a contract of employment, causing the parties to not determine their intention in the agreement, especially the Beneficiary. The parties in such employment ties are subject to the provisions of labor law as lex specialists of the treaty in general (Aloysius Uwiyono, 2014).

This condition is harmful and violates the principle of freedom of contract even though it has been agreed by the parties. In modern contract law theory there has been a classical paradigm shift towards the modern paradigm which is mentioned by Atiyah: "Pacta sunt servanda is not really a rule on its own, but is merely a reflection of the nature of a contractual obligation. The problem is to decide when the rules of admittance of exceptions ".

3.2 The Role of Government in the Working Bond with Degree Certificate as a Collateral

The role of the government in providing legal protection to the Employee is more to provide facilitation in the event of a dispute between the Employee and the Employer. In this research, if there is a dispute between the Employee and the Employer related to the detention of the diploma, then the normative government provides an
opportunity for both parties to resolve the dispute in Bipartite. If there is no common ground, the Employee may record the matter to the Employment Authority in his / her territory according to the location of the workplace. The Employment Agencies may call the disputing parties to facilitate the settlement of the issue of their degree certificate detention through mediation.

The role of the government in providing legal protection in labor agreements is a State intervention over the possibility of exploitation of the Employer as a strong economic party to the Employee as a weak economic party. Protection by States is generally contained in public statutory legislation, as a compelling restriction on the principle of freedom of contract adopted by liberal States. Government intervention in the principle of freedom of contract according to law expert M.G. Levenbach also S. Mok is an emergency exception (Aloysius Uwiyono, 2014).

Thus the public does not see again that the Employee and the Employer in the employment agreement are not equal partners but indeed an equal partnership. The nature of public law in the employment relationship provides the State's role to intervene by imposing sanctions on those who are obliged to enforce the provisions of the legislation.

Regarding the role of this government in the implementation of employment, in general, will be very dilemmatic. On the one hand, whether the government should have a very dominant role in determining the Corporatist Model or the government should reduce its dominant role in facing the effects of globalization (Aloystis Uwiyono, 2006).

In the context of the employment agreement as the standard contract, in Article 18 paragraph (1) of the Consumer Protection Law, the Government has made a prohibition on a standard contract. The restrictions are limitative: (1) The transfer of responsibility of the business actor, (2) The business actor refuses to hand over the goods, (3) the business actor refuses to refund the consumer's money, (4) the granting of authorization from the consumer to the business actor on the goods purchased with (7) Declare that consumers are subject to the arrangement of unilaterally made clause changes, (8) Providing power to business actors by consumers to impose warranties on items purchased by instalments.

In the context of an employment agreement that refers to the principle of freedom of contract, as stated by Treitel, restrictions must be exercised to suppress the abuse caused by the principle of freedom of contract, and also for the public interest. So there is no absolute freedom of contract. The Government may, in this case, arrange or prohibit a contract which may adversely affect or harm the public interest.

3.3 The Degree Certificate is Not the Object of Civil Warranty Law in the Context of a Degree

Certificate as collateral of contract implementation, the first problem is that the degree certificate is not a material right that can be transferred or used as collateral. So it can not be executed which means there is no use economically for the party given the guarantee. Secondly, the term of guarantee relates to debt problems in Indonesian Legal Law, while the certificate as a guarantee of contract implementation is related to work bond law problem instead of the debt agreement. So the legal construction of the certificate holder in the bond of work does not provide economic benefits for the Employer but gives the effect of loss both moral and material loss for the Employee.

The government should regulate the issue of guarantee of the execution of this contract as it concerns the rights of the Employee. Substantively the rights of the Employees who are pledged can be very wide if not regulated. An employer may freely determine the right of rights be guaranteed. Consequently, the rights whose substance is the Human Rights of the Employee will be injured or violated by the principle of freedom of contract. According to the Researcher, as outlined in Article 8 of Law number 10 of 2004, is a human rights material that must be regulated by law.

3.4 The Standard Contract in the Employment Agreement Does Not Provide Justice Rights

In the context of the theory of justice for freedom of contract in the execution of the contract of labor relations, as Rawls says, the situation of inequality must be given such a rule that it is most beneficial to the weakest. Furthermore, John Rawls asserted that a democratic justice enforcement program should pay attention to two principles of justice, first, giving equal rights and opportunities to the widest freedom of the broadest extent of equal freedom for everyone, and secondly, being able to reorganize the socio-economic disparities that happens so as to provide reciprocal benefits for everyone, whether those from lucky or disadvantaged groups.
Here the role of government in the opinion of the Researcher is needed to provide justice for the Employees who fall into the category of the weak group of society. Government funding can be improved through regulatory and institutional aspects. So it will protect the Rights of Employees who have not been poured or not yet regulated in the legislation, in this case, is the law of employment.

3.5 Protection of Human Rights for Workers in Working Bond with a Degree Certificate of Collateral

Based on an interview at Sub-Office of Labor and Transmigration of North Jakarta Municipality, in the context of human rights, the detention of degree certificate has become a problem for the rights of the workers as the Workers Enforced by the Employer. In the implementation, there have been complaints and reports of several workers at the Office of Labor and Transmigration Office of North Jakarta Municipality.

In the case of degree certificate’s detention, in a study at the Office of Labor and Transmigration Office of North Jakarta Municipality, it is found that there is no regulation of diploma detention in Law number 13 of 2003 there is also no regulation in the labor regulations related to the detention of diplomas. So that the government does not make normative requirements of custodial detention. Protection given by the government in this case that the government controls the contract or work agreements that must refer to Law number 13 of 2003 and Ministerial Decree number 100 of 2004 on Implementation of Working Agreement of Certain Time.

In labor law, the general principle of protection for workers according to Imam Soepomo is categorized into three categories: (1) economic protection, in the form of efforts to provide sufficient income for workers to meet the daily needs of workers and their families, (2) protection social, ie community-driven efforts for workers to be able to grow and develop their livelihoods as human beings in general as well as members of family and society, and (3) technical protection that seeks to prevent workers from the danger of accidents which can be caused by tools, tools, aircraft, machinery or other work tools, or materials that are processed and worked by workers in the company (Imam Supomo, 2003).

From legal provisions stemming from the autonomous rules of workers' protection can indeed and openly be stipulated in employment agreements, collective bargaining agreements between trade unions and companies. This is because the system in the treaty law itself is an open system. In government heteronomic rules, the rights of the Employee as part of the substance of human rights can be implemented in the labor legislation regulations.

However, in the opinion of the Researcher, the rights of the Employee who are the substance of human rights in the view of natural rights theory (natural rights theory) are not written in the rules, or in other words have not been positive. Examples of this are the loss of rights or violations of the rights of the Employee due to the detention of the degree certificate by the Employer as job security. This limits the rights of the Employees to get a better job. Since this substance has not been positively regulated, it consequently opens opportunities for the Employer to violate the Human Rights of the Beneficiary.

3.6 Arrangement of Ban of Degree Certificate's Detention as a Collateral

In the opinion of the Researcher, the Government shall regulate the prohibition of the granting of the Workers' Acceptance certificate by the Employer as collateral for employment. The arrangement must be in the form of law. So even if based on an agreement with the principle of freedom of contract, the employment agreement made with the standard contract form would be null and void because it is against the law. This refers to Article 1339 of the Civil Code.

At various levels and the environment of human rights violations can occur by the level or environment. The higher the position of one party the greater the opportunity to commit human rights violations against the other party. However, this does not mean that those who can commit human rights violations are those who have certain powers. Ordinary people can also commit human rights violations if their actions are clearly contrary to the dignity of humanity (Richard Bennet, 2000).

It is acknowledged that the wider power held by one party will tend to be more wide open to human rights violations. Moreover, if the violated party does not have a bargaining position in balance with the offending party, so in the end that owned power is more open opportunities for human rights violations. Power here does not merely refer to the power of government, but also other forms of power existing in society, including within an employer company.
Therefore, in Article 8 of Law number 10 of 2004, mention human rights as content material that must be regulated by law (Maria Farida Indrati, 2007). Based on this case, according to researchers, the government should regulate the issue of detention of diplomas in relation to these work bonds in the rules of labour legislation.

The role of the government to raise the issue of detention of degree certificate of Employees by Employers in the context that must be implemented in the perspective of the Welfare State. The welfare of the state is focused on the implementation of an institutionalized social protection system for everyone as a reflection of the right of citizenship on the one hand and on the other the state obligation. So as to maintain and improve the well-being of the citizens fairly and sustainably.

In the context of protecting the Employees whose rights to obtain a better job, the Government shall exercise control over the implementation of the employment agreement. In the opinion of the Researcher, the right of the Employees to get a better job so as to obtain a more prosperous condition socially constitutes the human rights material which must be regulated in the law as stipulated in Article 8 of Law number 10 of 2004.

Thus, the Employer which makes the employment agreement in the standard form, in which the clause of detention of degree certificate as job security is a violation of human rights. The standard contract is null and void by reference to Article 1339 of the Civil Code. The prohibition of making a degree certificate as employment collateral between the Employer and the Employee in law will provide a basis for the Government to exercise control over the implementation of the employment agreement.

4 CONCLUSION

The implementation of the principle of freedom of contract in the bond of employment in its implementation is still a vertical relationship in which the Employer has a stronger position than the Employees. This refers to the principle of freedom of contract which is implemented in the form of a standard contract and no supervision. Therefore, in the case of work bond with degree certificate as collateral, the impact of loss for the Employee, where there is a violation of Human Rights of the Employee. It is based on the theory of natural rights theory that there are rights of the Employees who are part of the human rights that are not written in a positive manner in the law which is violated by the Employer. The government also can not perform its functions to provide welfare, justice equitably and equitably, because the prohibition has not been made to make diplomas as job security, which according to John Rawls's theory of justice, the situation of inequality between the Employer and the Employee must be given such a rule that which is most beneficial for the weakest group of people.

The withholding of the Workers’ Degree Certificate by the Employer shall result in a violation of the rights of the Employee. The non-acceptance of the Employee due to the imposition of a degree certificate by the Employer constitutes a violation of the Employee's Rights, namely to withhold the right of the Employee to obtain a better job and more prosperous life. Because this matter is a substance of human rights, then he is included in the substance that must be regulated in the form of law. In this case, it is part of the labor law.

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REFERENCES


