

OMNIBUS LAW ON JOB CREATION AS A MEANS TO INCREASE INVESTMENT BASED ON THE CONCEPT OF WELFARE STATE

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ABSTRACT

Indonesia is a country that has enormous economic potency but still lacks investment. Many factors hinder the ease of doing business, thereby reducing investors' interest in investing in Indonesia. Indonesia needs to implement the Omnibus Law on Job Creation as an answer to the problems obstructing investment in Indonesia. Increased investment is one of the main factors in determining income levels. Investment allows a society to continuously increase economic activity and job opportunities, increase national income, as well as the level of prosperity. The increasing number of investments coming to Indonesia is expected to be able to open up many jobs. Omnibus Law on Job Creation as a means of increasing investment based on the concept of a welfare state. This welfare concept is thought as the exact way to enhance the state involvement in lifting the welfare of the people up. The central government innovates in the field of employment and investment, especially job creation by issuing Omnibus Law on Job Creation in order to increase investment in the city of Tegal in particular and Indonesia in general. However, as some forget, workers seemed to oppose it before the legislation was passed by the legislature. The number of conflicts in the community regarding the omnibus law so that it obscures the purpose of the government and of course what happens does not become harmonious even though harmony is needed so that the synergy between the government and the community occurs in a good relationship.

Keywords: Omnibus Law, Investment, Job Creation

INTRODUCTION

The current condition shows that many people in Indonesia do not have a job. The government's goal by forming the Omnibus Law on Job Creation is to increase employment for the community while increasing investment in Indonesia.

Seeing that Indonesia's average economic growth in the last 5 years is 5% and 1% economic growth is only able to absorb as many as 400 thousand workers, the government hopes through the Job Creation Law is economic growth of 6% per year to absorb 7 million unemployed and absorb 2 million new workforces. Investment as a way to create more jobs is the government's way of achieving the target of 6% economic growth per year.

Therefore, a new investment of 4,800 trillion is needed because every 1% of economic growth requires 800 trillion. If investment is one of the paths chosen by the government, the government needs to pay attention to how the investment absorbs labor in Indonesia.

In Tegal City, for example, there are still many people who still don't have a job. This can be overcome with the Omnibus Law for Job Creation in order to increase investment in Tegal City, so as to create jobs that can be filled by people who have no jobs.

The problem of employment is closely related to investment. Technological developments in the current world have made changes in a positive or even negative direction. Technological developments have penetrated online-based economic activities. This has made several online-based companies take innovative steps, namely by becoming a platform for online sales, and this of course will have an impact on conventional sales and investment.

The increase in online-based sales has resulted in decreasing conventional investment, resulting in more and more unemployment. The central government answers this problem with innovations in the fields of jobs and investment. The innovation is by publishing the Omnibus Law on Job Creation to increase investment in Tegal City in particular, and in Indonesia in general.

Indonesia is a country with enormous economic potential but is still lacking investment. Many factors hinder the ease of doing business, thereby reducing investors' interest in investing in Indonesia. Indonesia needs to implement the Omnibus Law as an answer to the problems obstructing investment in Indonesia, especially in the City of Tegal.

Omnibus Law on Job Creation is a means of increasing investment based on the concept of a welfare state. This welfare concept is thought as the exact way to enhance the state involvement in lifting the welfare of the people up. This reliance is supported by facts regarding market and state failure in improving people's welfare.

The concept of welfare is also closely related to socio-economic policies that seek to realize the welfare of the people. Some of the most elementary and urgent issues should be paid attention to, namely the aspects of health, education, and employment.

Employment is one of the problems that are considered in welfare state policies. The increase in investment will open up new jobs so that in the future the welfare state with indicators of success in providing employment will be successful.

This study seeks to examine the application of the Omnibus Law which will be passed, then linked to the Labor Law and investment. Finally, it is expected that it can make a positive contribution to formulating a legal protection system that is compatible and sustainable in harmony with the Labor Law and laws related to investment and the 1945 Constitution of the Republic of Indonesia as the basis of the Indonesian state.

What is the pattern of implementing the Omnibus Law on Job Creation? How is the development of regional regulations related to the plan to implement the Omnibus Law on Job Creation in order to increase investment? How is the impact of the Omnibus Law on investors and workers? Based on the background that has been described, the researcher intends to carry out a

study with the title: "Omnibus Law on Job Creation as a Means to Increase Investment Based on the Concept of Welfare State".

RESEARCH METHOD

Research Method

In this study, the approach used by the researcher is an empirical juridical approach. This approach focuses on identifying and conceptualizing law as a tool which functions to be social institution in daily life system. (Soekanto, 1986)

The research entitled "Omnibus Law on Job Creation as a Means to Increase Investment Based on the Concept of Welfare State" was carried out using an empirical juridical approach, namely by analyzing primary data consisting of interviews and observations while the secondary data spoke about legal materials, especially primary and secondary legal materials by understanding that law is a set of rules governing human life.

The empirical juridical approach emphasizes research that aims to obtain empirical legal knowledge by going directly to the object to determine the role of the Omnibus Law on Job Creation with increased investment in society.

Type of Research

This type of research is juridical empirical or sociological law and can also be referred to as field research, namely by examining the applicable legal provisions and what is happening in reality in society or in other words, namely research conducted on the real situation happening in the actual society with the intention of knowing and finding the facts and data needed. After that, it leads to problem identification which in turn directs to problem-solving (Bambang, 2001).

Research Location

The focus of the research location took place in Tegalsari Village, West Tegal Sub-district, and the Labor Office of Tegal Regency.

Data Source

According to Mukti Fajar in his book entitled "*Dualisme Penelitian Hukum Normatif dan Empiris*", there are two sources of data in empirical legal research, namely primary data as the main data and secondary data or literature study (Fajar, 2015).

a. Primary Data

The use of primary data in this research shows that this research must be built from social facts related to the operation of real laws. Direct observation by observation or through questionnaires was done by the researcher.

b. Secondary Data

The use of secondary data is usually used as initial data or as a comparison in sociological legal research. Researchers depart from social facts from books, research results, and scientific journals.

Data Analysis Method

Data analysis was performed using a qualitative analysis method. This method is done to meet the adequacy of the data. The data that has been collected through literature and field studies are then analyzed from the data sources according to the level of the approach. Data from the main source will be analyzed by searching for the truth comprehensively about efforts to increase investment through the Omnibus Law on Job Creation in the Tegal Regency area.

RESULT

A. Omnibus Law on Job Creation

1. Definition of Omnibus Law

Omnibus Law or also often called as Omnibus Bill, in (Garner, 2004) Bryan A. Garner's *Black's Law Dictionary Ninth Edition*, is: "A single bill containing various distinct matters, usu. drafted in this way to force the executive either to accept all the unrelated minor provisions or to veto the major provisions. 2. A bill that deals with all proposals relating to a particular subject, such as an 'omnibus judgeship bill' covering all proposals for new judgeships or an 'omnibus crime bill' dealing with different subjects such as new crimes and grams to states for crime control".

A similar opinion is also stated, (Biersbach, 2017) that the Omnibus Law or Omnibus Bill: "Just like a standard bill, omnibus bills are formal proposals to change laws that are voted on by rank and file lawmakers and sent off to the executive branch for final approval. The difference with omnibus bills is they contain numerous smaller bills, ostensibly on the same broad topic. Take the omnibus tax bill as an example: It may include changes in everything from income, corporate, and sales taxes, but all of those issues can fit under the large umbrella of taxes.

In Bryan A. Garner's *Black Law Dictionary Ninth Edition*, omnibus is explained as relating to or dealing with numerous objects or items at once; including many things or having various purposes. Conceptually, the Omnibus Law originates from the Omnibus which comes from Latin which means "for everything". When that word is juxtaposed with "Law", then it can be terminated as "law for all" (Busroh, 2017)

In the context of law, it can be interpreted as the settlement of various laws into one main law. The Omnibus Law becomes the government's political will. This was demonstrated in the Indonesian President's Speech at the MPR RI Plenary Session on October 20, 2019, which invited the DPR to immediately issue two major laws, namely the Job Creation Law and the Law on Empowerment of MSMEs. These two laws will become the Omnibus Law, namely in one united law that synchronously revises several other laws (Trijono, 2020).

According to Constitutional Law Expert Bavitri Savitri, Omnibus Law is defined as a law designed to target major issues in a country. Apart from targeting big issues, the aim is also to revoke or amend several laws. According to Constitutional Law Expert Fahri Bachmid in legal science, the concept of Omnibus Law is a concept of legal products that serves to consolidate various themes, materials, subjects, and laws and regulations in each different sector to become a large and holistic legal product (Fitryantica, 2019).

Jimly Asshiddiqie in the subject of the Comparison of Constitutions on September 28, 2017, conveyed three conditions for practicing the Omnibus Law, namely the laws to be amended are directly related, the laws to be changed are not directly related, and the laws to be amended are not related but in practice intersect. The Omnibus Law in Indonesia was initiated by Sofyan Djalil who at that time served as the Coordinating Minister for Economic Affairs of the Republic of Indonesia. This is closely related to the difficulty in doing business in Indonesia, where licensing is still difficult and convoluted, which results in difficulties for investors to enter Indonesia (Suriadinata, 2019).

Omnibus Law can simply be interpreted as a single law that can change several laws at once. Omnibus Law is actually a technique in drafting laws that aim to achieve efficiency and effectiveness so that it has big potential to be applied in Indonesia. To make the Omnibus Law happen, a deep and comprehensive understanding of the Omnibus Law and sturdy political commitment from both the DPR (House of Representatives) and the Indonesian Government is needed.

2. Contents of the Omnibus Law of Job Creation

Given the increasing number of challenges in realizing the vision of Indonesia in 2045, which will become the world's top 5 economic powers by becoming a high-income country by 2040, of course, the government is trying to overcome challenges which if left alone will become obstacles to this vision. The weakening and uncertain global economic conditions and slowing global economic growth have provided a significant impact on the economy of Indonesia. The government has made efforts to overcome these problems by maintaining people's purchasing power, encouraging increased government consumption, and improving investment performance.

The complexity and difficulty of investing in Indonesia have resulted in the low competitiveness of Indonesia compared to neighboring countries. The complexity or difficulty of investing in Indonesia can be seen from the licensing aspect. In investment in the electricity sector in Indonesia, 19 (nineteen) permit instruments are still needed while investing in tourism such as resorts requires more instruments, namely 22 (twenty-two) licensing instruments.

In an effort to improve people's welfare, the investment that is able to absorb labor is needed. However, the government and society still face problems that hinder these efforts, including:

- a. Miscellaneous business licenses are complicated and take a long time;
- b. Investment requirements are burdensome;
- c. Low support from industrial research and not very appropriate in the business world;
- d. Land acquisition is difficult and takes so long, and is often uncertain
- e. Protection for the empowerment of MSMEs including cooperatives is not optimal;
- f. Inefficient procurement of government projects;
- g. Slow government administration/bureaucracy;
- h. Unproductive workforce compared to neighboring countries;
- i. The imposition of sanctions on investors/entrepreneurs which are mostly in the form of criminal sanctions;
- j. Special economic zones that are not yet optimal for encouraging investment in Indonesia;
- k. Increase in business for investors who are able to absorb labor.

It is expected that the Draft Job Creation Law can answer and overcome business problems which, if these problems can be resolved, of course, will have a positive impact on escalating the investment ecosystem in the midst of increasingly competitive global economic competition.

Protection of workers is the main point in which workers need to obtain welfare, from the provision of wages, severance pay, and other allowances to legal protection. Labor-related issues are increasingly complex, especially those related to Indonesian migrant workers. It is hoped that the incoming investment in the country can absorb a large number of Indonesian workers. This demographic bonus must of course be put to good use to attract massive investment so that welfare is guaranteed.

A large number of the workforce, especially those originating from the return of migrant workers whose work contracts have expired, is also a social problem in which of course the number of productive workforces will increase, especially in certain areas where many of the population are migrant laborers. It is expected that the Draft of Job Creation Law will gradually change the investment climate in this country so that it can create jobs that are urgently needed by the Indonesian people nowadays.

B. The Increase in Investment

1. Investment

According to the *New English Dictionary and Thesaurus*, "invest" means *to commit (money) to property, stocks, and share, etc for profit, to devote effort, time, etc on particular activity; to install in the office with the ceremony to furnish with power, authority*. "Investment" is defined as the act of investing money productively; the amount invested; an activity in which time, effort or money has been invested (Purwaningsih, Muslikh, & Chikmawati, 2019). Therefore, investment can be said to be an activity that takes advantage of time, energy and puts money either through property, shares, and others with the aim of obtaining an advantage or benefit in the future.

Investment activities are generally aimed at realizing economic growth. In Indonesia, investment activities are equally directed at supporting the realization of an increase in national economic growth in a sustainable and quality manner by creating an attractive investment climate, encouraging increased foreign investment to increase the competitiveness of the national economy, and increasing adequate infrastructure capacity (Purwaningsih, Muslikh, & Chikmawati, 2019).

The matter of investment is indirectly regulated in Law Number 25 of 2007 on Capital Investment. In Article 11 of Law Number 25 of 2007 concerning Capital Investment, investment means all forms of investment activities, either by foreign and domestic investors to conduct business in the territory of the Republic of Indonesia. Investment activities mean managing capital in the form of money, business, tools, and so on by domestic and foreign business actors with the aim of obtaining profits from certain business activities.

In short, investment can be defined as a net addition to existing capital stock. Another term for investment comes from McEachern, stating it as capital formation or capital accumulation (Nanga, 2005). Investment does not mean the purchase of stocks, bonds, or other financial assets. Investments consist of spending on (1) new plants and equipment, (2) new homes, and (3) an increase in net inventories. The business investment includes purchases of current capital goods on expectations of future acceptance (Lubis & Zulam, 2019).

Investment also has links with other fields such as the environment, agriculture, and taxes. The link between investment and the environment is that in every investment, investors are required to preserve the environment in the territory of Indonesia. If this is violated, of course, the permit for investment can be revoked by the competent official or can also be sentenced or asked to pay compensation for violating statutory regulations and for causing environmental damage or pollution.

In terms of relation to agrarian affairs, of course, it is closely related to land rights in Indonesia, especially for foreign investors. Land rights that can be granted to investors are Rights to Building (HGB), Rights to Business (HGU), and Rights of Use (HP). In Law Number 25 of 2007 on Capital Investment in Article 22 paragraph (1), it is stated that there are provisions related to the use of land rights. Land rights that can be used by investors are HGB, HGU, and HP. There is also a time limit, namely HGU can be granted for 95 years, can also be extended for 60 years, and can be renewed for 35 years. The HGB can be granted for a total of 80 years, can be disposed and lengthened for 50 years, and is renewable for 30 years. Meanwhile, HP can be given for 70 years, extended or given for 45 years, and can be renewed for 25 years.

Investment has to do with taxation. In principle, investors investing in Indonesia must pay taxes in accordance with laws and regulations. However, of course, there have also been tax concessions provided by investors, such as exemption from capital stamp duty, exemption from import duty and sales tax, exemption from name transfer, and corporate tax concessions.

2. The Development of Investment in Indonesia

Investment in Indonesia has been regulated in the Capital Investment Law, which of course is intended to provide legal certainty. Legal certainty has been stated in Article 3 of Law Number 25 of 2007 on Capital Investment, which adheres to the Principle of Legal Certainty at the top of the 10 principles in the investment implementation in Indonesia. However, legal certainty also needs to be supported by legal certainty in law enforcement. In making an investment, of course, there are several things that can affect its implementation, including:

- a. Policies from the government that give impact to costs such as illegal fees, taxes, infrastructure, regulatory burdens, corruption, corporate investment, operating costs, and investment in the labor market;
- b. Groups that affect the risks that occur including macroeconomic stability, policy stability and predictability, property rights, contract certainty, and the right to transfer profits, and;
 - c. Barriers to competition, which consist of regulatory barriers to enter and exit from businesses, the functioning of markets and good infrastructure, and the existence of effective competition laws (Ikhsan, 2020).

Until now, legal certainty in the form of regulation is still a problem which makes it an obstacle to investing, especially in transactions and business contracts in Indonesia, which are still considered to be low in the aspect of legal certainty. The number of contracts between foreign investors carried out by the Indonesian side has been canceled by the courts. Investors feel aggrieved due to the cancellation of the agreement, plus investors often experience difficulties in finishing agreements of contract and payment when following the legal-certified system in Indonesia.

The increasing number of investments coming to Indonesia is expected to be able to open up a lot of job opportunities as well. This is because an investment is aimed at seeking profit, for example in the case of the industry in the field of technology. If it has received a large investment, of course, the production of these goods must also be large in accordance with the investment given so that profits can be achieved. Thus, in order to meet the investment target, companies need more workers to be able to produce the desired product.

According to Sukirno, the increase in investment is one of the main factors in determining the level of income. Investment allows a society to continuously improve economic activity and job opportunities, escalate national income, and intensify prosperity (Syaihur, 2012). So that in determining how high the welfare of the community and the increase in income, the investment aspect can be used as a reference in this regard. The increase in investment which causes job opportunities definitely provides jobs for many people so that they will not be unemployed and are able to meet their daily needs. The ability of the community to fulfil their lives will not be separated from their work as a source of income or a living which is also a measure of the welfare of the community.

3. Investment as a Form of Increasing Welfare

The existence of investment, of course, is not just the use of money or property for future benefits. Adi Harsono (HS & Sutrisno, 2018) believes that investment, especially foreign investment, can have a positive impact, namely:

1. Foreign companies pay higher employee salaries than the national average.
2. Foreign companies create jobs faster than similar domestic companies.
3. Foreign companies do not hesitate to spend money on education.
4. Foreign companies export more than domestic companies.

Besides the positive impacts of foreign investment, there are also negative ones which come to the recipient country:

1. The existence of multinational enterprises (MNE) gives negative impacts on the recipient country's economy;
2. Give quarrels to the recipient country (institutionally) or with local indigenous people;
3. Can influence or even dominate local companies;
4. Its business activities have the potential to damage the environment, especially in developing countries;
5. Can undermine the positive aspects of investment in developing countries.

There is a lot of investment that is currently being done so as to provide welfare to the community. The danger of this phenomenon is the increasing number of investments that are not true or fake, which definitely makes the victim experience material and immaterial losses. There are obstacles in investing in Indonesia, namely:

1. Difficulties for companies in obtaining suitable land or project locations;
2. Difficulties in obtaining raw materials;
3. Funding/financing difficulties;
4. Marketing difficulties, and;
5. The existence of disputes or conflicts between shareholders.

Seeing this, of course, these problems need to be resolved or minimized. Investments that have many benefits, especially for investors or workers, can also increase their income. The Draft of Omnibus Law on Job Creation will open many opportunities for investors to invest in Indonesia. The growth of companies that are increasingly mushrooming does not guarantee that the welfare of the community will also increase. In fact, people have to fight more. Currently, every company needs a competent workforce, especially in line with their expertise. According to the Labor Office of Tegal Regency in May 2020, there were around 3,712 job seekers who had not been placed, while there were only 328 job vacancies that had not been filled by prospective workers.

The large number of job seekers, especially those who are not yet competent, certainly makes a list of welfare in Indonesia that is still lacking. Prospective workers certainly prefer to migrate where they think they get a higher wage or salary from the region. Even though the investment will be made easier, even if the public is not aware of the availability of information related to job vacancies, the construction of companies that should absorb a large number of workers will not materialize. This is because investment also has links to other fields such as the environment, agriculture, taxes, and others.

DISCUSSION

A. The Pattern of Omnibus Law Implementation

The position of Omnibus Law in Indonesian Law, namely the Omnibus law or Omnibus Bill, is a law that regulates and covers various types of content materials that are different or regulate and cover all matters regarding a type of content material. The term "Omnibus Law" is not known in Law Number 12 of 2011 on the Formation of Laws and Regulations as amended by Law Number 15 of 2019 on Amendments to Law Number 12 of 2011 on the Formation of Laws and Regulations. However, because the form of the Omnibus Law is a law, the provisions for its formation can refer to any provisions of the law formation as stated in Law 12/2011 and its amendments.

Omnibus Law is a law that focuses on simplifying the number of regulations due to its nature of revising and repealing many laws at once. The use of Omnibus Law concept has not been accommodated in Law No. 12 of 2011, yet it is not prohibited. This concept is only appropriate for overcoming too many regulatory problems. However, regulatory problems are not only that as there are still problems of disharmony, overlapping, unsuitable content material, and sectoral egos of the forming institutions.

The government has been trying to create a good investment climate in Indonesia through various regulatory instruments, including Government Regulation (PP), Presidential Regulation (Perpres), and Regional Regulation (Perda). The spread of these various arrangements makes it difficult as well as comes to the absence of a legal entity. In addition, it does not rule out legal disharmony, both vertically and horizontally. This needs to become the awareness of the government and legislators in order to create a complete, simple, efficient, and effective investment law in building a good investment climate in Indonesia.

The importance of creating a conducive investment climate and providing supporting facilities will increase investment in Indonesia. The instrument for creating a conducive climate is the law. A legal (in this case a law/regulation) that can accommodate the wishes of investors but does not neglect national interests is needed.

Indonesia can adopt Omnibus Law to create investment legal instruments that can increase investment interest in Indonesia. This is because the problems regulated in investment law are very complex. Not only is the problem of investors coming and investing their capital, but it is closely related to various aspects such as labor, infrastructure, fiscal and non-fiscal incentives, and so on. The complexity of this problem is not regulated in the Capital Investment Law. Recently it has just occurred to them and published the regulations in the form of Government Regulation (PP), Presidential Regulation (Perpres), and Ministerial Regulation (Permen).

The concept of Omnibus Law can actually be a solution to simplifying too many regulations, as is experienced in Indonesia today. As revealed by the Ministry of National Development Planning of the Republic of Indonesia (Bappenas), from 2000 to 2015, the central government issued 12,471 regulations, with the ministry being the largest producer with 8,311 regulations. The next largest type of regulation is government regulation, with 2,446 regulations. Meanwhile, the products of regulations issued by local governments are dominated by regional regulation (Perda) of regency/city totaling 25,575 regulations, followed by provincial regional regulation (Perda) with 3,177 regulations (Bappenas dalam Pusat Studi Hukum dan Kebijakan Indonesia, 2019). The presence and implementation of Omnibus Law on Job Creation will increase Indonesia's competitiveness from other countries. Moreover, currently, Indonesia is experiencing an oversupply of labor, while the existing employment opportunities are not sufficient.

B. The Development of Regional Regulations on Plans to Implement the Omnibus Law on Job Creation to Increase Investment

1. The Practice of Establishing Omnibus Law at the Regional Level

The Omnibus Law plan in Indonesia is still focused on the legal level. Four Omnibus Laws elements have been included in the priority of the national legislation program (prolegnas). The four are the Law on Amendments to Law No. 36 of 2009 concerning Health/the Law on the National Health System, the Law on Pharmacy, the Law on Job Creation, and the Law on the National Capital.

However, in practice, the concept of Omnibus Law can be applied in the formation of provincial or national-level regulations. In particular, we can take an example from the United States. As explained on the official website of the Minnesota State Senate, the Minnesota state senate discussed and passed the Omnibus Judiciary and Public Safety Funding Bill of 2019 and the Omnibus Tax Bill of 2019.

This is such a big step as in the context of taxation, the United States Congress also passed the FairTax Act of 2019. Therefore, the Omnibus Law basically can be adopted, both in regulations at the national level and at the regional level.

2. Regional Regulation in Indonesia

In Indonesia, regulations at the regional level in Law 12/2011 and its amendments are divided into provincial regional regulations and regency/city regional regulations. The contents of provincial regional regulations and regency/city local regulations contain material in the framework of implementing local autonomy and co-administration as well as sustaining special regional situations and/or advanced elaboration with higher regulations coming from the centre or state-level position.

In the provincial regional legislation program preparation (prolegda), the draft list is based on:

- a. higher order of laws and regulations;
- b. local development plans;
- c. the performance of regional autonomy and co-administration; and
- d. the aspirations of the local community.

In certain circumstances, the Regional House of Representatives (DPRD) or the governor might propose a draft of provincial regulation besides the provincial regional legislation program (prolegda):

- a. to overcome extraordinary circumstances, situations of conflict, or natural disasters;
- b. due to cooperation with other parties; and
- c. other certain situations which ensure the urgency of a draft of provincial regional regulation (prolegda) that can be jointly approved by the provincial House of Representative's organ that specializes in the field of legislation and legal bureaus.

Provisions regarding the planning for the formulation of provincial regulations apply *mutatis mutandis* to the planning for drafting regency/city regional regulations.

In addition, it is explained in Article 33 paragraph (3) juncto paragraph (2) of Law 12/2011 that the regulated material and its relationship with other laws and regulations that have been reviewed and harmonized are set forth in an academic text. What is meant by "assessment and alignment" is the process of knowing the relationship between the material to be regulated with other laws and regulations that are vertical or horizontal so as to prevent overlapping regulations or authorities.

Based on this description, there is no prohibition for local governments to implement regional regulations that are Omnibus Law, as long as they meet the provisions of the formation of regional regulations in Law 12/2011. Furthermore, the Omnibus Law formation is also subject to a process to determine the relationship between the material to be regulated with other laws and regulations that are vertical or horizontal. If the adoption of the Omnibus Law is deeply expected, then the assessment and alignment are carried out at the same time to identify and change provisions in other regional regulations that are equivalent to or under it.

It should also be noted that the legal force of statutory regulations is under the hierarchy referred to in Article 7 paragraph (1) of Law 12/2011. If a statutory regulation under the law is suspected of contradicting the law, the examination is held by the Supreme Court. Therefore, the formation of the Omnibus Law at the regional level, both at the provincial and regency/city levels, must still comply with higher laws and regulations. It can be concluded that the Omnibus Law, including the Omnibus Law on Job Creation, can be enforced in the regions especially with the aim of increasing investment.

C. Impacts of Omnibus Law on Job Creation on Investors and Workers

Efforts to create the Omnibus Law to solve the deadlock of various problems that have been hindering are in line with the need for job creation amidst high unemployment in Indonesia.

Impacts on workers:

- a. Omnibus Law on Job Creation tries to be an answer to expanding employment opportunities & protecting workers
- b. Build hardworking and dynamic human resources
- c. Investment for job creation is prioritized
- d. Creating wide employment opportunities for the future of the nation.

Impacts on investors:

- a. Omnibus Law is a solution to overlapping regulations related to investment;
- b. There are efforts to encourage entrepreneurs to be able to innovate, such as creating new factories, especially labor-intensive ones, which will later become absorbent land for a lot of labor;
- c. Based on reports, the Environmental Impact Assessment (AMDAL) permits are often slowed down by elements of the regional government, which in turn can slow down investment from investors;
- d. With the Omnibus Law on Job Creation, the Environmental Impact Assessment (AMDAL) management is expected to be better, faster, and more transparent;
- e. Omnibus Law is used to unify central and regional policies in supporting the investment climate. Omnibus Law can be a way of conflicting laws, either vertically or horizontally

CONCLUSION

The lack of investment in Indonesia is definitely a problem accompanied by the demographic bonus. This demographic bonus must be used wisely by the government, one of which is to improve the welfare of the Indonesian people nowadays. With a change in the investment climate, it is expected that the welfare of the community will increase.

The difficulty of investing, especially related to investment licenses, has caused many foreign countries to discourage investment in Indonesia. This is then exacerbated by the fact of demographic bonus due to the return of migrant workers whose work contracts in foreign countries have expired, which indirectly also increases the number of productive workforces in Indonesia which needs to be utilized properly, one of which is by attracting foreign investors to invest domestically.

The overlapping regulations or the many requirements that must be fulfilled by investors clearly make it difficult to invest, while the number of workers in Indonesia is sufficient if the investment occurs. It is expected that the Draft of Job Creation Law will make it easier for investors to invest in Indonesia which also creates jobs for the Indonesian people. In the Draft of Job Creation Law, requirements related to investment licensing have been cut so that it is hoped that this investment can also improve the welfare of the community.

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