DOI: https://doi.org/10.38035/jlph.v4i6
Received: 12 September 2024, **Revised:** 18 September 2024, **Publish:** 23 September 2024
https://creativecommons.org/licenses/by/4.0/

Legal Certainty For Workers Due To Company Takeover (Acquisition)

Nobella Indradjaja[1], Chamdani[2]
[1]Wijaya Putra University, East Java, Indonesia, 21041001@student.uwp.ac.id.
[2]Wijaya Putra University, East Java, Indonesia, chamdani@uwp.ac.id.

Corresponding Author: 21041001@student.uwp.ac.id[1]

Abstract: Limited Liability Companies (LLCs) are crucial for driving and directing economic progress. Limited liability companies are crucial in driving and driving economic progress, particularly in the middle of globalization and liberalization of the increasingly complicated global economy. A company takeover is a legal action designed to increase a firm's viability and effectiveness by purchasing or disposing of shares of the target company. The law governing the selling and acquisition of shares that transfer rights are the main topic of this study. The research method used in writing this scientific paper was a normative research method with an analytical and conceptual approach which is carried out by analyzing legal concepts related to the legal issues faced. It is crucial to pay close attention to whether buying and selling shares in the legal transaction results in a change of ownership. The position of employees of the company whose shares were purchased does not, however, immediately end as a result of the transfer of rights to the company, unless there is an extra agreement in the company transfer agreement

Keywords: Acquisition, Company, Legal Protection, Employee

INTRODUCTION

Humans are social yet individualist creatures who tend to maximize profits in order to meet the needs of life. In fact, along with digital and technology advancement, humans are also adapting in such a way as to develop themselves in various sectors, one of which is in the business world. Developments in the business world, followed by the efficiency of digital platforms that also bring many conveniences, emerges many new players who contribute to the increasing competitiveness in the world market. This results in economic growth in a particular country. Unfortunately, this also triggers adverse effects such as the difficulty to control the market for certain groups of individuals and businesses. One that is enormously affected in this changing business is the company.

Molengraff argues that a company is a comprehensive system of deeds, which its business runs in order to achieve results from commerce, delivery, and from the sale of goods. According to its type, companies are divided into three, and these three types play the same role: to support economic development. The three types of companies are UD (trade enterprise), PT (limited liability company) / Koperasi (Cooperative) / BUMN (state-owned enterprises), and non-legal entities such as Firms or CVs (*Commanditaire*

Vennootschap)(Asyhadie & Sutrisno, 2012). These companies will then expand rapidly, affecting the increasing need for entrepreneurs. Because the benefits offered by PT answer the needs of entrepreneurs, other types of companies, such as firms and CVs (*Commanditaire Vennootschap*), are no longer in demand. The main reasons behind it are effectiveness and legal certainty(Machmud & Siregar, 2010).

The change of firms and CVs into PT (Limited Liability Company) is not only triggered by legal certainty issues, but also from the economic growth and demand for entrepreneurs. As a result of the increasing interest in PT and the setback of firms and CVs, there is an unhealthy business ecosystem created from unstoppable amount of competitiveness forms. For example, there is one company that was once able to run its business activities very well, but due to the rivalry in raw materials and customers, this company was then forced to perform efficiently. Unfortunately, the efficiency carried out often affects the quality of goods and services offered, as well as the existence of a product.

One type of efficiency that is often performed by companies is restructuring. Simply put, restructuring is a way for a company to change its organizational structure, with the aim of expansion or contraction. In addition, there are also several companies that apply similar modes to streamline cooperation, strengthen profits, capital and assets, as well as solving sales and operational problems. When a company decides to do this, there are also changes in other areas such as the company's balance sheet. In addition, the company in this mode will centre itself on its vision and mission, which later results in changes in assets, passiva, and business strategy.

In addition to the above objectives, business restructuring is also carried out for various other reasons such as: improving company performance and company value in the market, ensuring that products and services become better, facilitating privatization goals and even providing taxes and dividends for the state. In order to achieve this efficiency and effectiveness, the company changed itself through reorganizing, and it was regulated in Law 40 of 2007 concerning Limited Liability Companies (UUPT). There are three types of restructuring regulated: mergers, consolidations, and takeovers (acquisitions). One type of reorganization that becomes the focus of this study is acquisition, a reorganization process known as 'pengambilalihan' in the UUPT. This method is the most commonly applied by business players as they are striving to maintain the company they own as well as achieving maximum profit.

Such goals are applied in the business world regardless of the company's model, to ensure economic turnover and progress. This really has to be applied so that the complexity in the business world caused by globalization and liberalization can be unraveled, and one way to unravel it is by setting a strategy. Many strategy modes are applied to ensure the existence of a product/business on the battlefield. One of the strategies applied by entrepreneurs is acquisition. This strategy has been widely known, implemented, and even regulated in Law Number 40 of 2007 concerning Limited Liability Companies. This regulation is widely known as UUPT, and this term will be used in the analysis of this article. In this regulation, takeover is understood as "perbuatan hukum yang dilakukan oleh badan hukum atau orang perseorangan untuk mengambilalih" or “legal action carried out by a legal entity or individual to take” which controls over the company, mainly by taking over shares that have been issued by the Limited Liability Company, shareholders, and the Board of Directors of the Company. This share acquisition can be done by an individual or a legal entity.

This regulation also states that "*akta penggabungan, peleburan, pengambilalihan, atau pemisahan yang telah disetujui Rapat Umum Pemegang Saham dituangkan dalam akta penggabungan, peleburan, pengambilalihan, atau pemisahan yang dibuat dihadapan notaris dalam bahasa Indonesia*" or "The plan of Merger, Consolidation, Acquisition, and Separation which has been approved by the GMS shall be set forth into the deed of Merger, Consolidation, Acquisition, and Separation which is drawn up before the notary in Indonesian language ." in Article 128 paragraph 1 of the Law. This regulatory mechanism then regulates "rancangan

penggabungan, peleburan, pengambilalihan, atau pemisahan yang telah disetujui Rapat Umum" or "the plan of merger, consolidation, acquisition, or separation approved by the General Meeting" in article 128 paragraph 1 of the Law.

Over time, PT (Limited Liability Company) seeks to expand its business, both in terms of business type and reach, and this often has an impact on the sharp competition that occurs among PT. However, of course in the world of business competition, there are parties who win and lose. Companies that can win this competition certainly have all the resources needed to run a business(Moin, 2001). However, for some PT that is unable to keep up, they will fall out of the competition. Some of the factors that cause this defeat are the existence of goods/services, as well as their quality. Then, if this PT can no longer be helped internally, then what happens is the application of external assistance such as restructuring and reshuffling carried out through acquisitions. However, in an effort to maintain this existence, there is one party that becomes a victim: employees. Thus, this paper focuses on revealing how legal protection for employees is affected by company reorganization through acquisitions.

METHODS

The writing of this paper uses normative research methods combined with analytical and conceptual approaches; a research method that uses concepts in dissecting legal issues that are the focus of this research. In completing the discussion, this writing combines primary, secondary, and tertiary legal sources. The primary legal material used is legislation that supports analysis. The secondary legal materials used are writing and researches documented as legal journals, books and papers produced by academics, which review the issues in this study: Company Legislation, Agreements, and Civil. Then, this research is also equipped with tertiary legal materials, namely legal materials that refer to explanations of terms, such as Indonesian Dictionaries, English Dictionaries, and Legal Dictionaries that can be used in dissecting aspects of discussion that help analysis.

RESULTS AND DISCUSSION

Corporate Takeover (Acquisition)

Acquisition is a term in English, which is simply known as take over. The term "acquisition" is professionally used, but commoners easily understand the process with "takeover". Acquisition means the process of taking over control of a company from one company to another. The term acquisition can technically be understood as obtaining something as a result of an action. Meanwhile, in the legal world, acquisition is "a legal act carried out either by a legal person or natural person to take over the shares of a Limited Liability Company which results in the transfer of control over the Company." The consequences of this process can vary, one of which is that the control of the company changes from the party who is taken over to the party who takes over. Thus, all forms of responsibility that exist are now part of the takeover(I. S. H. Hariyani, 2011).

As a party who guarantees that business should run in a healthy corridor, the government stipulated regulations on Limited Liability Companies, especially those contained in Law No. 40 of 2007. According to this Law, in Article 1 Number 11, takeover is an action legally carried out in order to take over the shares of a company, and this has an impact on the changing control over the company from one party to another. This action can be carried out by legal entities or individuals. One of the juridically known ways of takeover is through the purchase of company shares (either partial or entire). Then, there is also another way that is often applied, namely acquisitions that can be applied internally or externally. These two systems are different, judging by who takes over the company. Internal acquisitions are carried out by groups that are still affiliated with the PT to be acquired, while external acquisitions are carried out by external parties(Saliman, 2005). There are several characteristics of acquirers: companies that have a

large and well-managed fund base, both managerially and developmentally, which are also equipped with profitable networks, and are still part with conglomerate groups.

The implementation of acquisition(I. Hariyani, 2010) can be done in two ways: voluntary/friendly takeover, or unfriendly/hostile takeover. Both ways are applied in different cases. For example, for a company that was taken over voluntarily, this small company had the intention to be acquired by the conglomerate. Meanwhile, hostile takeover occurs when small companies that find it difficult to develop must be taken over by large companies which are affiliated in conglomerate companies.

Voluntarily or unfriendly taken over, acquisitions are made with the expectation that the company will develop and become better than before. In addition, there are several advantages of acquisition, one of which is business effectiveness, where the previous name can still be used and the creation of a new license is not needed. However, acquisitions also have a downside: whether the ownership of companies that are at risk of switching caused by theft or disposal. Thus, in making a decision whether to make an acquisition or not, there are many factors that must be reviewed: minority shareholders, employees, creditors, and other business partners, society, and fair competition in the business.

Deed of Sale and Purchase of Shares in the Acquisition of a Limited Liabity Company

Taking over shares of a company can be done through various means, such as buying and selling, grants, or heirs/wills. In this context, the legal takeover is done by transferring the rights to PT shares carried out by legal entities and individuals. This can be achieved through the deed of transfer of rights, which is regulated in Article 56 paragraph 1 of the Law. If the change of rights to shares is carried out in the mode of sale and purchase, then the regulations of the Civil Code in article 1457 are used. In this regulation, it is stated that "jual beli adalah suatu persetujuan dengan mana pihak yang satu mengikatkan dirinya untuk menyerahkan suatu barang dan pihak yang lain untuk membayar harga yang dijanjikan" or "sale and purchase is an agreement by which one party binds himself to deliver an item and the other party to pay the promised price". Thus, expropriation by this mode is carefully regulated in the Civil Code, especially in the third book which includes collective agreements and agreements. This discussion is comprehensively discussed in Chapter V, which states that in this agreement, all parties are required to abide by the general principles in the law of engagement. Therefore, the terms of validity of an agreement must be strictly considered in the process of buying and selling shares.

In addition, there are also regulations governing the transfer of rights, which are mentioned in the UUPT. In this regulation, it is stated that in the sale and purchase of shares of a closed PT (Limited Liability Company), it must be carried out in a mechanism of transfer of rights, either carried out under hands or carried out through a notarial deed. The use of notarial deeds is recommended in various cases because this mechanism provides more guarantees to two parties. This assurance is strengthened by evidence that the sale and purchase of shares actually took place, and that both payment and delivery were made by an arranged mechanism, with witnesses signed in the evidence.

After the transfer of shareholders, followed by changes in the composition of shareholders, the next step is reporting to the Minister within a period of no later than thirty (30) days starting from the recording of the transfer of rights. This recording must certainly involve a Notary, who ensures that there is an Authentic Deed after the General Meeting of Shareholders (GMS) is compiled. The notary also ensures that all required documents are in accordance with the Basic Budget, and that there are payments made legally. The next stage is to ensure the approval of the sale and purchase of shares from one holder to another, as well as third parties. When the approval of the GMS has been determined, consideration of the quorum of attendance is then required before finalizing the final decision. Finally, changes to the list of

shareholders must be recorded and notified in Changes to the Company's Data(Rachmadi, 2004).

After that, according to the Law, the transfer of rights must also be recorded in the Register of Shareholders (DPS), so that there is an updated record of who the latest shareholder is. This of course must be done without violating laws and regulations, or reducing the permission of the authorities. All of these regulations must be reviewed to consider whether the expropriation has been carried out properly to ensure their validity. In addition, it is also important to examine whether the sale and purchase of existing shares is a legal action that causes a change of control. If the takeover of shares has an impact on the change of control, then the acquisition of shares occurs. The regulation that becomes the basis of this action is Law No. 40/2007, especially in its articles 125 to 134, which is devoted to regulating the takeover or acquisition of shares. In addition, there is also Government Regulation Number 27/1998 which comprehensively regulates acquisitions/takeovers carried out by a PT. According to this regulation, it is stated that major control is an acquisition that includes "all or most of the shares", where the percentage of shares owned becomes more than 50% (51% minimum), and is evidence that the ownership of these shares is more than that owned by other shareholders.

As mentioned above, takeover is a legal action carried out by individuals or legal entities, which results in changes in control of a company. Because this results in a change of control, there are conditions that must be met, such as those stipulated in the Law in article 126 paragraph 1 where "the legal act of expropriation (acquisition) must take into account the interests of:

a. the Company, minority shareholders, employees of the Company;
b. creditors and other business partners of the Company; and
c. society and fair competition in doing business."

Legal Effects of Company Takeover (Acquisition)

The relationship formed within the scope of the company leads to a relationship between the two parties: workers and employers. This relationship is formed after the agreement is mutually agreed that the worker will work for the master in exchange for wages, and the employer will provide a list of obligations that must be performed before obtaining wages. This agreement is binding, and is known as an employment agreement, which contains information on the bound parties (employer-labor), obligations and rights (compensation), and the time of the agreement(Prasetya, 2011). Because this agreement is made in a specific time frame, which also regulates the types of rights and obligations at one time, this agreement is made between the employer before the acquisition and the employee. Thus, if at any time there is a change in ownership/organizational structure, and the workers who are bound by the agreement are affected, there will be confusion. The confusion that occurs in many cases involves the rights and obligations of workers before the takeover until the process is completed. This then raises a new question: who should be responsible for fulfilling these workers' rights? New owner or old owner?

In addition to the problem of who will be responsible to the worker, the acquisition or takeover will result in another consequence: the worker's unwillingness to continue the working relationship with the new management. By regulation, as written in Law of the Republic of Indonesia Number 13 of 2003 concerning Manpower (UUKTK), workers can stop working in the acquisition process if there is a change in the employment agreement. For example, there is a case of acquisition in an oil palm plantation, in which in the process, the acquisition involved not only assets, but also employees within it. This has resulted in changes of patterns that have been carried out by workers, including wages, mutations, demotion and promotion. If in this situation the worker resigns, then there are two issues: (1) the worker is considered to have resigned, (2) the worker can be considered to be laid off. Both of these must be clarified,

considering that personal resignation and layoffs are followed by very different rights and obligations.

Layoffs are something that is actually avoided by both workers and employers, because it is related to human rights (HAM) which ensures the right to work and get decent work. Unfortunately, due to various factors, layoffs are often an option that must be done. However, in the context of this acquisition, if the resignation of workers indeed can be considered as layoffs, the employer must provide the rights that the worker deserves. This of course must be done, considering that workers are in worse conditions, and they are demanded to choose better choices for themselves and the families they support.

On the basis described in the paragraph above, the author determines the focus of the study to find, which party should be responsible for fulfilling workers' rights when the acquisition occurs? To complete the research results, the author will also review regulations that include legal protection for workers in acquisitions based on the Persero Law and the Manpower Law.

There are always legal consequences for the acquisition or takeover of a company either for the company itself or its workers. This is due to changes in the status of a company after the purchase process of the shares. Thus, based on article 61 paragraphs 2 and 3 in Law Number 13 of 2003 concerning Manpower, there is a change in the status of workers, as a result of the company's transfer of control. In theory, even if a takeover is made, the company-worker employment agreement will not end, unless there is a prior agreement in the process. In addition, there are other legal consequences that depend on the willingness of the management and the worker to continue the previous employment relationship.

If in the further process both parties want the continuation of the working relationship that has been running, then the status of an employee in the company that underwent the acquisition does not change. In simple terms, it can be said that these employees will still be employees in the company that has been taken over. This happens as the working relationship that has been created before the takeover of this company is an employment relationship between employees and the company that has been taken over, so that the company's control about the situation of the agreement still exists.

However, not all parties will be willing to continue with the employment agreement, and this will then lead to layoffs or termination of employment. This situation has been regulated through Article 81 number 42 of the Job Creation Law which contains Article 154A paragraph (1) letter a of the Manpower Law, which is written as follows:

(1) Termination of employment may occur for reasons of:
  (a) the company merges, consolidates, takeovers, or separates the company and the worker/laborer is not willing to continue the employment relationship or the employer is not willing to accept the worker/laborer;

Because the layoff situation has occurred, employees have the right to receive service award money and/or severance pay with the following conditions:

1. Severance pay is given with the following conditions:
   a. working period of less than 1 year, 1 month of wages;
   b. working period of 1 year or more but less than 2 years, 2 months wages;
   c. working period of 2 years or more but less than 3 years, 3 months wages;
   d. working period of 3 years or more but less than 4 years, 4 months wages;
   e. working period of 4 years or more but less than 5 years, 5 months wages;
   f. working period of 5 years or more but less than 6 years, 6 months wages;
   g. working period of 6 years or more but less than 7 years, 7 months wages;
   h. working period of 7 years or more but less than 8 years, 8 months wages;
   i. working period of 8 years or more, 9 months wages.
2. Service award money is given with the following conditions:
   a. tenure of 3 years or more but less than 6 years, 2 months wages;

b. tenure of 6 years or more but less than 9 years, 3 months wages;
c. tenure of 9 years or more but less than 12 years, 4 months wages;
d. tenure of 12 years or more but less than 15 years, 5 months wages;
e. tenure of 15 years or more but less than 18 years, 6 months wages;
f. tenure of 18 years or more but less than 21 years, 7 months wages;
g. tenure of 21 years or more but less than 24 years, 8 months wages;
h. tenure of 24 years or more, 10 months wages.

3. Reimbursement money that should be received, including:
   a. annual leave that has not been taken and has not been forfeited;
   b. costs or return costs for workers / laborers and their families to the place where workers / laborers are accepted to work
   c. other matters stipulated in the employment agreement, company regulations, or collective labor agreement.

However, comprehensive rules that discuss the provision of severance pay, service period award money, and rights replacement money will still be further regulated through a Government Regulation as an implementing rule of the Job Creation Law, which until this article was published, has not been promulgated.

Workers' Rights after Company Takeover

In corporate restructuring due to acquisitions, there are changes that occur, one of which is a change in directors. This also affects changes in decisions. Because the changes that occur are major, there are several things that must be done by the company first before obtaining permission for the acquisition according to article 127 paragraph 2 of the Law: (1) the board of directors must inform one newspaper of the acquisition plan; (2) The Board of Directors of the Company is required to make a writing, and announce to the employees in the Company about the acquisition within 30 days before the summons of the GMS. The explanation in this regulation reads as follows: "The announcement is intended to provide an opportunity for the parties concerned to become aware of the plan and raise objections if they feel their interests are harmed."(Sidabalok, 2012)

After the above process is completed, and the company will sign an acquisition agreement, the company is required to notify the employee about the replacement controller in accordance with the criteria listed in article 127 of the Law. After workers understand the company's situation and the plan to change control, then for employees who cannot accept the change, they can apply for layoff/resignation in accordance with the regulations contained in article 161 paragraph 3 of the UUKTK. On the employer's side, employers also have the right to lay off old company workers in accordance with the regulations of article 161 paragraph 3 of the UUKTK. Both parties in this position are not allowed to do it simultaneously, but must be gradual.

The above (requesting for layoffs / doing layoffs) is in accordance with the principle of freedom of contract, which is contained in paragraph 1338 BW. The contract discussed here is a contract that contains the position (position), type of work (jobdesc), salary and payment, to the terms of employment (including rights). This contract is very necessary, considering that for entrepreneurs, it is an effort to get the results of work that sustains their business; and for workers, this is evidence of the obligations that must be carried out and what rights belong to them: social security/occupational health/safety, leave, strikes, right to associate. When an acquisition occurs, of course, there will be changes experienced by employers and workers, but especially workers, and the losses experienced are usually related to the amount of wages to position. Thus, workers have the right to choose which choice they can bear.

In fact, ideally, in acquisitions, there should be no change (especially decrease) in wages, and this goes back to the essence of wages: employee welfare standards. However, when this decision really has to be applied in an acquisition, the controller (the takeover company) should

get the consent of the workers, including the guarantees in accordance with the previous management's control. One guarantee that is often worth noting is leave allotment. This should be a concern considering the essence of all this relates to the employment agreement discussed above.

UKKTK, in its 55th article, states that the work agreement is an agreement that cannot be changed or revoked, except in a running time, this agreement is void / changed with the agreement of both parties. Basically, changes in the contract which are agreed by both parties, are reasonable because they contain the nature of the contract. Thus, in this contractually bound relationship, changes to wages and positions can be made, provided they meet the main element: agreed by both parties. However, what often happens in the acquisition process is that changes take place at the will of one party or occur by coercion. So what happens, the controller who took over has violated the employment agreement.

As a policymaker, the government has tried to protect workers in similar cases by determining the limits of changes that can occur in an employment agreement, and one of them includes wages. Based on article 90 paragraph 1 of the UUKTK, an employment agreement involving wages cannot be changed lower than the determination of the minimum wage, and cannot be equivalent to the minimum wage if the worker has passed one year of service. Therefore, changes to the employment agreement are allowed to be made as long as they are in accordance with the provisions and conditions written in the regulations above. If, in one case, the new controller reduces wages without notifying or seeking the consent of the worker, it is permissible for the worker to file a default lawsuit with the court, in accordance with the regulations contained in Law No. 13 of 2003, article 52 paragraph (2) Jo. Article 3 paragraph 1. In this lawsuit, the worker can bring a tort lawsuit that is punishable. Although, of course, it would be better if this choice is not made by workers, considering the increasingly fierce job competition that must be faced again by these workers if they are laid off.

Not only regulations on wage change limits, workers can demand new controllers if in the acquisition process, there is a rotation of employees related to demotion. This is legal to do if the takeover party gets approval from the worker concerned. However, if not, this would be an offense leading to the realm of tort claims to be decided in the industrial relations court. However, these workers also have another option: requesting layoffs.

Another case is that the company does not announce acquisitions or restructurings. If this is the case, then workers have the right to apply for layoffs, and this is consistent in the provisions of the Law, especially article 127 paragraph 5. In addition to workers, employers also have the right to lay off for reasons of effectiveness, either by downsizing or reducing. In addition to these methods, reshuffling can also be done by rotation and repositioning, both linearly (equivalent), demotion (decrease) and promotion (increase). All of these ways are carried out by the company to adjust the organizational structure according to the needs of the company, while also based on the qualifications possessed by employees. In this case, the company has an undeniable reason for restructuring, especially seeing from the basis of the decision is to maintain the company's existence. Because of this, the law allows for reductions in workers to be taken for reasons of effectiveness, but this is not allowed if there are mixed personal motives(Achmadi, 2019).

Changes that occur, be it the number of workers or restructurization, must be carried out on the basis of qualifications and work competencies. Therefore, if these two things are not achieved, then employers are required to provide labor rights, namely the amount of severance pay twice, as stated in Article 156 paragraph (2). However, not all companies have the good attitude to fulfill this. In certain cases, workers are forced to apply for layoffs because the company's decision is no longer in accordance with the situation / desires / abilities / expectations of workers. When this option is taken, the worker states that s/he is not willing to continue his/her work in a new situation, which causes the employment relationship to be incompatible with the work agreement that was previously agreed between the two parties,

including in the PP (Peraturan Perusahaan or The Company's regulations) / PKB (Perjanjian Kerja Bersama or The Collective Labour Agreement). When a company is taken over, then as described above, there are many changes both structurally and managerially that cause changes in position, salary, and benefits. For this massive change, workers have a strong motive in submitting a desire for layoffs.

From the description above, it can be concluded that both the company and workers have the motive for layoffs, which must still be done within the corridors of the limits on the implementation of layoffs. Companies can make layoffs on the basis of efficiency, and workers can apply for layoffs due to changes in the type of work, salary, position, benefits, to changes to Company Regulations and Collective Labor Agreements. It is this boundary corridor that protects both parties from the arbitrariness that hides behind layoff decisions.

Employers who must be Responsible for Fulfilling Workers' Rights after Company Acquisition

When the acquisition process occurs, there are massive changes that occur in the company, one of which is a change in control and shareholders. When the acquisition has been signed and approved, the first thing that happens is the adjustment of policies in the process of transitioning the old company to the new company. This adjustment involves signing related to workers, namely contracts, as well as changes to PK (Employment Agreement), PP (Company Regulation and PKB (CLA).

In this stage, the takeover company also has the obligation to complete the rights of workers who are still held / unfulfilled while they are still under the control of the previous company. This includes debts and salaries. This is in accordance with the basis of the acquisition itself, which is to takeover of a company, from the old controller to the new controller. When this is the case, the take over company has an obligation to take the entire responsibility, including debts and arrears of workers' wages prior to the acquisition. Thus, if in the process of acquiring workers want to claim their rights, this will be the authority of the new controller on one condition: there is no agreement between the old and new controllers before. This is the recommended time for workers to collect company debts, guarantees that have not been registered or leave that has not been fulfilled.

The matters described above are in accordance with the provisions written in article 61 paragraph 3 of the UUKTK which states that in the process of transferring the company, all obligations will be the responsibility of the new owner. In this case, if there is a reduction in the agreement of work / labor rights, there will be exceptions. This regulation is based on the principle that those responsible for workers' rights are companies that are not related to the change of ownership/control, but this must all be based on the agreement of the old-new owner in accordance with article 61 paragraph 3 of the UUKTK. However, workers have the right to know agreements beyond those listed in the article.

This regulation is made to overcome the position gap between employers who are clearly not in one line, where employers have power and position above workers. Thus, as a stakeholder who is obliged to fulfill rights, the government makes regulations in such a way as to prevent the arbitrariness of strong parties to oppress weak parties. In this labor context, this is related to the fulfillment of rights, and not the time of payment of salaries, because the time of salaries fulfillment are outside of this interpretation area.

In accordance with the provisions, layoffs allow workers to demand severance pay mentioned in article 163 paragraph (1). In this case, workers can sue with a lawsuit stating that the takeover party did not fulfill its obligations, namely providing workers' rights, both wages and benefits, in a timely manner resulting in a decrease in workers' welfare quality. It is on this basis that workers demand layoffs: payment of wages is not in accordance with the employment agreement that has been carried out together with the old employer; the new controlling party

has been negligent. Thus, workers are entitled to severance pay as stipulated in article 163 paragraph (1) of the UUKTK, and that has become their right.

All rights to be claimed must be written on the employment agreement, so that in the course of the lawsuit, the worker has authentic evidence of the waiver/negligence of the new controller. This agreement must contain workers' rights such as the terms of rights, obligations, and company regulations. If indeed workers want to fight for their rights, it is required that there is proof of system changes made by expropriations without involving workers, and that bring harm to workers and reduce workers' welfare standards directly. In addition, if indeed the worker cannot prove this claim with evidence of the negligence of the new controller, then it is likely for the worker to leave without his rights (severance) or win the claim. This is justified in accordance with the regulation of article 163 paragraph (1), where if there is no change that causes disputes over rights and interests (salary, position, benefits, type of work), then severance pay cannot be given to workers. But beyond all this, it is highly recommended for both parties, workers and employers, not to take the path of layoffs in favor of balanced industrial relations conditions.

CONCLUSION

Competition in the business field will bring a company into two situations: growing or losing. When a company loses due to several factors, there are several ways to help this company to continue existing, and one of them is through acquisitions. Acquisitions that are in accordance with the right corridor are generally through the mechanism of the Deed of Sale and Purchase, which becomes evidence as well as provides legal certainty for both parties. Especially, if this acquisition does not lead to control over the shares, then this deed provides certainty for the parties who need it. Only, if the acquisition causes a change in control of shares, then the sale and purchase deed must be in the nature of being carried out, considering that there is legal certainty needed by many parties involved in it.

Acquisition, or more easily understood as a takeover, is a legal action taken to improve a company through existence and efficiency. This can be done through the sale of shares to other parties, both to companies and other companies. This action then affects the status of the company and especially to workers. Fortunately, regulations have been made to address this issue. Through Law Number 13 of 2003, especially in Article 61 paragraph 2, it is ensured that expropriation does not necessarily change the status of workers, unless there is an additional agreement on workers in the takeover process. On the other hand, according to Article 63 paragraphs 1 and 2 of Law Number 13 of 2003 concerning Manpower, the employment relationship between workers and employers will end if the new employer violates the work agreement that has been written between the old employer and the worker.

Through the description of the article above, it can be concluded that in the acquisition of a company, workers are entitled to a minimum of 2 times the severance pay in the event of a layoff process: whether it is carried out by the company because of restructuring that focuses on the efficiency and needs of the company, as well as the workers' own requests for layoffs. Both of these are permitted to be done in accordance with the provisions of article 163 paragraph 2. The above is considered valid only if the basis for layoffs is clear, namely for the benefit of the company's existence and not because of the arbitrariness of the takeover entrepreneur. If there is no layoff, the takeover company is asked not to violate/change the work agreement between the worker and the old company, because it is related to the work agreement between the two parties themselves. However, if it is possible to make changes in the employment agreement, the new controller must ensure that the changes are known to the workers, even mutually agreed.

In addition, there are still limits that must be complied with by the new controller relating to changes to employment agreements, two of which relate to salary and reasons for mutation. For salaries, the new controller cannot arbitrarily lower the worker's salary, and for workers

who have worked for more than one year, the new controller cannot pay him according to the minimum wage. Then, for changes in structure (position), it must be adjusted to competencies and abilities. Despite all that, layoffs are not a recommended path by the government, if industrial relations can still run ideally and no party is harmed.

REFERENCES

Achmadi, R. I. (2019). Perlindungan Hukum Pekerja Pasca Terjadinya Akuisisi Perusahaan. *Jurist-Diction*, *2*(4), 1457–1477.

Asyhadie, Z. H., & Sutrisno, B. (2012). *Hukum Perusahaan dan Kepailitan*. Erlangga.

Hariyani, I. (2010). *Restrukturisasi Dan Penghapusan Kredit Macet*. Elex Media Komputindo.

Hariyani, I. S. H. (2011). *Merger, Konsolidasi, Akuisisi, & Pemisahan Perusahaan: Cara Cerdas Mengembangkan & Memajukan Perusahaan*. Visimedia.

Machmud, Z. T. M., & Siregar, R. N. (2010). Small and Medium Enterprises in Regional Production Networks: An Indonesian Case. *Integrating Small and Medium Enterprises (SMEs) into the More Integrated East Asia*, 334.

Moin, A. (2001). *Hukum Tentang Akuisisi, Take Over dan LBO*. PT Citra Aditya Bakti.

Prasetya, R. (2011). *Teori & Praktik Perseroan Terbatas*.

Rachmadi, U. (2004). *Dimensi Hukum Perusahaan Perseroan Terbatas*. Alumni.

Saliman, A. R. (2005). *Hukum Bisnis untuk Perusahaan*. Kencana Prenadamedia Group.

Sidabalok, J. (2012). *Hukum Perusahaan- Analisis Terhadap Pengaturan Peran Perusahaan dalam Pembangunan Ekonomi Nasional di Indonesia*. Nuasa Aulia.