

ABSTRACT

In essence, industrial relationship constitutes privity laid down in work agreement entered into by and between employer and workers whose subject matter is to carry out activity. This means that the subject matter of the work agreement is work instead of worker. This implies that worker is not subordinate to employer. In a work relationship, it is assumed that employer's and worker's rights and obligations are in a balance position.

There are six principles of justice in the dispute settlement of industrial relationship, which are principles of legal protection, empowerment, companionship, alternative institutional, effectiveness, efficiency, and good faith. Those principles are derived from basic principles of justice and social justice under the classical and contemporary justice theory, such as don't harm another, gives what the peoples right is, behave in good manner. The principles are in line with justice values adopted in the 1945 Constitution, which is inspired by the principles of togetherness, and collectivity. The principles should be relied upon in order to improve dispute settlements of industrial relationship, which are proved to be unfair, prolonged, costly, unresponsive to the worker's interest, and they are settled by biased and interested institution.

Based on two classifications of industrial relationship disputes, which are rights disputes and industrial disputes and regulation for dispute settlement of industrial relationship as well as characteristic of workers in the dispute settlement of industrial relationships, five alternatives may be suggested for settling the industrial relationship. They are adjudication, Committee for Labor Dispute Settlement, arbitration, mediation, and alternative dispute resolution.

Key words: - principle of justice
- industrial relationship
- dispute settlement of industrial relationship