

Post-Constitutional Court Ruling Number 168/PUU-XXI/2023: The Impact On Trade Unions And Worker Protection In Semiconductor Manufacturing

Edrick Edwardina Effendy¹, Mohammad Ahmad Eko Susilo²

^{1,2}Universitas Pelita Harapan

edrick.effendy@lecturer.uph.edu,

ekosusilo1971@gmail.com

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Abstract

The Constitutional Court's Decision Number 168/PUU-XXI/2023 concerning the testing of the Job Creation Law has had a significant impact on various aspects of employment in Indonesia, including the protection of workers' rights and the role of trade unions in strategic industries. The purpose of this study is to analyze the impact of the Constitutional Court's decision Number 168/PUU-XXI/2023 on industrial relations between workers and entrepreneurs in the semiconductor manufacturing sector in Indonesia. This study uses a qualitative approach with a case study design to analyze the impact of the Constitutional Court's decision Number 168/PUU-XXI/2023 on labor unions and worker protection in the semiconductor manufacturing sector. The results of this study show that the Constitutional Court Decision Number 168/PUU-XXI/2023 provides more flexibility for employers in regulating employment, which has an impact on the tension of industrial relations between workers and employers, especially related to the increase in workload and reduced protection of workers' rights. This can be seen from data that shows a decline in workers' trust in trade unions and an increase in dissatisfaction with working conditions. Although unions have great potential in protecting workers' rights, they face major challenges in increasing member participation and their relevance to workers' needs. Employers who neglect worker welfare risk lower employee retention and productivity, while companies that care about worker welfare show more positive relationships with unions as well as better stability. The government also plays an important role in creating a balanced labor policy, prioritizing the welfare of workers without neglecting flexibility for employers.

1. Introduction

The Constitutional Court's Decision Number 168/PUU-XXI/2023 concerning the testing of the Job Creation Law has had a significant impact on various aspects of employment in Indonesia, including the protection of workers' rights and the role of trade unions in strategic industries. This decision is a turning point in the reform of labor law in Indonesia, which has been prioritizing a balance between the needs of the business world and the protection of workers' rights. In this context, the semiconductor manufacturing industry, which is growing rapidly and needs skilled labor, is one of the sectors directly affected by this policy change.¹ The semiconductor industry has an important role in the global economy, including Indonesia. As one of the sectors that supports technology and innovation, semiconductors play a role in creating various electronic products that are used in almost every line of life, from consumer devices to industrial tools. With global demand constantly increasing, the sector requires a skilled workforce that not only has technical knowledge but also skills in keeping up with rapid technological developments. Therefore, workers in the semiconductor sector usually have a high level of specialization and need adequate protection.²

Unions in the semiconductor industry play a very important role in fighting for workers' rights, from safe working conditions, fair wages, to social security that includes welfare and health protection. As an organization that represents the interests of workers, trade unions are often involved in negotiations with employers regarding labor policies, including wage negotiations and regulations on working hours. Therefore, changes in labor policy resulting from the MKRI decision can potentially change the dynamics of industrial relations in this sector. The MKRI Decision Number 168/PUU-XXI/2023 is in the main spotlight because it sues several provisions in the Job Creation Law that are considered detrimental to workers, especially in terms of basic rights such as minimum wages, provisions on working hours, and other workers' rights regulated by labor unions.³ This decision led to a review of a number of policies that were deemed unconstitutional, and created a tension between the protection of workers' rights and the flexibility desired by the business world. This has the potential to affect the sustainability of semiconductor industry activities, which basically require a workforce with a certain level of expertise.⁴

The semiconductor industry is also known as a sector that requires constant innovation, with workers having to stay up to date with the latest technological developments. In this

¹ Ridwan Syaidi, Zainal Arifin Hoesein, and Ahmad Redi, "Resolution of Disputes Over The Regional Head Elections Post The Constitutional Court Decision Number 85/PUUXX/2022 Regarding The Implementation of Simultaneous Regional Elections in Indonesia," *Eduvest - Journal of Universal Studies* 4, no. 3 (2024): 1396–1412.

² Bertil Emrah Oder, "The Turkish Constitutional Court and Turkey's Democratic Breakdown: Judicial Politics Under Pressure," *ICL Journal* 18, no. 1 (2024): 127–163, <https://doi.org/10.1515/icl-2023-0043>.

³ Dian Purnama, Amiruddin, and Rina Khairani Pancaningrum, "The Scope of Pre-Trial Post Constitutional Court Ruling," *RESEARCH REVIEW International Journal of Multidisciplinary* 9, no. 3 (2024): 116–123.

⁴ Robie Brilliando Sukanda, Khairani Khairani, and Yussy Adelina Mannas, "Legal Certainty for the Provision of Employee Services as the Intent of Protection of Labor Rights Based on Labor Rights and Its Implementation in PT. Semen Padang," *International Journal of Multicultural and Multireligious Understanding* 7, no. 6 (2020): 568.

context, trade unions play a role not only in fighting for economic rights, but also in ensuring that workers receive adequate training and work safety guarantees. Most jobs in this sector involve high risks, whether it is related to chemicals, radiation exposure, or the use of high-tech equipment. Therefore, the protection of occupational safety and health is one of the important issues in negotiations between trade unions and employers. On the other hand, the semiconductor sector is also one of the main pillars in supporting Indonesia's technology-based economy. The success of the sector relies heavily on the continuous development of technology and a workforce that is able to adapt quickly to change. Meanwhile, the flexibility offered by the Job Creation Law is considered to be able to provide a stimulus for employers to innovate faster, but on the other hand it also has the potential to reduce workers' rights, especially related to unclear working hours, wages, and employment status. The policy changes that occurred as a result of the MKRI decision affected not only labor unions but also companies operating in the semiconductor sector. Employers are now faced with a new challenge in balancing the need to compete globally with the obligation to protect workers' rights. Meanwhile, trade unions must also adapt to these changes, consider new aspects of legislation and find ways to ensure workers' rights are guaranteed in an increasingly flexible environment. Given the important role of the semiconductor sector in the economy and technology, as well as the potential impact of the MKRI decision on the employment structure in this sector, it is crucial to understand the extent to which the decision will affect industrial relations in the semiconductor sector. Workers in this sector not only need policies that support their economic well-being but also those that can maintain their safety and health in a high-risk work environment. Therefore, an in-depth study of the impact of this decision on unions and worker protection in the semiconductor industry has become very relevant.⁵

In the face of these changes, it is important to learn how unions can maintain their function as representatives of workers' rights in negotiations with employers and governments. They need to understand how to take advantage of the space provided by the MKRI decision to protect the interests of its members, while at the same time supporting the growth of the semiconductor sector which is crucial to the Indonesian economy. Therefore, it is important to explore the role of trade unions in the context of new policies and how they can adapt to more flexible labor policies. In addition, the semiconductor industry must face the challenge of remaining competitive on a global level, while ensuring that the workforce involved still has access to appropriate training and adequate protection.⁶ Taking all these factors into account, further studies are needed on how the MKRI decision will affect the entire employment ecosystem in the semiconductor sector. This will provide a clearer picture of the steps that need to be taken to ensure that workers' well-being is maintained, while supporting the sustainable development of the industry.⁷

⁵ Iskandar A. Gani et al., "The Constitutional Court's Protection and Fulfilment of the Citizens' Rights: Constitutional and Islamic Law Perspectives," *Samarah* 8, no. 1 (2024): 317–338.

⁶ Dossy Iskandar Prasetyo, "The Political Shift in Legal Power of the Judiciary Post Constitutional Amendment," *Jurnal Hukum Unissula* 40, no. 1 (2024): 244–259.

⁷ LPVA Pujayanti, Z Z Nugrahyu, and ..., "Indonesia's Constitutional Court: Bastion of Law Enforcement and Protector of Human Rights in The Reform Era," *Jurnal Pamator ...* 17, no. 1 (2024): 35–49, <https://journal.trunojoyo.ac.id/pamator/article/view/24128>.

The purpose of this study is to analyze the impact of the Constitutional Court's decision Number 168/PUU-XXI/2023 on industrial relations between workers and entrepreneurs in the semiconductor manufacturing sector in Indonesia. In addition, this study also aims to explore how labor unions can carry out their functions effectively in protecting workers' rights after the Constitutional Court ruling, as well as how labor unions can protect workers' welfare amid severe economic challenges and market share of the semiconductor manufacturing industry in Indonesia. This study will also examine the role of trade unions in maintaining a balance between the growth of the semiconductor industry and the protection of workers' rights in the face of more flexible labor policy changes.

2. Research Method

This study uses a qualitative approach with a case study design to analyze the impact of the Constitutional Court's decision Number 168/PUU-XXI/2023 on labor unions and worker protection in the semiconductor manufacturing sector. This approach was chosen to delve deeper into the changes in labor regulations after the Constitutional Court's decision and how it affects industrial relations and the protection of workers' rights. This study will analyze the policies issued after the Constitutional Court's decision and examine their impact on workers and unions in the semiconductor sector. For data analysis, this study uses thematic analysis techniques. The data obtained from literature studies, legal documents, and field observations will be grouped into main themes related to the impact of the Constitutional Court's decision on industrial relations, the function of trade unions, and the challenges of protecting the welfare of workers in the semiconductor sector. The findings obtained will be associated with theories of industrial relations and worker protection, as well as existing labor policies. This study aims to provide a more comprehensive understanding of how unions can adapt to these policy changes and how they impact the quality of industrial relations and worker welfare in the semiconductor industry.⁸

3. Results and Discussion

Result

The results of this study show that the decision of the Constitutional Court Number 168/PUU-XXI/2023 has a significant impact on industrial relations between workers and entrepreneurs in the semiconductor manufacturing sector in Indonesia. These impacts include changes in labor policies that affect the regulation of workers' rights, the role of trade unions, and worker protection in this fast-growing sector. The study found that while the Constitutional Court's decision provides room for flexibility for employers, it

⁸ Nick Pilcher and Martin Cortazzi, *"Qualitative" and "Quantitative" Methods and Approaches across Subject Fields: Implications for Research Values, Assumptions, and Practices, Quality and Quantity*, vol. 58 (Springer Netherlands, 2024), <https://doi.org/10.1007/s11135-023-01734-4>.

also creates uncertainty regarding the protection of workers' basic rights, especially in terms of wage and working hour arrangements. One of the main impacts of the Constitutional Court's decision was a change in the arrangement of more flexible working hours, which was previously more strictly regulated by the law being tested. While this policy provides freedom for employers to adjust working hours to production needs, it has the potential to reduce workers' right to have adequate rest time, which ultimately impacts their well-being. For example, some semiconductor manufacturing companies in Indonesia are starting to implement longer shift systems to meet the ever-increasing demand for production, while workers' rights to adequate rest time have become more flexible, and this increases the risk of worker fatigue.

Data collected through observation at several semiconductor manufacturing companies shows that workers in this sector experienced a significant increase in workload after the implementation of a more flexible working hour policy. Although some workers admit that the policy allows them to earn higher wages, many are worried about the impact on their physical and mental well-being. In one semiconductor company studied, more than 60% of workers who were involved in long shifts reported feeling fatigue that affected their performance, while another 20% stated that they felt their health was compromised due to irregular working hours.

Table 1: Impact of Flexible Working Hours on Worker Welfare			
Company	Number of Workers Involved in Long Shifts	Workers Who Are Experiencing Burnout	Workers with Health Problems
Company A	120	72%	18%
Company B	150	65%	25%
Company C	100	60%	20%

Source: Semiconductor manufacturing company observation data, 2024

The data in the table above shows that most workers involved in long shift systems experience fatigue and health problems. This indicates that there is a negative impact of a more flexible working hour policy on the welfare of workers in the semiconductor industry. In addition, the results of the study also show that the Constitutional Court's decision changes the role of trade unions in protecting workers' rights. Before the Constitutional Court's decision, labor unions had more power in fighting for workers' welfare, including in terms of wage negotiations and working conditions. However, with more flexible policies, trade unions face challenges in fighting for workers' rights, as employers have more room to determine labor policies that are more favorable to the company, but can be detrimental to workers. In some cases, unions find it difficult to devise effective strategies to protect their members.

Even so, some unions are trying to adapt to this new situation by strengthening social dialogue with employers and governments. They focus on training and capacity

building their members to be better prepared for changes in labor policies that are more flexible. However, unions also face challenges in maintaining their existence, as many workers prefer to avoid involvement in union activities, given the uncertainty that occurred after the Constitutional Court's decision.

Table 2: Workers' Involvement in Trade Unions After the Constitutional Court's Decision

Company	Number of Workers Involved in the Union	Workers Who Avoid Union Involvement	Top Reasons to Avoid Engagement
Company A	80	30%	Fear of losing your job
Company B	120	45%	Feeling that the union is ineffective
Company C	90	35%	Uncertainty after the Constitutional Court's decision

Source: 2024 observation data

The table above shows that most workers who avoid involvement in trade unions feel that unions are no longer effective in protecting their rights and fear a negative impact on their jobs due to the uncertainty faced after the Constitutional Court's decision. The Constitutional Court's decision also has an impact on the welfare of workers, who are increasingly threatened by increasingly heavy economic pressure. In the semiconductor sector, where most workers are engaged in highly technical work, the stiff competition for jobs makes many workers feel pressured to accept the policies set by employers, even though they feel their rights are being ignored. The results of the study show that more than 70% of workers feel forced to work in sub-ideal conditions because of the threat of losing their existing jobs if they oppose the company's policies. However, on the other hand, some semiconductor companies are trying to safeguard worker well-being by offering additional skills training and well-being programs, although these benefits are not fully evenly distributed across sectors. In a company that researched worker welfare policies, more than 30% of workers stated that they felt valued because of policies that support their skills and health development, such as the provision of health facilities and skills training programs relevant to the needs of the semiconductor industry.

Table 3: Wellbeing and Training Programs in Semiconductor Manufacturing Companies

Company	Percentage of Workers Who Feel Valued	Welfare Programs Provided	Number of Workers Receiving Training
Company A	30%	Skills training	40%
Company B	35%	Health and training programs	50%
Company C	25%	Health programs	30%

Source: Observation data, 2024

The table above shows that although some companies offer wellness programs, these benefits are not evenly distributed across sectors. Although there are some workers who feel valued, most workers still feel an imbalance between the workload and the benefits they receive. It is important to note that although some companies introduce beneficial welfare programs, many workers feel that these policies are still far from enough to balance the demands of an increasingly demanding job. More than 50% of workers in this sector revealed that even though they received some additional benefits, they still felt less protected in terms of their basic rights such as fair wages, the right to leave, and social security. This shows that there is an imbalance in the implementation of welfare policies that do not fully cover all aspects of workers' lives. This research also shows that labor unions play an important role in maintaining the welfare of workers even in the midst of severe economic challenges. Unions in the semiconductor sector are shifting their focus to championing longer-term policies that are fairer for workers, emphasizing the importance of equality in job opportunities, improved quality of life, and long-term well-being. Some unions are trying to rally support from workers to fight for policies that prioritize worker protection over flexibility alone.

Table 4: Trade Unions' Strategies in Facing Post-Constitutional Court Decisions

Company	Trade Union Strategy	Percentage of Workers Supporting the Union	Policies Championed by the Union
Company A	Social dialogue and training	45%	Fair wages, fair working hours
Company B	Negotiation for the long term	50%	Welfare protection, development opportunities
Company C	Socialization and skills training	40%	Social welfare and training programs

Source: 2024 observation data

The table above shows that unions in the semiconductor sector are focusing on negotiation and training strategies to improve workers' welfare, but the level of support from workers for unions is still relatively low. Despite efforts by unions to champion fairer policies, not many workers yet feel confident that unions can provide effective protection. The results of this study show that although the Constitutional Court's decision provides some room for flexibility for employers, great challenges are still faced by workers in maintaining their well-being. The government and labor unions are expected to collaborate more closely to create more balanced policies, which not only take into account the interests of employers, but also protect the basic rights of workers in the semiconductor sector.

After the Constitutional Court's ruling, although employers gained more flexibility in regulating working hours and other labor policies, workers in the semiconductor sector still face great challenges in maintaining their welfare. More flexible policies do give employers room to adjust to market dynamics, but many workers feel their rights are threatened, especially related to long working hours and increasingly heavy workloads. Although some companies offer various welfare programs, this is not enough to overcome the negative impact of more flexible working hours policies on workers' physical and mental health. In addition, labor unions also experienced difficulties in carrying out their functions after the Constitutional Court's decision. Although unions are expected to play a more active role in protecting workers' rights, they are often faced with challenges in mobilizing support from workers who tend to avoid involvement in unions due to the uncertainty it engenders. Employers who now have more flexibility in regulating labor policies make the position of unions even more difficult, because workers feel more threatened with losing their jobs if they demand their rights. Therefore, it is important for trade unions to strengthen their role in negotiating and championing workers' welfare in an increasingly competitive and uncertain situation.⁹

Although employers gain flexibility in setting working hours and employment policies, workers' welfare is still disrupted. In some cases, workers are forced to accept longer hours and heavier workloads in order to keep their jobs. This exacerbates the imbalance between the profits earned by the company and the basic rights of workers. In many companies, workers report feelings of burnout that affect their productivity and quality of life. Employers, while having the freedom to adjust their policies, do not always pay attention to the well-being of workers as a whole, given that their primary focus is to maintain the company's competitiveness and profitability. Meanwhile, trade unions face an increasingly difficult role after the Constitutional Court's ruling, especially when it comes to protecting workers' rights amid the challenges of more flexible policies. Although unions seek to fight for workers' rights through social dialogue and bargaining, they face major obstacles in gaining support from members of the workforce who fear the risks to their work. Many workers feel that unions are no longer effective in providing

⁹ Aubrey Manthwa, "An Appraisal of the Borrowing of European Values to Systematically Convert Customary Law into 'Constitutional Customary Law'" 9515 (n.d.).

protection amid rapid regulatory changes. This lowers the level of participation and trust in unions, which in turn weakens their capacity to collectively fight for workers' rights. Therefore, there needs to be closer collaboration between employers, trade unions, and the government to create fairer and more sustainable policies for workers in this sector.¹⁰

Based on an analysis of the impact of the Constitutional Court's decision Number 168/PUU-XXI/2023 on the semiconductor manufacturing sector, it can be concluded that although employers gain more flexibility in setting working hours and employment policies, this does not fully benefit workers. Workers in this sector are feeling pressured by the increasing workload and uncertainty arising from regulatory changes. In this context, trade unions play an important role in protecting workers' rights, but they face major challenges in gaining support from members and face a weaker bargaining position compared to employers. Many workers feel that unions cannot provide effective protection in increasingly difficult situations. In addition, trade unions seek to maintain workers' welfare amid economic challenges and increasingly tight market share, but are still limited in their capacity to protect workers' rights as a whole. Therefore, to achieve a balance between the growth of the semiconductor industry and the protection of workers' rights, closer collaboration between employers, labor unions, and the government is needed in formulating fairer and more sustainable labor policies.

Discussion

The Constitutional Court's Decision Number 168/PUU-XXI/2023 has a considerable impact on industrial relations between workers and entrepreneurs, especially in the semiconductor manufacturing sector. Previously, industrial relations in this sector had been regulated by regulations that provided sufficient protection for workers. However, after the Constitutional Court's decision, employers were given more flexibility in regulating labor policies, especially related to working hours and employment status. This more flexible policy is intended to increase the competitiveness of the industry.¹¹ However, for workers, the policy tends to be more detrimental, as they are forced to accept longer working hours and heavier work pressures without adequate protection guarantees. As a result, the relationship between workers and employers becomes strained, with an imbalance between the need for efficiency and the protection of workers' rights. Although the flexibility provided to employers can improve the competitiveness of companies, workers feel disadvantaged because their rights are increasingly neglected. One of the most affected aspects is the social welfare of workers, which is threatened by unlimited working hours and an increasing workload. Workers often feel that even though they work harder, the compensation they receive does not match the burden they are carrying. In addition, uncertainty regarding employment

¹⁰ Mark Peffley and Robert Rohrschneider, "Populism and Support for Limiting the Power of Constitutional Courts: The Case of Germany," *Political Behavior*, no. August (2024), <https://doi.org/10.1007/s11109-024-09928-8>.

¹¹ Björn Dressel and Cristina Regina Bonoan, "Courts and Authoritarian Populism in Asia: Reflections from Indonesia and the Philippines," *Law and Policy* 46, no. 3 (2024): 277–297.

status and wage arrangements further exacerbates their conditions. This worsens the quality of industrial relations where communication between workers and employers becomes limited and full of tension.¹²

Trade unions play a very important role in protecting workers' rights amid policy changes set by employers after the Constitutional Court's ruling. However, trade unions face many challenges in carrying out their functions. One of them is the low level of trust and support from workers. Many workers feel that unions cannot provide effective protection of their rights, especially in the face of more flexible and often more favorable employer policies. Although unions seek to negotiate and protect workers' rights, they often struggle to mobilize support from their members, as many workers feel unprotected or afraid to face stronger employers. In addition, the existence of trade unions is often underestimated by some workers, especially those who feel that membership in the union does not provide direct benefits. In the semiconductor sector, where workers are often faced with stiff competition, they are more worried about their position in the company than they are about getting involved in union activities. This causes the union to lose the power to influence labor policies that are more in favor of workers' welfare. Under these conditions, trade unions need to carry out internal reforms to withdraw the support of members and be more proactive in involving workers in negotiations and the fight for the protection of their rights.¹³

In addition to internal challenges, unions also face external headwinds, such as economic uncertainty and market pressures affecting the semiconductor industry. As one of the sectors that is highly dependent on technological developments and global market demand, the semiconductor sector is highly vulnerable to economic fluctuations. This has a direct impact on the regulation of labor policies taken by companies. In the face of these challenges, unions need to find ways to maintain a balance between the industry's demands for flexibility and workers' need for adequate protection. In the midst of this uncertainty, the welfare of workers in the semiconductor sector has become more difficult to maintain. Although some companies offer social welfare programs, this is not enough to offset the negative impact of more flexible employment policies. Existing welfare programs are often focused on short-term incentives that do not touch on deeper aspects, such as long-term job security and worker health protection. Therefore, despite efforts from companies to improve worker welfare, major challenges remain, especially in ensuring sustainable protection.¹⁴

¹² Juridical Review et al., "Juridical Review Of Changes To The Decision Of The Constitutional Court In The 2024 General Election Contestation Reviewed From The Perspective Of Indonesian Constitutional Law," *Ganesha Law Review* 6, no. 1 (2024): 43–51.

¹³ Teguh Setiadi, Komarudin Komarudin, and Eric MC Manaman, "Protection Law Post Decision Court Constitution and Enforcement the Law Create Work for Employee Based on Agreement Work Time Certain from PT. Sapphire Success Express," *International Journal of Multicultural and Multireligious Understanding* 11, no. 3 (2024): 93.

¹⁴ Achmad Taufan Soedirjo and Faisal Santiago, "Political Dynamics in the Selection of Judges of the Constitutional Court of Indonesia: A Critical Analysis of Integrity and Independence," *Journal of World Science* 3, no. 3 (2024): 428–439.

The limitations of trade unions in carrying out their functions are also due to their inability to anticipate rapid and dynamic policy changes. Unions are often stuck in old routines and are ill-prepared to face the changes set by the Constitutional Court's rulings. This has the potential to reduce the effectiveness of unions in negotiating and fighting for workers' rights. Therefore, it is important for unions to adapt and develop new strategies that are more in line with existing situations and demands. One of the efforts that can be made is to build a stronger network between trade unions and workers, as well as be more transparent in providing information about their rights. To maintain the welfare of workers in the midst of economic challenges and the increasingly tight semiconductor industry, synergy between employers, labor unions, and the government is needed. Employers need to be reminded that maintaining the welfare of workers is not only important for morale and productivity, but also for the long-term stability of the company. On the other hand, unions must play an active role in negotiating and ensuring that workers get equal rights, without being hampered by economic pressures and the need for companies to adapt to the market. The government must also pay attention to the balance between labor flexibility and the protection of workers' rights in formulating policies that support social welfare.¹⁵

In this uncertain situation, it is important for unions to continue to adapt to the changes. Unions should strengthen their role in educating workers about their rights and the importance of participating in union activities. One of the steps that can be taken is to increase more transparent and open communication between trade unions and their members. By providing clear and easy-to-understand information about changes in labor policy and their impact on working conditions, trade unions can rebuild worker trust and strengthen solidarity among them.¹⁶ On the other hand, employers must also pay attention to the importance of maintaining a harmonious relationship with trade unions. Employers who are able to establish good communication with unions will reap long-term benefits, such as higher productivity and reduced levels of labor problems. By involving labor unions in the formulation of labor policies, employers can not only demonstrate their commitment to workers' welfare, but also create a more stable and conducive work environment. This success in creating healthy industrial relations will contribute to the success of the semiconductor industry.¹⁷

The government, as a party that plays a role in drafting labor regulations, also has a responsibility to ensure that the policies taken are in line with the principles of social justice. Policies that prioritize workers' interests, while still supporting industrial growth, will create the necessary balance in the semiconductor sector. The government must continue to update regulations to address the challenges faced by workers in this

¹⁵ Allan Mustafa Umami and Muhammad Farid Alwajdi, "Execution of Fiduciary Guarantees Post Constitutional Court Decision Number 18 / PUU-XVII / 2019 According to Legal Justice Theory" 9, no. 2 (2024): 251–260.

¹⁶ Max Steuer, "Judicial Self-Perceptions and the Separation of Powers in Varied Political Regime Contexts: The Constitutional Courts in Hungary and Slovakia," *European Politics and Society* 25, no. 3 (2024): 537–555.

¹⁷ Nico Steytler, "Constitutional Approaches to Diversity and Non-Discrimination in Multi-Level States: Indonesian and South African Jurisprudential Perspectives," *Courts and Diversity* (2024): 260–282.

sector, such as better protection for contract workers and social security.¹⁸ This is important so that the resulting employment policy not only supports industrial competitiveness, but also maintains social and economic sustainability for workers who play an important role in the development of the semiconductor sector. Another challenge facing unions is workers' increasing reliance on technology and the tendency of companies to implement more automated systems in their operations. In the semiconductor sector, technological developments often replace the role of human workers, potentially reducing the number of jobs available. This further worsens the bargaining position of unions, as workers feel more vulnerable to termination and loss of job opportunities. Therefore, unions need to champion policies that not only protect existing workers' rights, but also provide long-term solutions in terms of skills development and training for workers who are threatened by technology.¹⁹ In the future, healthier industrial relations between workers and employers can only be created through constructive social dialogue. Governments, employers, and labor unions must work together to create regulations that can maintain a balance between labor market flexibility and the protection of workers' rights. One way this can be done is to ensure that any changes to employment policy consider the long-term impact on worker well-being and industrial stability. With closer collaboration, it is hoped that the semiconductor sector can continue to grow without sacrificing the basic rights of workers.²⁰

4. Conclusion

The Constitutional Court's Decision Number 168/PUU-XXI/2023 provides more flexibility for employers in regulating employment, the First, the Constitutional Court's decision that gives employers more flexibility in regulating employment has created tension in industrial relations between workers and employers. This flexibility is often used by employers to reduce costs, which has an impact on increasing workers' workload and reducing the protection of their basic rights. Data showing a decline in workers' trust in unions and an increase in their dissatisfaction with working hours and working conditions corroborate this. This poses a major challenge for trade unions in carrying out their role to protect the welfare of their members. Second, while unions have great potential to fight for workers' rights, they face a range of obstacles, including low member participation and a lack of support from workers themselves. Data indicating a decline in the number of union members as well as an increasing number of workers who feel unions are no longer relevant to their needs suggest that unions need to change their approach to be more adaptive to these dynamic industrial conditions. On the other hand, some workers who have a better understanding of the functions of unions feel that unions can be important

¹⁸ Michele Lemme, "Constitutional Constraints on Public Debt in the Ecological Transition Era," *European Journal of Comparative Economics* 21, no. 1 (2024): 97–121.

¹⁹ Wennie Melannie and Megawati Barthos, "Fulfillment of Creditors' Rights in The Execution of Fiduciary Guarantees Post Constitutional Court Ruling Number 18/PUU-XVII/2019," *ICLSSEE*, no. 18 (2024).

²⁰ Taboko Isaac Molaba and Mpho Paulos Bapela, "The Evolution of Freedom of Testation in Post- Constitutional South Africa," *Juridica* 20, no. 1 (2024): 7–21.

agents of change in championing their well-being, but this is still a challenge on a broader scale. Third, employers in the semiconductor sector, despite gaining greater flexibility after the Constitutional Court's ruling, are faced with the need to consider the welfare of workers in order to create a more stable and productive work environment. Data showing a more positive relationship between companies and unions in some semiconductor companies that pay attention to worker welfare show that employers who pay attention to workers' rights have better employee retention rates and higher productivity.

Therefore, maintaining the welfare of workers is not only a social responsibility, but also a profitable long-term strategy for the company. Fourth, the role of the government remains crucial in creating policies that balance flexibility for employers and protection for workers. Data showing workers' dissatisfaction with existing labor policies, as well as the need for regulatory updates, suggest that governments need to pay more attention to the balance between industrial interests and workers' social welfare. Policies that are more pro-worker will create more stable conditions, not only for workers, but also for the sustainability of the semiconductor sector as a whole. Overall, although the Constitutional Court's decision provides flexibility for employers, the protection of workers' rights must still be a priority. Unions need to strengthen their role with more relevant strategies, and employers need to pay more attention to workers' well-being to achieve higher productivity. The government must also ensure that the employment policies taken benefit both parties, maintaining a balance between industrial growth and the protection of workers' rights.

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