ANALYSIS OF JUDGE'S DECISION NUMBER 12/PDT.SUS-PHI/2024/PN BNA REGARDING VIOLATIONS OF PKWT
Based on the Concept of *Ijārah 'Alā Al-'Amāl*

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Abstract

This study is motivated by the increasing occurrence of violations of workers' rights in fixed-term employment relationships (PKWT), particularly concerning unpaid or delayed wages, which reflects a gap between legal norms and their implementation in practice. This research employs a qualitative method with a normative juridical approach, examining court decisions, statutory regulations, and Islamic economic law concepts. The rationale of this study lies in the persistent occurrence of workers' rights violations, especially related to wages, indicating a gap between legal norms and actual practices. The findings reveal that delayed and unpaid wages constitute a form of breach of contract that directly harms workers and leads to the termination of employment. Although dispute resolution mechanisms such as bipartite negotiations and mediation were undertaken, their effectiveness remains limited in ensuring optimal legal protection for workers. From the perspective of ijarah 'ala al-'amal , wage payment is a fundamental obligation that must not be delayed, and any violation reflects inconsistency with the principles of justice and trustworthiness in Islamic law. Critically, this decision underscores the need for stronger employer compliance and the integration of Sharia principles into industrial relations practices.

Keywords: *Fixed-Term Employment Agreement (PKWT), industrial relations dispute, wages, breach of contract, ijarah 'ala al-'amal*

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Introduction

A Fixed Term Employment Agreement (PKWT) is a type of employment relationship that is based on a time limit or completion of a particular job, as regulated in Article 56 of Law Number 13 of 2003 concerning Manpower.[1] The employment relationship between employers and employees falls under the category of mu'āmalah contracts in the modern era, which require legal certainty and fairness in their implementation. In Indonesia, Fixed-Term Employment Agreements (PKWT) are one of the legal instruments used to regulate temporary employment relationships. However, in practice, PKWTs often lead to violations, particularly regarding the fulfillment of workers' rights, which are often ignored by companies.

[1] Ramadhani S Mohamad Yusuf and Kholis Roisah, "Implementation of Law Number 13 of 2003 Regarding the Making of Fixed-Term Employment Agreements (PKWT)," *Notarius* 15, no. 1 (nd): 547

One concrete example of a violation of the PKWT can be found in the Industrial Relations Court Decision Number 12/Pdt.SusPHI/2024/PN Bna, which involved Amrizal as a worker and the Aceh Putra Putri Cooperative (KPPA) as the employer. In this case, KPPA as the defendant is alleged to have committed serious violations of the agreed contents of the PKWT agreement, such as delaying and cutting salary payments, as well as ignoring workers' normative rights. In fact, according to Islamic teachings, wages are a right that must be fulfilled, and delays in salary payments are considered an act of injustice.[2]

The problem in this case is not only related to breach of contract, but also concerns the issue of fairness in employment relations. In the perspective of sharia economic law, any practice that is contrary to the values of justice (*'adl*), benefit (*maslahah*), and responsibility (*amanah*) cannot be justified. Therefore, a fixed-term employment agreement (PKWT) should reflect a balance and fair protection for both parties, as taught in the concept of the ijarah contract according to Islamic law.[3]

By law, the employment relationship between the KPPA and Amrizal must comply with two legal frameworks: national law and Islamic law. Under Indonesian law, PKWT (Fixed Term Contract) is regulated by Articles 56 to 61A of Law Number 13 of 2003 concerning Manpower, which was amended by Law Number 6 of 2023. Technical implementation regulations are contained in Government Regulation Number 35 of 2021, which further regulates PKWT, outsourcing, working hours, and termination of employment. It is emphasized that workers have the right to compensation if the employment relationship ends, even if it ends before the contract period is complete.[4]

Meanwhile, from an Islamic legal perspective, the relationship between employer and employee falls into the category of mu'āmalah contract, more precisely the *ijarah 'ala al-'amal contract* —namely a work agreement for a certain period of time with agreed wages. Islam not only views work as a purely economic matter, but also as a social and moral responsibility that must be fulfilled by both parties.[5] One of the important principles in this contract is the obligation to pay wages clearly, fairly and on time. The Prophet Muhammad SAW said: "Pay wages to workers before their sweat dries" (HR. Ibnu Majah). This hadith shows that paying wages is not just a legal obligation, but also a moral

[2] Arifin Abdullah, Hajarul Akbar, and Asmaul Husna, "REVIEW OF ISLAMIC LAW OF THE WAGE SYSTEM LABOR: Study At The Adee Kak Nah Cake Production House Of Meuraksa Gampong, Meureudu District," *Al-Iqtishadiah: Jurnal Hukum Ekonomi Syariah* 3, no. 2 (2022): 114–132.

[3] Ulfi Nihaya and Achmad Busro, "Legal Analysis of the Fixed-Term Employment Agreement (PKWT) of UD. Permata Furni," *Notarius* 15, no. 2 (nd): 868.

[4] Government Regulation of the Republic of Indonesia (PP RI), "Fixed-Term Employment Agreements, Outsourcing, Working Hours and Rest Time, and Termination of Employment," *Government Regulation of the Republic of Indonesia Number 35 of 2021* , no. 086142 (2021): 42, https://learning.hukumonline.com/wp-content/uploads/2021/03/Peraturan-Pemerintah-Nomor-35-tahun-2021-Perjanjian-Kerja-Waktu-Tertentu-Alih-Daya-Waktu-Kerja-dan-Waktu-Istirahat-dan-Pemutusan-Hubungan-Kerja.pdf.

[5] Aqly Mubarak, "Suspension of Wages (Ujrah) According to Sharia Contract Law," *AL-IBANAH* 7, no. 1 (2022). 2

requirement. Delaying or ignoring wages is a form of injustice *(ẓulm)* that is strongly condemned in Islam.

Moreover, Islamic law emphasizes that work contracts must be carried out based on the principles of justice *('adl)* and responsibility (*amanah*). Employers should not abuse their position or exploit workers, non-payment of workers' wages also means failing to maintain the main objectives of sharia (*maqashid sharia*), especially in safeguarding property (*hifz al-mal*) and safeguarding life (*hifz al-nafs*), because workers lose their source of livelihood and fall into an uncertain situation.[6]

This case began with an employment relationship between the Plaintiff, Amrizal, and the Defendant, the Aceh Putra Putri Cooperative (KPPA), which was based on a Fixed-Term Employment Agreement (PKWT) Number 001/KPPA-HRD/PKWT/SITE/XII/2022 dated December 1, 2022. In the agreement, Amrizal was employed as Head of Mining Engineering (KTT) with a contract period of 1 year and 2 months and a monthly salary of Rp25,000,000. However, starting from the second month of his employment, KPPA no longer fulfilled its salary payment obligations according to the agreement. The salary was only paid once, namely by a third party (PT Indotama Minergi Solutions) in January 2023. After that, Amrizal several times directly requested the salary shortfall for February and March 2023, but only received payment of Rp18,000,000 out of the total Rp50,000,000 he was supposed to receive.

The Plaintiff has carried out the duties stipulated in the fixed-term employment agreement, namely as Head of Mining Engineering (KTT). During his employment, the Plaintiff has never taken leave or been absent, and has always followed the Defendant's instructions to demonstrate work performance (mining revenue) at the mine site. As a form of compensation, the Plaintiff is entitled to receive salary payments in accordance with the agreement in the Fixed-Term Employment Letter (PKWT) dated December 1, 2022. The provisions regarding the mechanism and amount of salary are stated in detail in the decision, namely regarding the case.

Another important fact in this case is that the KPPA failed to fulfill its responsibilities as an employer in accordance with the contents of the contract and applicable employment regulations. In addition to failing to pay full salaries, the KPPA also failed to provide compensation at the end of the contract period as stipulated in Article 61A of Law Number 6 of 2023 concerning Job Creation in conjunction with Article 15 of Government Regulation Number 35 of 2021 concerning Fixed-Term Employment Agreements (PKWT), outsourcing , working hours and rest periods, and termination of employment (PHK).

What is more worrying is that the KPPA actually argues that the obligation to pay wages lies with the investor. In fact, legally, the PKWT clearly states that the KPPA is the party directly responsible as the employer, so this excuse cannot be justified in the context of a legitimate employment relationship.

[6] Melis Melis, "The Relevance of Religion and Poverty; An Effort to Understand Poverty Multidimensionally and the Solutions Offered in Islamic Economics," *SALAM: Jurnal Sosial Dan Budaya Syar-I* 6, no. 2 (2019): 179

This research is considered important because, in reality, many similar cases still occur in the field but have not been discussed in depth from the perspective of Islamic economic law. However, this approach could provide significant added value, as it emphasizes not only formal legal aspects but also considers elements of ethics, justice, and broader socio-economic interests.

Another reason why this research is necessary is because there is still a gap in the literature or scientific studies. Currently, very little research discusses the application of the principles of Islamic economic law in industrial relations disputes, particularly those related to the rights of workers who are systematically harmed through the PKWT mechanism. This research aims to fill this gap by exploring how key concepts in Islamic economic law such as contract, justice (*'adl*), responsibility (*amanah*), and benefit (*maslahah*) can be applied to assess violations of PKWT as they occur in court decisions.

Therefore, the main focus of this study is to analyze the case of violation of the PKWT in Decision Number 12/Pdt.Sus-PHI/2024/PN Bna based on the *ijārah 'alā al-'amāl contract* . The aim is to determine the extent to which violations of workers' rights in the PKWT contract are in line with or contrary to Islamic values such as justice (*'adl*), responsibility (*amanah*), and benefit (*maslahah*). In addition, this research also wants to see whether the judge's considerations in the decision are in accordance with national legal principles and the basic concept of work contracts (*ijarah*) in muamalah jurisprudence. Finally, this study also aims to evaluate the extent to which the labor law system and industrial relations courts in Indonesia open up space for sharia values in the resolution of labor disputes, especially those concerning the protection of workers' rights in PKWT.

Method

This research uses a normative juridical method, qualitative normative juridical research is research that refers to legal norms contained in laws and court decisions as well as norms that live and develop in society.[7] This approach was chosen because the object of the research study was a judge's decision relating to contractual disputes in the realm of Islamic economics.

The approach used is a case *approach approach*), which focuses on the analysis of Decision Number 12/Pdt.Sus-Phi/2024/Pn Bna as the main data source.

The research data sources consist of primary and secondary data. The primary data is the court decision itself, namely Decision Number 12/Pdt.Sus-Phi/2024/Pn Bna, which is the object of the research. While the secondary data includes books, scientific journals, and other academic works relevant to the topic of violations of fixed-term employment agreements and service contracts in Islamic economic law. All data were analyzed qualitatively using descriptive-analytical analysis techniques to assess the conformity between the judge's legal considerations, positive legal provisions, and Islamic legal principles.

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Discussion

[7] Gunardi, *Legal Research Methods* , ed. Murni, 1st ed. (Jakarta: Damera Press, 2022).

The Concept of Legal Protection of Employment According to Statutory Regulations and the Ijārah 'Alā al-'Amāl Contract

Employment protection in the Indonesian legal system is a manifestation of the state's responsibility to ensure the fulfillment of basic workers' rights while creating fair and balanced industrial relations. Normatively, this protection is regulated in Law Number 13 of 2003 concerning Manpower, as amended by Law Number 6 of 2023 concerning Job Creation, which affirms that workers have the right to decent wages, fair treatment, social security, and legal certainty in employment relations. This protection is not only preventive, such as regulating the legal requirements for employment contracts, limiting the use of Fixed-Term Employment Agreements (PKWT), and requiring clear provisions on rights and obligations, but also repressive through industrial relations dispute resolution mechanisms. [8]In this context, employment law functions not merely as a regulatory instrument but also as a means of correcting the unequal position between workers and employers. This is crucial because in practice, workers are often in a weaker position economically and structurally. Therefore, the principle of worker protection demands a balance between freedom of contract and substantive justice. Thus, every employment relationship, including those based on PKWT, must not only fulfill formal administrative requirements, but also reflect fairness in its implementation, especially in fulfilling the right to wages as a fundamental right of workers.

In addition, legal protection for workers must also be understood as an effort to realize legal certainty while guaranteeing respect for human dignity in employment relations. This certainty is realized through the employer's obligation to consistently implement all employment provisions, including providing wages according to the agreement, fulfilling normative rights, and implementing employment relationships based on the principle of good faith. In the event of a violation of workers' rights, laws and regulations have provided various settlement mechanisms that can be taken, either through bipartite negotiations, mediation, conciliation, arbitration, or settlement through the Industrial Relations Court. The existence of this mechanism shows that the employment law system in Indonesia is not only oriented towards regulating employment relations, but also provides effective protection guarantees for workers when their rights are not fulfilled. Thus, legal protection in the employment sector is expected to be able to create harmonious and just industrial relations, as well as provide certainty for both parties in exercising their rights and obligations.

From the perspective of Islamic economic law, employment relationships can be understood through the concept of *ijārah ' alā al* -'amāl *,* namely the contract for the use of someone's services or labor in exchange for an agreed-upon reward (*ujrah).* This concept positions the employment relationship not only as an economic transaction, but also as a moral relationship based on the principles of justice (' *adl*), responsibility (*amanah*), and benefit (*maslahah*) . In the *ijarah contract* , there are several main elements that must be fulfilled, namely the existence of parties to the contract (*mu'jir* and *musta'jir*), the object

[8] Jihan Fadzillah, Zaini Munawir, and Marsella Marsella, "Legal Protection for Workers Who Do Not Receive the Provincial Minimum Wage (UMP) with a Fixed-Term Employment Agreement (PKWT) During the Pandemic," *ARBITER: Scientific Journal of Master of Law* 4, no. 1 (2022): 58–78.

of the contract in the form of clear service benefits, and compensation that is determined with certainty and paid on time.[9] In addition, the concept of ijārah also emphasizes the importance of the principle *of wafā' bi al- ' uqūd* (fulfillment of the contract) and the prohibition of *gharar* (ambiguity) in the implementation of the agreement. If in practice there is a discrepancy between the agreement and its implementation, such as non-payment of wages or unclear responsibilities of the employer, then the contract can be considered substantively flawed. Therefore, *the ijārah ' alā approach Al* -'amāl *provides* a more comprehensive analytical framework in assessing employment relationships, because it not only considers formal legal aspects, but also the ethical and justice dimensions which are the main objectives of Islamic law.

law views wages as an inherent right of workers as a consequence of the benefits they have provided to their employers. Therefore, any form of delay in payment without justifiable reason, unilateral wage reduction, or breach of an established agreement violates the principles of justice and trustworthiness that underlie the ijarah contract. Fulfilling workers' rights is not only seen as a legal obligation but also as a moral responsibility for which they will be accounted for before Allah SWT.

Legal Construction of PKWT Employment Relationships in Decision Number 12/Pdt.Sus-PHI/2024/PN Bna

One important aspect of Decision Number 12/Pdt.Sus-PHI/2024/PN Bna is how the judge assesses the employment relationship between workers and employers within the legal framework. In this case, the employment relationship is referred to as a Fixed-Term Employment Agreement (PKWT), a fixed-term employment contract containing agreements regarding position, wages, and the rights and obligations of the parties. At first glance, it appears to meet formal requirements because it is written and mutually agreed upon.[10] However, if we look more closely, the problem does not stop at the existence of the contract, but rather on whether the type of work carried out is truly in accordance with the character of the PKWT itself. This is important because PKWT is basically only intended for temporary work, not work that takes place continuously. Therefore, it is necessary to look further into whether the work in this case is indeed temporary or permanent, because if the work is continuous, then the use of PKWT is inappropriate even though it has been formally made correctly. Thus, the assessment of employment relations is not sufficient to focus only on administrative aspects, but must also consider real conditions in the field in order to reflect fairness in the relationship between workers and employers.

In the Indonesian employment law system, PKWT is not the main form of employment relationship, but is only used under certain conditions. This means that this type of agreement should not be used freely, as it has the potential to harm workers if used

[9] Muh Yusril and Muspita Sari, "Agreements and Their Role in Transactions," *Journal of Law and Administrative Science* 2, no. 1 (2024): 45–52.

[10] Apri Amalia et al., "Legal Analysis of Fixed-Term Employment Agreements Based on Employment Law and Contract Law," *USU Law Journal* 5, no. 1 (2017): 164960 .

inappropriately. [11]The law itself clearly stipulates that PKWT can only be applied to temporary work, such as work to be completed within a certain time, seasonal work, or work still in the trial phase. Therefore, if a job is performed continuously and is part of the company's core activities, a PKWT should not be used, but rather a permanent employment agreement (PKWTT). This principle is important to maintain a balance in employment relations so that workers continue to receive proper legal protection.

The problem evident in this decision is the tendency to judge the validity of an employment relationship solely on the basis of the existence of a written contract, without further examining whether the type of work performed complies with the provisions of the PKWT. It seems that as long as the written document mentions a PKWT, the employment relationship is automatically considered legally valid. However, this perspective ignores the primary purpose of employment law, which is to protect workers from unfair practices. The facts show that the plaintiff worked as Head of Mining Engineering (KTT), a position that plays a crucial role in the company's operational activities, including technical matters, occupational safety, and production continuity. In practice, such a position is not a temporary or one-time job, but rather a continuing job for as long as the company operates. This suggests that the work is actually more permanent, raising doubts about whether the use of PKWT in this case was appropriate or inconsistent with applicable regulations.

From this perspective, a critical question arises: does the use of PKWT in employment relationships truly reflect the reality of existing employment, or is it simply a form of formalization that is inconsistent with the substance of the employment relationship? This question is important because in employment law, there is a principle that substance must trump form (*substance). over form*). This means that even if an employment relationship is packaged in the form of a PKWT, if in fact the work is permanent, then the employment relationship must be treated as a PKWTT.

On the one hand, it cannot be denied that in the mining sector, there are types of work that are temporary in nature, for example during the exploration phase or certain projects with a clear time limit. Therefore, the use of PKWT in such circumstances can still be legally justified. However, this only applies if there is clarity regarding the scope of the work, the duration of the project, and the direct connection between the work and its temporary nature. In this case, there is no strong evidence that the plaintiff's work was limited to a specific project, but rather indicates that he played a significant and ongoing role in the company's operations. This situation raises the suspicion that the use of PKWT is driven more by the employer's practical interests, such as to facilitate termination of employment or reduce legal liability, rather than because it is truly in accordance with applicable regulations. Such practices are actually quite common in industrial relations in Indonesia, where PKWT is often used inappropriately as a way to avoid long-term obligations to workers.

The legal implications of using a non-compliant PKWT (Fixed Term Employment Agreement) are significant and should not be taken lightly. Under labor law, if a PKWT

[11] Aditya Pane, Mimi Atika Rahma, and Ranti Nadila, "Implementation of the Fixed-Term Employment Agreement System in Indonesia," *As-Syar'i: Jurnal Bimbingan & Konseling Keluarga* 6, no. 1 (2024): 694–704 .

fails to meet the specified requirements, the employment relationship can automatically be transformed into a PKWTT (Permanent Employment Agreement). [12]This change is not merely a matter of terminology, but directly impacts workers' positions and protections. In a permanent employment relationship (PKWTT), workers have stronger rights, such as the right to severance pay, certainty of continued employment, and protection from unilateral termination by the employer. In other words, making a mistake in determining the type of employment agreement from the outset can significantly impact the rights workers should receive.

In this case, if the employment relationship had been viewed as a fixed-term employment contract from the outset, the plaintiff's legal position would have been much stronger, particularly in demanding normative rights not fulfilled by the employer. On the other hand, it is interesting to note that the lawsuit focused primarily on the issue of unpaid wages, while the validity of the fixed-term employment contract was not emphasized. This is understandable, given the straightforward nature of the wage violation and its ease of proof. However, if viewed more comprehensively, re-examining whether the PKWT is appropriate can actually strengthen the argument that there has been injustice in the employment relationship between workers and employers.

From the perspective of Islamic economic law, particularly through the concept of *ijārah 'ala al-'amāl* , an employment relationship is understood as a contract that must be based on the principles of justice, clarity, and balance between the parties. This contract must provide clarity regarding the type of work performed, the duration of the work, and the amount of compensation (*ujrah*) the worker will receive. If in practice there is a difference between what is agreed in the contract and the actual conditions on the ground, this can give rise to elements of *gharar* (uncertainty) and *zulm* (injustice), which ultimately contradict the basic principles of Islamic law.[13]

Furthermore, Islamic teachings emphasize that all forms of transactions must avoid practices that unfairly harm one party. In this context, the use of non-permanent work contracts (PKWT) that do not comply with the provisions can be seen as a form of imbalance in the employment relationship, where the employer tends to be more dominant than the employee. Therefore, reexamining the construction of the employment relationship in this case is important, not only from a positive legal perspective, but also to assess whether the practice reflects the values of justice taught in Islamic law.

Based on the overall discussion, it can be understood that the construction of the employment relationship in Decision Number 12/Pdt.Sus-PHI/2024/PN Bna still raises quite fundamental legal issues. Although formally the employment relationship is categorized as a PKWT, if we look at the existing reality, there are strong indications that the type of work carried out does not comply with the PKWT criteria as regulated in statutory regulations. This shows that the assessment of employment relationships cannot

[12] Abdur Rahman, "Problems of Termination of Employment (PHK) Based on Verbal Indefinite-Term Employment Agreements (PKWTT)," *Face of Law* 8, no. 1 (2024): 34–39 .

[13] AM Harahap, R Rahayu, and SA Pohan, "Remuneration of Workers in the Perspective of Islamic Law and Current Labor Laws," *AURELIA: Indonesian Journal of Research and Community Service* 2, no. 1 (2023): 246–250.

only focus on the form of the contract, but must also consider the real conditions in the field, so that formal and substantial aspects can be analyzed in a balanced manner.

Thus, the discussion of PKWT in this case aims not only to explain how the employment relationship is structured, but also to assess whether the judge's decision reflects overall justice. An approach that emphasizes real conditions rather than mere formalities is crucial, ensuring that the law does not cease to be merely a written regulation but truly serves as a tool for delivering justice, particularly for workers who are inherently in a weaker position within the employment relationship.

Legality of Termination of Employment Due to Violation of Wage Rights by Employers

In Decision Number 12/Pdt.Sus-PHI/2024/PN Bna, the issue of the termination of the employment relationship is a crucial point that requires further analysis. In this case, the employment relationship between the plaintiff and the defendant did not end through a formal termination of employment (PHK) mechanism carried out by the employer, but rather began with a condition where the worker no longer continued his work because his wage rights were not fulfilled properly. This situation raises a fairly complex legal issue, namely how the status of the termination of the employment relationship should actually be understood: whether as a genuine resignation from the worker, or as a consequence of violations committed by the employer.

In industrial relations practice, resignation is generally understood as a voluntary decision by workers without pressure from any party. However, in this case, the conditions behind the workers' termination cannot be separated from the fact that the employer did not fulfill its obligation to pay wages. Wages are a basic right inherent in workers and cannot be postponed, let alone ignored. Therefore, when workers decide to stop working due to non-payment of wages, this decision cannot be considered as an action that is completely free from influence or pressure.[14]

In positive legal provisions, the obligation of employers to pay wages has been expressly regulated in Law Number 13 of 2003 concerning Manpower as amended by Law Number 11 of 2020 concerning Job Creation, and reinforced in Government Regulation Number 35 of 2021. This regulation emphasizes that wages must be paid in accordance with the employment agreement and on time. Even under certain conditions, workers are still entitled to receive wages even if they do not work, as long as this is not due to the worker's fault. This shows that business risks should not be passed on to workers.[15]

Thus, non-payment of wages in this case can be categorized as a form of default on the part of the employer. This breach of contract is not merely an administrative violation, but rather a violation that touches the very core of the employment relationship itself. When

[14] Yuniatri Fara Rahmania, Danial A Futaki, and Akbar Rizky Pratama, "Company Responsibility for Contract Employee Wage Deductions Due to Delays in Debt Payment Obligations," *PERSPECTIVE: Study of Legal and Development Issues* 27, no. 1 (2022): 1–11.

[15] Zamroni Zamroni et al., "Legal Protection of Wage Systems for Workers with Fixed-Term Employment Contracts," *PELITA LAW JOURNAL* 6, no. 1 (2025): 1–15.

the employer's primary obligations are not fulfilled, it is natural for employees to feel they no longer have a basis for continuing the employment relationship.

If viewed from a broader perspective, this condition can be linked to the concept of *constructive dismissal* , namely a situation where workers are indirectly "forced" to resign because working conditions are no longer suitable or violate their rights.[16] Although this concept is not explicitly regulated in Indonesian employment law, it is substantively relevant for use in analyzing this case. In this context, the employee's decision to resign is not a completely voluntary form of resignation, but rather a response to the employer's failure to fulfill its obligations.

If this approach is used, then responsibility for the end of the employment relationship cannot be fully borne by the worker. On the other hand, the employer must remain responsible for the conditions that caused the employment relationship to end. This is important to prevent the practice where employers indirectly encourage workers to resign in order to avoid legal obligations that should be fulfilled in cases of layoffs.

In judicial practice, the assessment of termination of employment often focuses on formal aspects, such as the letter of resignation, without delving deeper into the actual circumstances. This overly formal approach risks overlooking the real circumstances of the worker, necessitating a more comprehensive analysis that considers the factors that led the worker to make this decision, including any violations of rights by the employer. In this case, the failure to pay wages within a certain period of time is strong evidence that a serious violation of workers' rights has occurred, which not only impacts economic conditions, but also damages trust in the employment relationship. When an employer no longer fulfills its obligations, the basis of trust in the employment relationship has been substantially lost. Legally, employees retain the right to claim unpaid wages and other entitlements. If the violation is severe enough, it can also be grounds for judging the employer as having breached the employment agreement. Therefore, the termination of the employment relationship in this situation cannot be viewed as an isolated event, but rather as a consequence of the employer's own actions.

In the Islamic muamalah principle, every contract must be carried out in good faith and must not harm either party, so that if one party does not fulfill its obligations, then the contract can be considered not running as it should. In this context, the termination of an employment relationship due to non-payment of wages can be understood as a consequence of the breakdown of a contractual relationship that should be built on trust and fairness. This principle is in line with the word of Allah in (*QS* . *Al* - *Mā'idah* : 1):

يَا أَيُّهَا الَّذِينَ آمَنُوا أَوْفُوا بِالْعُقُودِ ....

Meaning: you who believe, fulfill the covenant...

which emphasizes the obligation to fulfill every agreement, as well as the hadith of the Prophet Muhammad SAW narrated by Ibn Majah:

[16] Aneta Tyc and Joseph Carby-Hall, "Constructive Dismissal: The British Way," *Revue de Droit Comparé Du Travail et de La Sécurité Sociale* , no. 4 (2024): 240–251.

God willing

Meaning: "Give the worker his wages before his sweat dries."

which emphasizes the importance of paying workers' wages on time. Therefore, an employer's failure to pay wages is not only a violation of positive law but also contradicts sharia principles because it violates the values of justice and trustworthiness in a contract.[17]

Thus, the analysis of the legality of the termination of the employment relationship in this case cannot be separated from the violations committed by the employer. Worker resignation cannot be understood as a completely independent action, but rather as a response to working conditions that are no longer fair. Therefore, a more substantive approach is needed so that legal assessments do not only focus on formal forms, but also on the reality that occurs.

Ultimately, this discussion demonstrates that the legality of termination of employment is determined not only by who formally terminates the employment relationship, but also by the underlying factors. In this case, there are strong indications that the employer's violation of wage rights was the primary cause of the termination. Therefore, it is important for judges to consider this aspect more thoroughly so that their decisions not only comply with legal requirements but also reflect a sense of justice, both from a positive legal perspective and within the framework of Islamic economic law.

Analysis of Judges' Decisions from the Perspective of Ijārah 'Ala al-'Amāl and Contractual Justice

The employment relationship in Decision Number 12/Pdt.Sus-PHI/2024/PN Bna can be viewed not only from a positive legal perspective but is also relevant to be studied through a sharia economic law approach, specifically the concept of *ijarah 'ala al-'amal* . This approach is important because, in essence, an employment relationship is a form of exchange of services for certain compensation, which in Islam is categorized as an *ijarah contract* . Therefore, it is necessary to analyze whether the employment relationship practices in this case are in accordance with the basic principles of the ijarah contract or whether they deviate from the values of justice that should be upheld.

In general, *ijārah 'ala al-'amāl* is an agreement to utilize someone's services for a mutually agreed reward. In this contract, the worker provides labor or expertise as a form of benefit, while the employer is obliged to provide compensation. In contrast to the positive legal approach which tends to focus on normative aspects, the concept of ijarah also emphasizes moral dimensions, such as justice, balance, and responsibility between parties. One of the important elements in ijarah is clarity of benefits (*manfa'ah*). This means that the work carried out must be clear in terms of type and scope. In this case, the plaintiff worked as Head of Mining Engineering who had a strategic role in the company's

[17] Fahmi Ardiansyah Siregar, Hafiz Wahyu Wijaya Marpaung, and Nabila Izmi Aina, "The Concept of Paying Wages to Workers/Laborers According to an Islamic Perspective," *Journal of Information Systems (JUSIN)* 4, no. 1 (2023): 24–28 .

operations. This shows that the benefits provided to workers are real and sustainable, so there are no problems from this side. However, problems arise in the aspect of rewards (*ujrah*). In Islamic law, ujrah must be clearly determined and paid according to the agreement. The facts in this case show that wages were not paid on time even within a certain period. This condition indicates a violation of one of the main elements of the ijarah contract, because the worker has fulfilled his obligations, but has not received his rights properly. Apart from that, the element of willingness (*ridha*) is also important in assessing the validity of the contract. Ridha does not only mean there is an agreement at the beginning, but also reflects fair conditions during the working relationship. In this case, even though there was an agreement at the beginning, the employer's inability to fulfill the obligation to pay wages meant that the element of consent was not substantially fulfilled.[18]

Contractual fairness essentially refers to a situation where an agreement is not only legally valid, but also fair in its implementation for all parties involved. This concept emphasizes the importance of balance between rights and obligations, so that contracts are not only seen as written agreements, but also as relationships that must be carried out proportionally. In practice, contractual justice becomes very important, especially in relationships that have unequal positions, such as between workers and employers. Therefore, a contract cannot be assessed solely from its legal perspective, but it must also be seen whether its implementation truly reflects justice. Thus, contractual justice serves to prevent the misuse of contracts as a tool to harm one of the parties.

From a positive law perspective, contractual justice is closely related to the basic principles of contract law, such as freedom of contract, good faith and balance. Freedom of contract allows the parties to determine the terms of the agreement, but this freedom remains limited by the principles of justice and fairness. The principle of good faith requires that the parties execute the agreement honestly and without prejudice to the other party , while the principle of balance emphasizes that no party should gain an unfair advantage. These three principles serve as benchmarks for assessing whether an agreement has been implemented fairly. If one of these principles is not fulfilled, the contract can be considered unfair in substance, even though it remains formally valid.

In addition, Islamic law pays special attention to the protection of the weaker party in a contractual relationship. This is important because in reality, not all parties have a balanced position, such as in the employment relationship between workers and employers. Therefore, contractual justice in Islam requires not only a formal agreement but also ensures that no party is harmed. This principle aligns with the Islamic jurisprudence principle *"lā ḍarar wa lā ḍirār,"* which prohibits actions that harm oneself or others. Therefore, any contract that results in unilateral harm can be considered inconsistent with the principles of justice in Islam.

When linked to Decision Number 12/Pdt.Sus-PHI/2024/PN Bna, the concept of contractual justice can be used to assess whether the employment relationship between

[18] Siti Azizah, Husni Mubarrak, and Muslem Muslem, "UMROH AS THE REASON FOR UNILATERAL TERMINATION OF EMPLOYMENT BY PT. DARUSSALAM BERLIAN MOTOR FROM THE PERSPECTIVE OF IJĀRAH BI AL-'AMAL (Verdict Case Study No. 1/Pdt. Sus-PHI/2019/PN Bna)," *Dusturiyah: Journal of Islamic Law, Legislation and Social Institutions* 11, no. 1 (2021): 59–88 .

workers and employers has been running fairly. In this case, even though there was a formally valid work agreement, in its implementation there was a violation in the form of non-payment of wages. This shows an imbalance in the employment relationship, because workers have carried out their obligations, but have not received their rights. From a contractual justice perspective, this condition clearly does not reflect a balanced and fair relationship.

Furthermore, non-payment of wages also shows that the principle of good faith is not being implemented by the employer. In employment relationships, good faith should be reflected in the timely fulfillment of obligations. When these obligations are not fulfilled, not only does a breach of contract occur, but trust between the parties is also damaged. In the perspective of *ijārah 'ala al-'amāl* , this shows that the elements *of ujrah* are not fulfilled, so that the contract becomes unbalanced and loses its justice value. Therefore, the employment relationship in this case can be said to not fulfill the principles of contractual justice, both according to positive law and Islamic law.

Ultimately, when evaluated as a whole, the judge's decision in this case shows that contractual justice has not been fully realized. Although judges have acknowledged the existence of wage rights violations and provided protection to workers, the analysis carried out still tends to focus on formal aspects. However, contractual justice demands a more in-depth assessment of the actual conditions that occur, including the imbalance in employment relations. Therefore, a more substantive approach is needed so that court decisions not only fulfill the legal aspects, but are also able to deliver true justice, both from the perspective of positive law and the values of justice in Islamic law.

Conclusion

This study shows that the construction of the employment relationship in Decision Number 12/Pdt.Sus-PHI/2024/PN Bna is formally qualified as a Fixed-Term Employment Agreement (PKWT), because it has fulfilled the administrative requirements in the form of a written contract and agreement between the parties. However, when viewed from the substance of the work carried out, there are strong indications that the work is permanent and ongoing, so it does not comply with the characteristics of PKWT as regulated in statutory regulations. In addition, in its implementation, fundamental violations were found in the form of non-payment of wages by employers, even though workers had carried out their obligations. This condition shows that there is a gap between normative provisions (*das sollen*) and the reality of practice in the field (*das signal*), so that the formally legitimate employment relationship does not substantively reflect the principles of justice, balance and worker protection.

The judge's decision in this case shows that the assessment of the employment relationship and the termination of the employment relationship focuses more on a formalistic approach, particularly on the existence of the employment agreement and the fact of the worker's resignation, without exploring in depth the suitability between the type of work and the form of the employment agreement, as well as the background to the termination of the employment relationship. Therefore, the author states that he does not

fully agree with the judge's considerations, because even though he has acknowledged the violation of wage rights, he has not optimally applied a substantive approach that places material facts as the main basis for legal assessment. From the perspective of sharia economic law, especially the concept of *ijārah 'alā al-'amāl* , this condition also shows a violation of the elements of ujrah (wages), the principle of justice (' *adl*), as well as the principles of trust and *wafā' bi al -' uqūd* , so that the contract that occurs does not fulfill the value of justice as a whole.

Therefore, a more holistic approach is needed in resolving industrial relations disputes, by substantively integrating positive legal analysis and the values of Islamic economic law. Judges should not only focus on the formal aspects of the agreement, but also assess the suitability between the form and substance of the employment relationship, and consider the factual conditions underlying the dispute, including violations of workers' rights that can be qualified as a form of breach of contract or *constructive dismissal* . In addition, there is a need for strengthening regulations and supervision of the practice of using PKWT to prevent misuse, as well as affirmation of the employer's obligation to fulfill wage rights as a form of good faith in employment relations. Thus, law does not only function as a tool of formal legitimacy, but also as an instrument for realizing substantive justice, both from a positive legal perspective and within the framework of Islamic economic legal values.

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