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Comparison of Legal Cultures for Settlement of Industrial Relations Disputes Through Arbitration Between Singapore (Common Law System) and Indonesia (Civil Law System)

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Abstract
In the common law legal system, the main sources of law are habits that live in society as a legal culture, as well as agreements that have been agreed upon by the parties. Meanwhile, in the civil law legal system, the regulations set by the government are the main source of law. There are two kinds of sources of labor law, namely: autonomous and heteronomous legal methods. Singapore is a country that has adopted an export-oriented industry, so the Singapore economy is colored by the role of the government. The state of industrial relations in Singapore is seen as the most stable and most functioning industrial relations system. In addition to tripartite relations, as well as a strong collaboration between the government, workers, and employers is the hallmark of industrial relations in Singapore. Singapore (Common Law) has the employment law The Employment Act 1968 which is a refinement of various ordinances made by the colonial rulers (Britain), including The Labor Ordonance 1957, The Shop Assistants Employment Ordinance 1957, and The Clerck's Employment Ordinance 1957. Laws and regulations in the field of labor apply in Indonesia, namely: Law no. 13 of 2003 and Law no. 02 of 2004 concerning the Settlement of Industrial Relations Disputes. Normative legal research with a comparative approach to legal culture. The legal issue is that if the two legal traditions are related to both types of labor law sources, then in countries that adhere to the Common Law legal tradition, the main source of labor law is generally the autonomous method. Meanwhile, countries with civil law traditions are generally heteronomous. Labor law is not a neutral and independent type of law, so government involvement is needed as an effort to protect workers who are weak in position.

Keywords: Comparison, Industrial Relations, Singapore, Indonesia

1. Introduction

There are two kinds of legal traditions, namely: the Anglo-Saxon legal culture (*Common Law System*) and Continental European law (*Civil Law System*). In the Common Law Country tradition, the main source of law is the habits that live in the community and the agreements that have been agreed upon by the parties. Meanwhile,

in the Civil Law Country tradition, the laws and regulations set by the Government are the main sources of law (Nuhardianto, F., 2015). There are no less than 42 legal systems in the world (de Cruz, P., 2013).

The common law tradition began in medieval England and was practiced in British colonies across the continent. Civil law traditions developed simultaneously on the European continent and were applied in the colonies of European empires such as Spain and Portugal. In the 19th century and 20th centuries, civil law was also adopted by countries that previously had different legal traditions, such as Russia and Japan. These countries sought to reform their legal systems to gain economic and political power over Western European countries. To Americans familiar with English common law terminology and legal procedures, the civil law tradition feels foreign and confusing. England had deep cultural ties with all European countries during the Middle Ages, but the legal traditions that developed there were different from others for several historical reasons. One of the most fundamental differences is that court judgments are used as the basis for the common law legal tradition and statutory judgments are used as the basis for the civil law legal tradition (Legrand, P., 1999).

Common law is generally not codified. This means that there is no comprehensive compilation of legal regulations. Common law relies on some laws that are the result of legislative decisions, but most are based on precedent, i.e. legal decisions previously made in similar cases. This precedent has been maintained over time through the court's historical record, documented in collections of cases known as almanacs and reports. This precedent applies to decisions in each new case designated by the presiding judge. As a result, judges have played an important role in shaping the law in America and England. Civil law is codified law. A country with a comprehensive civil law system has a constantly updated legal codification, including the rules of court proceedings, applicable procedures, and appropriate penalties for each offense (de Cruz, P., 2013).

Such codes distinguish between different kinds of laws. There are substantive laws that can be criminally or civilly prosecuted, procedural laws that determine how to determine whether a particular act is a crime, and criminal laws that determine appropriate penalties. The role of the judge in the civil law system is to establish facts and apply the provisions of applicable law. Judges often conduct formal prosecutions, investigate matters, and decide cases, all within the framework provided by a comprehensive set of laws. Therefore, the decisions of these judges are less important in shaping civil law than those of the legislators and legal scholars who interpret the law (Uwiyono, A., *in* Widigda, RS., and Sharifa, A., 2019).

Based on the description of the background of the problem, the legal issues in this study can be formulated as follows: How is the legal culture compared in the settlement of industrial relations disputes through arbitration between Singapore which adheres to the common law system and Indonesia which adheres to the civil law system.

2. Research Method

The research method used is prescriptive legal research with a comparative approach. This study aims to analyze the comparative legal cultures of Singapore and Indonesia regarding the resolution of industrial relations disputes through arbitration. The survey is based on Labor Force Act No. 13 of 2003, Labor Relations Dispute Settlement Act No. 2 of 2000 concerning Unions as positive law in Indonesia compared to the Employment Act 1968 as positive law in Singapore, secondary legal material in the form of quotations from the books listed in the bibliography, and tertiary legal materials such as dictionaries and periodicals magazines. Legal materials are qualitatively analyzed and the results of the research are presented in the form of explanations.

3. Results and Discussion

3.1. Common Law System and Civil Law System sources of law

For centuries, there has been a heated debate about which is the best between Civil Law and Common Law. Jeremy Bentham who was later supported by John Austin is a supporter of civil law, and considers that the common law system contains uncertainty and calls it the "*law of the dog*" (Colls, R., 2002). On the other hand, one of the proponents of the common law system, F.V. Hayek said that the common law system is better than the civil law

system because it guarantees individual freedom and limits government power (Arrunada, B., and Andonovo, V., 2008). The best way to overcome these differences is to approach from a historical aspect as Benjamin N. Cardozo argues "*history in illuminating the past illuminates the present so that in illuminating the present it illuminates the future*" (Nasution, B., URL, May 20th 2022).

The tradition of the common law system was born in 1066, an event that occurred that year when the Normans defeated and conquered the natives (Anglo-Saxons) in England. Meanwhile, the civil law system was born first when the Corpus Juris Civilis of Justinian was published in Constantinople in 533 AD which was heavily influenced by Roman law. The root of the substantial difference between the two legal systems lies in the source of law used by the Court in deciding a case (Rahardjo, S., 1991). The civil law system uses codification as a source of law, while the common law system uses the decisions of previous judges as a source of law or better known as the doctrine of stare decisis. Another prominent difference concerns the role of the courts. In a civil law system, judges are part of the government (Qamar, N., 2010).

This is inseparable from the history that underlies the creation of these differences. Before the revolution, the French judges became enemies of society rather than defenders of the public interest because they favored the interests of the King. This condition then triggered the French revolution led by Napoleon. This pre-revolutionary experience served as inspiration for Napoleon in placing judges under the control of the government to prevent "*rule by judges*" as had happened before the revolution. This makes government power in civil law system countries very dominant (McCullough, R.L., URL, May 20th 2022).

This difference is maintained in the civil law system in the continental area which inherits the tradition of Roman law. In France, for example, courts distinguish between cases relating to the government and apply a different law to the law governing private-sector relations. This position makes the ordinary courts in France procedurally not have the authority to review government policies. On the other hand, countries that adhere to a common law system derived from the British tradition have an independent judiciary. Therefore, the power to determine the law rests with the Supreme Court as the highest court (Suprayogi, A., 2016).

3.2. Comparison of Common Law System and Civil Law System

3.2.1. Based on History and Source of Birth

Civil law is the oldest and most influential legal system in the world. This legal system derives from the Roman-Germanic tradition. Around 50 BC. The Roman Empire created the first written rules called the "*Roman Twelve Tables*". This Roman legal system spread to different parts of the world with the expansion of the Roman Empire. This legal system was later codified by Emperor Justin in the 6th century. The Corpus Juris Civilis was completed in 53 AD. When Europe first began to have governments, Roman law was used as the basis for each country's domestic law. Napoleon Bonaparte in France enacted the Napoleonic Code in 1804 and in Germany enacted the Civil Code in 1896 (Marzuki, P.M., 2011). Common law is based on tradition and evolves from precedent used by judges to resolve legal issues (Ramadhan, C.R., 2018).

3.2.2. By Source

Common Law: Based on a judge/court decision. Judicial rulings create legal certainty even if they recognize legislative rules. On the other hand, civil law: is based on statutory law (written law) and the maximum norms in the rule of law. A source of law is the law formed by the body responsible for legislation and customs (*volksgeist*) (Aulia, M.Z., 2020) of society, as long as it does not contradict existing regulations.

3.2.3. Based on General Principles

It is binding law because its source is embodied in ordinances in the form of statutes and systematically placed in specific codes or collections. This main principle is adhered to, considering that the main value which is the purpose of the law is legal certainty. Therefore, based on the legal system adopted, judges generally cannot enact

binding laws. A judge's decision in a case is binding only on the litigants (*a priori reasoning*). Giving priority to jurisprudence and adopting Montesquieu's theory of separation of powers, the function of the legislature is to make laws, and the courts apply them (Munaf, Y., 2015).

Customary Law: Sources of law are not systematically arranged into specific hierarchies as in the legal system of Continental Europe. The Anglo-Saxon legal system had a "role" assigned to judges who were not only responsible for establishing and interpreting laws and regulations, but also played a very large role in shaping the whole order of people's lives. I have. Judges have a very broad power to interpret existing law and to create new legal principles to guide other judges in deciding similar cases (*inductive reasoning*). This system respects the principle of judicial precedent, which is the essence of law and gives top priority to the execution of justice (Simanjuntak, E., 2019).

3.2.4. Based on the Classification

Civil Law under classification: Divided into public and private law areas. Public law includes legal provisions that regulate the power and authority of a ruler/state and the relationship between society and the state. Public law includes constitutional law, state administrative law, and criminal law. Private law includes legal regulations that regulate relationships between people to meet their needs. Private law includes civil law, which includes civil law and commercial law.

Common Law: Also recognizes a distinction between public and private law. The importance given to public law is about the same as that given by the legal order of continental Europe. Private law is intended to be the legal norms relating to property rights (*property law*), but personal law, contract law, and tort law are scattered throughout the country. Written Regulations, Judgments, and Laws (Handoyo, H.C., 2009).

3.4.5. Based on Scope

Civil Code: This system applies to many European countries and their colonies, including Angola, Argentina, Armenia, Austria, Belgium, Bosnia and Herzegovina, Brazil, Germany, Greece, Haiti, Honduras, Italy, the Netherlands, and Indonesia. will be Common Law: This system applies to the United Kingdom and most of its colonies, as well as Commonwealth countries such as the Bahamas, Barbados, Canada, Dominica, Fiji, Gibraltar, Jamaica, New Zealand, and Togo (de Cruz, P., 2013).

3.3. Labor Law

In the field of labor law, there are two sources of law: autonomous law and heteronomy law. The first is the legal provisions established between the parties involved in the employment relationship, i.e. the employee or trade union, and the employer or employers' association. Examples: Employment contracts, company rules, and collective bargaining agreements. The second is a statutory provision established by a third party other than the party bound by the employment relationship. For example, all labor laws and regulations enacted or ratified by governments include Law No. 13 of 2003, Law no. 02 of 2004, and Law no. 21 of 2000 and their implementing regulations.

If the two legal traditions mentioned above are associated with both types of labor law sources, then in countries that adhere to the Common Law legal tradition, the main sources of labor law are generally autonomous methods, such as Collective Labor Agreements. In countries that adhere to the legal tradition of the Civil Law System, generally heteronomous methods, namely: Legislation established by the Government is the most dominant source of labor law (McCullough, R.L., URL, May 20th 2022).

The term employment or labor is all things related to labor, namely people who can do work to produce goods and/or services both to meet their own needs and for the community, before, during, and after the work period. People who can do the work and then work by receiving wages or other forms of remuneration are called workers/laborers. Work is a productive activity at the behest of another person, in the case of an Employment Relationship, the other person is an entrepreneur. The wages received by the worker/laborer are a reward from the

entrepreneur for the work that has been done. The understanding has been carried out not only that the work order must have been completed by the worker/laborer but can also be agreed to be paid before the work is carried out.

Law is a political product, where in the process of legislation, both its formulation and interpretation do not take place in a value-free or neutral context from the influences of morals, religion, and political interests (Sinaga, M., 2006). This means that there is a political and ideological background behind every product of legislation issued. Labor Law is not a neutral and independent type of law, so the government's involvement is needed as an effort to protect workers/laborers whose positions are weak (Tjandra, S., and Suyomenggolo, J., 2006).

Employment law ideally serves as a balance between the interests of workers/laborers and employers. This is based on the socio-economic condition of the worker/laborer under (subordination) to the entrepreneur. Thus, it can be understood that Employment Relations do not only enter the realm of private law but have become a public law that aims to provide fair protection to workers/laborers (Damanik, S., 2005).

According to Soepomo, I., Labor Law is a set of regulations, both written and unwritten, relating to events where a person works for another person by receiving wages. Juridically, the position of workers/laborers and entrepreneurs is the same, but sociologically they are different, meaning that workers/laborers only have the power, although sometimes some have the knowledge and skills, to work for entrepreneurs, thus bringing consequences for the entrepreneur who determines the requirements. work in the work agreement that gives rise to the Employment Relationship that occurs (Supomo, I., 2003).

Three main laws regulate employment in Indonesia, including Law no. 13 of 2003 concerning Manpower, Law no. 2 of 2004 concerning Settlement of Industrial Relations Disputes, and Law no. 21 of 2000 concerning Trade Unions/Labour Unions. In addition, there is Law no. 11 of 2020 concerning Job Creation (Yusuf, D., *et.al*., 2022).

In the Employment Relations between employers and workers/laborers, there are rules as an elaboration of the three laws above (heteronoom rules) which include working conditions, rights, and obligations of parties (employers, Trade Unions/Labor Unions) in the form of Company Regulations. Company Regulation or Collective Labor Agreement is usually referred to as the autonomy rule. The contents of the Company Regulations or Collective Labor Agreement must not conflict with the law above, meaning that the quality and quantity of its contents cannot be lower than the law governing a matter.

3.4. Settlement of Industrial Relations Disputes

In the case of industrial relations disputes, whether disputes relating to rights, benefits, dismissal, or disputes between unions, Law No. 2 of 2004 concerning Settlement of Industrial Relations Disputes, on the resolution of industrial relations disputes, from bilateral negotiations, mediation/conciliation/conciliation to arbitration to the Industrial Relations Court, including Supreme Court renunciation levels and even judicial review. The types of labor-related disputes under Article 2 of Law no. 2 of 2004 concerning Settlement of Industrial Relations Disputes, are as follows: 1) provisions of laws, collective bargaining agreements, company regulations or collective bargaining agreements; 2) Conflicts of interest, i.e. disputes arising in employment relationships as a result of disagreements regarding the creation and/or modification of working conditions specified in employment contracts, company rules or collective bargaining agreements. 3) Termination of Employment Disputes, i.e. disputes arising from disagreements regarding termination of employment made by one of the parties; 4) Disputes between trade unions, i.e. disputes between trade unions and other trade unions, exist only within one enterprise due to the absence of agreements on union membership, the exercise of rights and obligations (Article 2 Law No. 2 of 2004).

In the event of a labor dispute, the parties must first participate in bilateral negotiations between labor unions/trade unions with workers/employees or employers to resolve labor disputes through consultation and reach an agreement. Any dispute resolution between the two parties must be resolved within thirty (30) business days of the commencement of negotiations. If bilateral negotiations prove unsuccessful, the parties may settle legal disputes, conflicts of interest, dismissal disputes, and union disputes with one company only through the advice of

one or more neutral mediators. / Conciliation efforts can be made to resolve union disputes. The conciliator shall perform its duties within thirty (30) working days of her receipt of the dispute resolution mandate (Kesuma, I.N.J., *et.al*., 2018).

In addition to mediation, parties may resolve interest disputes, termination of employment disputes, or union/international disputes in a single company only through consultation by conduction by one or more neutral arbitrators. The parties may also choose to use arbitration efforts. The parties will submit a written settlement request to an arbitrator appointed and agreed upon by the parties. The arbitrator shall perform its duties within her thirty (30) business days of receipt of the dispute resolution request (Article 4 Law No. 2 of 2004).

A party may also elect to arbitrate. That is, to submit to an arbitrator the settlement of interest disputes of one company only and disputes between labor unions, written agreements, and dispute settlements by the disputing parties. binding and final on both parties. The resolution of labor disputes by arbitrators is based on the agreement of the disputing parties. The arbitrator is obliged to settle the labor dispute within 30 working days after he signs the agreement on the appointment of the arbitrator (Article 40 Law No. 2 of 2004).

If mediation or mediation attempts other than mediation attempts are unsuccessful, the parties may petition the Labor Relations Court for settlement. a) at the first level of legal disputes; b) First and last level of conflict of interest. c) the first stage of disputes over the termination of employment; d) the Initial and final stages of inter-union disputes within the company (Article 56 Law No. 2 of 2004).

The Judiciary Commission is obliged to decide on the settlement of the labor dispute within 50 working days of the initial hearing. Decisions of the Labor Court of the District Court on disputes and termination of employment disputes shall have permanent legal effect if an application for renunciation is not filed with the Supreme Court within 14 working days: a) Reading out decisions at main judicial hearings; and b) for parties who are not present, starting from the date of receiving notification of the decision (Article 110 Law No. 2 of 2004).

Based on Article 30 of Law no. 5 of 2004 concerning Amendments to Law No. 14 of 1985 concerning the Supreme Court jo. Law No. 3 of 2009 concerning the Second Amendment to Law no. 14 of 1985 concerning the Supreme Court, at the Cassation level, the Supreme Court may annul court decisions from all judicial circles for the following reasons: a) not having authority or exceeding the limits of authority; b) misapply or violate any applicable law, and c) for parties not present, from the date of service of the decision (Article 30 Law No. 5 of 2004).

Disputes in the Supreme Court or settlement of dismissal disputes will be made within thirty (30) business days of receipt of the waiver application (Article 115 Law No. 2 of 2004). Since the law of procedure applicable to the Industrial Relations Court is the law of civil procedure applicable to the courts within the general courts, parties dissatisfied with the outcome of the renunciation shall, except as expressly provided for in this law, can apply for judicial review. For the following reasons: a) if the decision is based on a lie or trickery by the other party known after the decision of the case or on evidence later declared false by a criminal judge; b) After the judgment of the case, conclusive evidence is found that could not be found during the hearing of the case. c) is granted anything that is not required or is more than required; d) if part of the claim was not decided without reason; f) the same party to the same case, on the same grounds, by the same court or at the same level, makes mutually contradictory decisions; g) If there is a judging error or genuine error in the decision (Article 67 Law No. 5 of 2004).

3.5. Termination of Employment in Singapore

Examples of countries adhering to the Singapore common law system. Singapore also has laws regulating employment. Employment Act 1968. The Employment Act 1968 is one of the laws aimed at creating an attractive environment for investors to invest in Singapore companies. The Act improved and consolidated various colonial (British) ordinances, including the Labor Ordinance 1957, the Clerk Employment Ordinance 1957 and the Clark Employment Ordinance 1957 (Sudjudiman, H.N., *et.al*., 2020).

Through this law, the Singapore Government seeks to standardize working conditions. Among other things, it regulates the standard working days in one week (ie: a maximum of 44 hours a week), the amount of overtime pay, and the time limit for overtime that is allowed to be carried out by workers/laborers. In addition, it also regulates the number of benefits received by sick workers/laborers, as well as provisions regarding the period of leave for them in one year. Through these various regulations, it is hoped that high hidden costs will be prevented from overtime carried out by workers/laborers so that through the inhibition of these high costs, foreign investors are expected to be attracted to invest in Singapore. Through this law, the Singapore government also hopes to accelerate industrial growth in the country (Walter, W., 2000).

In 1975, The Employment Act 1968 was amended, namely by freezing the obligation to provide bonuses or other payments to workers/laborers to a certain level or amount. The amendment means that the government provides guarantees for investors to get cheaper labor costs. On the other hand, the government limits or reduces rights in the form of bonuses or other payments for workers/laborers to a certain level or amount (Sudjudiman, H.N., *et.al*., 2020).

In 1984, The Employment Act 1968 was again amended to increase productivity. This second amendment permits companies/entrepreneurs to set working hours more flexibly, namely by allowing non-shift workers for twelve hours a day if the worker concerned gives written approval to the company. In addition, the second amendment also prohibits companies from employing children under the age of twelve. However, companies may apply for a permit to employ children under the age of twelve for non-industrial occupations after obtaining certification from a health worker (Sudjudiman, H.N., *et.al*., 2020).

An employer or employee wishing to terminate the employment relationship may do so by terminating the employment contract. Termination of employment carries certain legal obligations for both the employer and the employee. Dismissal must comply with the conditions specified in the employment contract. Before either party decides to terminate employment, it is important to consider the following: 1) the conditions under which work can be terminated including who can terminate the employment, when the termination of employment will begin, what types of layoffs require compensation and notification of layoffs, and others; 2) the rights, duties and responsibilities of the employer and the employee terminating the employment; 3) Things that are allowed and prohibited layoffs in Singapore (Suprayogi, A., 2016).

3.6. Comparison of Legal Culture for Settlement of Industrial Relations Disputes through Arbitration Between Singapore (Common Law System) and Indonesia (Civil Law System)

Given that the two legal traditions mentioned above are related to the two sources of labor law mentioned above, in countries belonging to the legal tradition of the customary system, the main source of labor law is generally autonomous labor law, such as collective bargaining agreements. That's the way. Customary law based on court decisions. Judicial rulings create legal certainty even if they recognize legislative rules. Civil law is based on written law and incorporates as many norms as possible into the rule of law. The source of law is the law formed by legislators and community customs, so long as it does not contradict existing rules. In countries that adhere to the legal tradition of civil law systems, the dominant source of labor law is generally polynomial, i.e. laws and regulations enacted by the government.

Concerning the settlement of disputes over the Termination of Employment, Indonesia prioritizes settlement by deliberation between employers and workers. If it does not work out of court, then the dismissal will be valid if it has obtained a decision from the Industrial Relations Court. Dissatisfied parties can even appeal to the Supreme Court. In contrast to Singapore, in Indonesia the Industrial Relations Arbitration institution is not authorized to settle disputes over layoffs, while in Singapore, the International Arbitration Court (IAC) is authorized to do so.

According to Article 1 point 1 of Law no. 30 of 1999, arbitration is "*a method of settling a civil dispute outside the general court based on an arbitration agreement made in writing by the disputing parties*." From a doctrinal perspective, several experts have also given their opinion on the definition of arbitration. Priyatna Abdurrasyid explained that arbitration is another form of the private adjudication process. Settlement through arbitration is

generally chosen for contractual disputes, both simple and complex. Furthermore, Priyatna Abdurrasyid also states that such arbitrations can be categorized as follows: a) Quality arbitrations, which involve contractual issues (*question of fact*) which naturally require arbitrators with high technical qualifications; b) technical arbitrations that do not involve matters of substance, such as problems in the preparation of documents or the application of contract provisions, and c) Mixed arbitration, namely for disputes both on factual and legal issues (*question of facts and laws*) (Abdurrasyid, P., 1995).

Abdurrasyid, P., also explained arbitration by comparing it with several existing mechanisms within the scope of Alternative Dispute Resolution. The following table briefly explains the differences between conciliation, negotiation, mediation, and arbitration. In the context of the history of international law, arbitration has been used since Greek times. In the Christian era, disputes between kings and rulers were submitted to Papal Arbitration. Vitoria, Suarez, and Grotius have resorted to dispute resolution through arbitration. Based on history, it can also be understood that arbitration turned out to be the first way of resolving disputes and which inspired the establishment of permanent international judicial institutions (Wahyuningsih, 2012).

Arbitration is a method of settlement carried out by submitting to a third party. According to the Advisory Opinion of the Permanent Court of Justice on the Interpretation of the Treaty of Lausanne Case (1925) PCIJ Ser. B No. 12, arbitration in international law has a more specific meaning, namely: First, arbitration is a procedure for resolving legal disputes. In other words, arbitration concerns the rights and obligations of the disputing parties under the provisions of an international treaty, and settlement will be sought by applying the agreement to the facts of the case. Second, arbitration awards are legally binding on the disputing parties. Once, a country or legal subject as a party agrees to use arbitration, the state or legal subject is bound by a legal obligation to carry it out. Third, in arbitration proceedings, the disputing parties may choose their arbitrator. This is not the case in court, the parties to the dispute through arbitration have the authority regarding the composition of the arbitral tribunal and its procedures. In its dynamics, to answer the needs of the activities of international legal subjects, such as countries, international organizations, and business entities such as large-scale companies, which are increasingly complex, arbitration institutions also experience development (Gunadi, A., 2013).

The legal basis of Article 1 point 1 of Law no. 30 of 1999 concerning Arbitration and Alternative Dispute Resolution, arbitration is defined as a way of settling civil disputes outside the general courts based on an arbitration agreement made in writing by the disputing parties (Kansil, C.S.T., *et.al*., 2006). Settlement through arbitration can be done by individuals or institutions. Currently, arbitration is increasingly being used in resolving national and international trade disputes. In terms of the timing of the settlement selection, arbitration is divided into 2 (two), namely: the arbitration clause and submission agreement. The former is arbitration that has been included in the contract of the parties, while the latter is an action taken by the parties to submit dispute resolution to arbitration (Redfern, A., 2004).

The Employment Relations Act is the primary law governing the termination of employment in Singapore. All employment contracts must contain a termination clause that explains the rights, obligations, obligations and responsibilities of employers and employees in the event of termination of employment. The law aims to restructure industrial relations in Singapore and establish a system of tripartite cooperation between the government and the state on labor issues. According to the Industrial Relations Act and its 1968 amendments, resolution of labor disputes should be prevented and resolved out of court, ie through collective bargaining, mediation and arbitration. The collective bargaining process states that if negotiation does not resolve the dispute between the company and the worker/laborer, the next step must be the arbitration process. This arbitration is conducted by the Labor Commission operating under the auspices of the Ministry of Labor. If the arbitration attempt is still unsuccessful, the next step is to resolve the dispute through an arbitration tribunal, the Industrial Arbitration Court (IAC). The Chair and Vice-Chair of this arbitration body are directly appointed by the President on the advice of the Prime Minister. From this position, the IAC appears to have enormous power and be in a very strong position to settle disputes between companies and workers.

Based on this description, the two legal systems, both the Common Law System and the Civil Law System, generally involve the Government in labor law. The settlement of layoff disputes in Indonesia should be resolved

more simply and quickly if it is resolved out of court as the settlement of layoffs in force in Singapore. Recommended, Law no. 2 of 2004 concerning the Settlement of Labor Disputes needs to be amended immediately to give the Industrial Relations Arbitration the authority to resolve layoff disputes, adjusted to the needs of the community which requires a faster and cheaper process.

4. Conclusion

Dispute resolution for layoffs in Indonesia prioritizes settlement through consultation between employers and workers, and if no agreement is reached, it can be resolved out of court, especially through mediation or conciliation in industrial relations. If this is not possible out of court, the dismissal is valid upon obtaining a decision from the Labor Court. Dissatisfied parties can even appeal to the Supreme Court. Unlike Singapore, industrial relations arbitration bodies in Indonesia do not have the power to settle disputes over layoffs. The Employment Relations Act is the primary law governing termination of employment in Singapore. All employment contracts must contain a termination clause that explains the rights, obligations, obligations and responsibilities of employers and employees in the event of termination of employment. The law aims to restructure industrial relations in Singapore and establish a system of tripartite cooperation between the government and the state on labor issues. The law, like its 1968 amendments, aims to prevent the resolution of labor disputes and to resolve them out of court through collective bargaining (collective bargaining), mediation and arbitration. The collective bargaining process states that if negotiation does not resolve the dispute between the company and the worker/laborer, the next step must be the arbitration process. This arbitration is conducted by the Labor Commission operating under the auspices of the Ministry of Labor. If mediation efforts remain unsuccessful, the next step is to resolve the dispute through an arbitration tribunal, the Industrial Arbitrator (IAC). The Chair and Vice-Chair of this arbitration body are directly appointed by the President on the advice of the Prime Minister. From this position, the IAC appears to have enormous power and be in a very strong position to settle disputes between companies and workers.

Resolving labor disputes in Indonesia should be easier and faster out of court than in Singapore. The Recommendation, Law no. 2 of 2004 on Settlement of Labor Disputes, shall be amended without delay, including by authorizing Labor Relations Arbitration Courts to settle labor disputes procedure.

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