

TERMINATING WORKERS DURING THE PANDEMIC: A PERSPECTIVE ON LEGAL CERTAINTY

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ABSTRACT

This paper presents a comprehensive analysis of the legal principles that govern the process of worker layoffs and the corresponding legal framework required to regulate such actions during economic crises. The study adopts a normative juridical approach, and the findings highlight the key legal principles that underpin employee terminations and form the basis of legal dogmatics. These principles include clarity, fairness, balance, empowerment, nationality, utility, non-discrimination law, and family principles. Furthermore, the regulatory framework governing employment termination should encompass a minimum set of legally mandated components. These components include clearly defined grounds for termination, prerequisites for initiating the process, procedural steps to be followed, a prescribed time limit for completion, normative entitlements of affected workers, and the implementation of online-based oversight mechanisms. Establishing regulations on employee termination in response to the global economic crisis is of utmost importance. These regulations should incorporate a baseline of legal principles and minimum legal requirements. It is recommended that governmental and legislative entities include provisions for employee terminations within the framework of the Labour Law.

Keywords: Terminating, Workers, Economic, Crisis, Pandemic.

INTRODUCTION

The absence of the phrase "a worker's termination" can be observed in Law Number 13 of 2003 concerning Labour, the Job Creation Law, and the Job Creation as replacing the laws. The aforementioned policy may be identified in the Circular Letter of the Minister of Labour Number SE-05/M/BW/1998, which pertains to the remuneration of workers who experience involuntary separation not resulting from the termination of employment relations. In addition to Point (f) outlined in Circular Letter SE-5907/MEN/PHI-PPHI/X/2004 issued by the Minister of Labour, which pertains to the prevention of mass layoffs (Directive of Labour Minister Number 907/2004). Nevertheless, the Circular Letter fails to provide a clear definition of the duration of worker layoffs or termination.

This discourse delves into several salient aspects on the regulation of worker layoffs. The present discourse pertains to the concept of legal principles within the domain of labor law about the termination of employees in response to the ongoing epidemic. The imperative nature of legal principles is crucial in the establishment of norms as guiding principles for policy reforms in the realm of legislation. It is asserted that the fundamental basis of positive law is derived from an abstract concept that encompasses a greater scope of applicability than the specific rules outlined within positive legal norms (Dewa Gede Atmadja, 2018). Additionally, it offers insights into potential legislative advancements in the field of labor development. The motivation behind the critique stems from the lack of clarity surrounding the arrangements and conceptual framework for employee layoffs, as outlined in the Circular Letter issued by the Minister of Labour. The outcome of this situation will likely manifest as a diminished efficacy in the implementation of labor legislation within the ongoing pandemic. The assessment of this arrangement is of utmost importance to proactively prepare for the occurrence of a pandemic crisis, whether it be in the present or at other times.

Legal issues can also arise under Article 93, paragraph (2f) of the Labour Law, which states that employers are obligated to provide wages to workers or laborers who are willing to perform the promised work but are not employed due to the employer's fault or avoidable obstacles. The phrase "obstacles that should

have been avoided" is ambiguous and open to numerous interpretations, leading to uncertainty on whether it qualifies as a force majeure event. According to Decree Number 104, 2021 issued by the Labour Minister, in cases when employers are unable to fulfill salary obligations for workers who have been laid off due to the Covid epidemic, employers are permitted to engage in negotiations with workers transparently and fairly, guided by principles of kinship, transparency, and good faith.

The issues that emerge from this phenomenon are: The initial step entails the establishment of a ministerial decree that governs the procedural aspects of employee terminations during negotiations. Furthermore, it should be noted that the Ministerial Decree does not impose any limitations on the timeframe within which workers can be laid off, nor does it require companies to meet specific financial criteria after the implementation of layoffs. Furthermore, it should be noted that the Ministry of Labour does not currently exercise regulatory control over the specific duration during which workers may be laid off. Consequently, there exists a lack of clarity on the continuity of the employment relationship during the layoff procedure.

A past study has examined prior research of regulations concerning employee layoffs (Reka et al., 2021). The findings of this study indicate that the workers were dismissed without clear information and faced ambiguity over their future employment. Consequently, it is reasonable to inquire about their remuneration, as the lack of clarity around their potential reinstatement makes it difficult to determine when they would resume their previous positions. In this scenario, it is imperative to ensure that workers continue to receive assistance in the form of pay, despite being subjected to layoffs before the establishment of a new agreement. Additional investigation is necessary to ascertain the specific regulations that impose restrictions on the maximum duration of layoffs for workers. Furthermore, a study conducted by Kelly (2020) suggests that employers view the decision to lay off workers as a means of terminating employment. The topic of discussion pertains to the two-way communication on pay and the assurance of the duration of worker layoffs. The findings presented in this study are consistent with the research

conducted (Laudia et al., 2022), whereby they define the policy of worker layoffs as a temporary discharge or release of employees either for a specified or unspecified duration.

Previous research has commonly raised concerns regarding the necessity of enhancing legal clarity about the termination of employment contracts and the duration of the layoff period. The problem was resolved solely by the implementation of deliberative discussions with individuals who had been terminated from their employment. However, the ability to achieve justice is limited when the process of negotiating these concerns lacks democratic principles. Hence, it is imperative to establish regulatory measures about the duration of employee layoffs. Legislation is necessary for the implementation of governmental action aimed at safeguarding the interests of workers who have been terminated from their employment. The implementation of these measures is anticipated to mitigate analogous challenges that may arise in subsequent pandemics.

RESEARCH METHOD

This study employs a normative juridical method, utilizing a conceptual framework, legislative analysis, and examination of relevant case law. It is going to present an examination of the legal principles governing employee layoffs, as well as an analysis of the minimum legal requirements on the procedures for conducting such layoffs or termination of work.

RESEARCH OUTCOME AND DISCUSSION

1) Legal Principles in the Termination of Workers

Legal principles, referred to as legal principles in regulatory literature, encompass the fundamental doctrines that hold significant value in the development of a comprehensive legal framework. The formulation of a rule should be guided by legal concepts. According to G.W. Paton, a principle can be seen as a fundamental rationale that underlies the establishment of legal rules (Atmadja, 2018). Principles are derived from the realm of tangible legal dogmatics. The

enforcement of dogmatic law, also known as positive law, is imperative. Hence, the law must operate as a mechanism for the revitalization of the community.

The government and legislative bodies shall adhere to the principles outlined in Article 6 of Law Number 12 of 2011, which pertains to the formulation of laws and regulations when engaging in law-making processes. The first premise is that of protection, which necessitates the establishment of regulations by the government and legislative bodies to ensure that workers who experience job loss are provided with adequate financial support through other legal avenues. The implementation of employer and government policies is crucial. In the context of Saudi Arabia, the implementation of corporate policies aimed at fostering long-term economic recovery entails the provision of training opportunities, fostering innovation, and cultivating adaptation within the emerging digital landscape. These policies are designed to provide an economic framework that is more robust and capable of withstanding future crises. As the number of less productive employees resigns and financial gains rise, the entrepreneur initiates the expansion of their operations and focuses on the recruitment, training, and advancement of workers to enhance overall productivity. Throughout the stage of equilibrium, the occurrence of worker layoffs gradually diminishes (Raies and Ben Mimoun, 2021).

In the context of Indonesia, when employers face financial constraints that hinder their ability to uphold workers' rights, it is possible to address this issue through a process of deliberation. The purpose of this deliberation is to identify potential solutions that can sustain workers' income and adequately support their families. One possible solution involves exploring alternative employment opportunities for workers during periods of layoff, provided that the employer possesses the necessary resources. Alternatively, the government may consider extending capital loans to workers as a means of alleviating their financial burdens.

Furthermore, the principle of humanity is another important aspect to consider. This notion necessitates that rules remain closely intertwined with the realization of human rights. This principle pertains to the recognition of employees as social entities who consistently require fair and equitable remuneration. Employees who have been terminated from their employment have the right to

receive a kind of financial support that is commensurate with their level of job performance. Despite being unemployed, workers still require funds to cover their basic living expenditures. It is imperative to establish legal safeguards for employees who refrain from committing repeated errors and are not subjected to termination. Conversely, the government must also address the human right to health, in collaboration with relevant stakeholders, with the expectation that it would contribute to the resolution of public health challenges (Gostin et al., 2023).

The third principle is the principle of nationality, which pertains to the ability of rules to uphold the cohesion of the Indonesian country, notwithstanding the presence of a diverse and pluralistic culture inside Indonesia. This preventive measure aims to mitigate the occurrence of division or conflict within the community, encompassing both workers and employers. Despite the adverse financial circumstances resulting from the ongoing epidemic, all stakeholders must acknowledge and appreciate this reality, hence necessitating thoughtful and deliberate discussions. The government plays a crucial role in formulating policies aimed at addressing labor relations challenges. For instance, it may implement measures such as providing welfare benefits to workers who have been terminated from their employment for a specified period, deferring debt payments to financial institutions, and offering social assistance during periods of social separation (Mahy, 2020).

The fourth principle pertains to the concept of family. The expanding intricacy of communal existence has led to a broader range of occurrences and conflicts, encompassing issues commonly associated with labor law, specifically disputes in industrial relations (Gaffar et al., 2021). The notion of familial governance necessitates that problem-solving and decision-making processes be resolved through careful deliberation as a primary approach. Deliberation is considered an optimal approach due to its ability to facilitate decision-making by consensus, hence minimizing the presence of winners and losers. The prearrangement of rights for displaced employees might be subject to negotiation between workers or labor organizations and employers. Additionally, the fifth principle, known as the archipelagic principle, asserts that legislation should be

uniformly applicable across all regions, without any differentiation between urban and rural areas. In the context of worker layoffs, it is imperative to ensure that any regulations implemented do not have adverse effects on national unity. In conjunction with the idea of Unity in Diversity, these policies serve to safeguard cultural distinctions throughout the nation, while upholding national cohesion and refraining from any kind of discrimination based on ethnicity, religion, social status, or skin color.

The sixth principle pertains to justice, wherein regulations are required to yield benefits for all parties involved. The fairness of legislation can be assessed by the lack of protests arising from the infringement of rights. The allocation of rights and responsibilities among the parties impacted by the pandemic should be carried out in a manner that is characterized by transparency, authenticity, and careful consideration, to provide a comprehensive understanding of the circumstances by all involved parties.

The seventh principle pertains to the concept of equality. This principle asserts that individuals should be afforded equal treatment under the law and by the government, irrespective of their skin color, religious beliefs, political affiliations, ethnic background, or gender. The eradication of discrimination and the establishment of equal rights and opportunities for all individuals are imperative. Enacting laws and regulations that support the idea of equal treatment for workers is vital, as a prevailing belief among employers is that they possess the discretion to determine the termination of employee benefits (Khairani & Arnetti, 2023).

The eighth principle, known as the principle of order, stipulates that any legislation about layoffs must prioritize the maintenance of public order while minimizing the risk of societal disturbance. According to Gustav Radbruch, the legal substance should incorporate principles of fairness, legal certainty, and legal advantages. According to Dewa Gede Oka Nuryawan and Ida Ayu Sadnyini (2018),

The ninth principle pertains to the idea of legal certainty. The provision enables the interested parties to make alterations to the agreed-upon employment contract solely through mutual consent between the employer and employee. In instances of this nature, the employer must effectuate modifications to the

employment agreement by written means. The written format holds significant importance; nonetheless, non-compliance with it does not render the change agreement unlawful. Frequently, these modifications entail the transfer of an individual to a different position, a course of action that is typically reserved for extraordinary circumstances (Peráček, 2021). The idea of legal certainty ensures that the law is clear, capable of being enforced, and capable of guiding society. Raz posits that the concept of the 'rule of law' encompasses two fundamental dimensions. Firstly, it entails the governance of a society under legal principles, necessitating compliance with established laws. Secondly, it necessitates the existence of a legal framework that possesses the capacity to effectively direct and regulate societal behavior (Lifante-Vidal, 2020). The achievement of legal certainty is contingent upon the establishment of written legal regulations that govern human legal acts about many aspects of life (Fajar, n.d.).

Sudikno Mertokusumo argues that the presence of legal certainty plays a crucial role in facilitating the efficient implementation of the law (Susanto, 2023). According to M. Otto, the following qualities of legal certainty are emphasized: The existence of unambiguous, uniform, and easily understandable legal regulations promulgated by the state or its representatives; the governmental bodies are entrusted with the responsibility of enforcing these regulations and are bound by them; ideally, these regulations should be in harmony with the desires of the society; an unbiased and autonomous judiciary should consistently apply these regulations in resolving conflicts; the resulting judicial decisions must be practically enforceable (Irianto & Leiden, 2012).

The Principle of Utility is the tenth principle. Based on this premise, the utilization of legislation is employed as a means of enacting social engineering. The significance of employment as a catalyst for development necessitates the assurance of workers' rights, accompanied by regulated responsibilities, and a commitment to productivity (Maulinda et al., 2016). This notion is consistent with Jeremy Bentham's assertion that the efficacy or utility of law lies in its capacity to engender advantages, gains, gratification, and contentment, or to avert harm, dissatisfaction, criminality, or misery (Latipulhayat, 2015).

The principle of balance is a fundamental idea that underscores the necessity of maintaining a harmonious equilibrium between the rights and obligations of legal entities. Within the realm of contractual agreements, this principle serves to underscore the significance of maintaining equilibrium in the negotiating power held by the involved parties. If balance is absent in the positions of the parties involved, the contract can become imbalanced, hence necessitating potential action by authorities to reinstate equilibrium. According to Hernoko (2016), In the context of a contractual arrangement between terminated employees and their employers, it is imperative to ensure that the provisions of the agreement are equitable, thereby fostering a state of amicable legal relations between the involved parties. The need to maintain a harmonious equilibrium between worker performance and worker rights is imperative.

Performance is a crucial indicator of excellence for organizations since it ensures the long-term viability of the company (Riyanto et al., 2021). It is imperative to consider the reemployment of laid-off workers as a means to optimize the utilization of their valuable work experience. Enhancing worker performance in the post-COVID-19 era necessitates the use of proficient management strategies that foster a sense of organizational commitment and alignment with the company's long-term viability. By striking a balance between rights and obligations, the establishment of legal relationships between parties can lead to a state of harmony, thereby enabling companies to achieve sustainability.

2) Additional Legal Substances Required in the Rule for Workers' Termination

Indonesia is a country that adheres to the principles of legal governance. This implies that the entirety of governmental undertakings, legislations, and regulations must adhere to the moral principles, ethics, values, and virtuous nature of the nation, as established by Pancasila and the Indonesian Constitution 1945 (Yuliantoro, 2019). The Constitution 1945 functions as the fundamental basis for Indonesia's legal framework, safeguarding its populace through affirmative legal principles that are inherently intertwined with the principles established in Pancasila.

The present government policy on worker layoffs is regulated by the Decree issued by the Minister of Labour. Nevertheless, it is important to note that this decree is solely administrative, referred to as a "Beschikking" in Dutch, and as such, it must adhere to the regulations and guidelines that supersede it. It is imperative to establish legislation or governmental rule that provides a precise and comprehensive definition of the practice of worker layoffs. It is imperative to acknowledge that the act of laying off employees is distinct from the practice of working from home.

Amidst the COVID-19 pandemic, numerous enterprises within the trade sector in Jambi City have implemented workforce reductions as a means to address their compromised financial state. The act of laying off employees is a transitory strategy that entails refraining from employing individuals for a specific duration without terminating their jobs. The act of laying off employees is distinct from suspension, which encompasses grounds unrelated to the termination of employment (Reka et al., 2021). The implementation of workforce reduction as a strategic measure by employers is a prudent approach to enhance organizational efficiency and mitigate the risk of permanent job loss. Efficiency within a company can be attained by implementing four distinct layoff strategies: the termination of employees who follow a one-day work and one-day off schedule, the consecutive layoff of workers for a period of less than one month, the consecutive layoff of workers for a duration ranging from one to three months, and the consecutive layoff of workers for a period exceeding three months.

The decision made by the Minister of Labour Number 104, 2021 presents a range of alternatives for remunerating employees who experience termination of employment as a consequence of the ongoing epidemic. The available alternatives encompass complete remuneration, which may be determined by the company's regulations, a collective bargaining agreement, or bilateral negotiation. Nevertheless, the company's capacity to provide complete remuneration is dependent on its financial state. In the urban area of Jambi City, amidst the ongoing pandemic, workers' remuneration is commonly disbursed under a daily payment scheme. Under this arrangement, workers are summoned by their respective

employers to report for duty and then compensated solely by their attendance record. The current arrangement lacks negotiation with the workers or the union, hence it fails to adhere to the principle of legal certainty and fails to ensure a stable and sustainable income for the workers. It is imperative to recognize and appreciate workers as unique individuals possessing inherent dignity, rather than viewing them solely as inputs in the production process. Consequently, safeguarding their rights becomes an essential obligation.

Based on the feedback received from participants, it has been observed that the payment method based on daily salaries has not been subject to deliberation or consultation with workers or trade unions. This structure necessitates a greater degree of legal certainty and guarantees the long-term viability of workers' revenue streams. It is important to recognize that workers are not only seen as factors of production, but rather as individuals with inherent dignity who necessitate a sustainable means of earning a livelihood. One approach to safeguarding workers' rights involves the establishment of Collective Labor Agreements, which serve to offer legal assurance to a broad spectrum of individuals (Putri Harlapan and Sarjana, 2021). The provisions stated in Labour Minister Decree Number 104, 2021 present a range of possibilities; nevertheless, it is important to note that these options are limited to policy measures. To establish a more robust legal framework and ensure legal certainty, it is necessary to further regulate these policies through the enactment of Government Regulations.

The inclusion of explicit time constraints for employee terminations and the provision of workers' rights within regulatory frameworks is of utmost importance. This measure will effectively establish a distinct employment relationship, hence providing workers and employers with unambiguous rights and responsibilities. There exist four distinct methods for implementing employee layoffs. One such approach is to implement a system of alternating attendance, wherein employees are assigned a schedule consisting of alternating workdays and days off, such as one working day followed by one day off, or one week of working days followed by one week off work. The objective of this approach is to mitigate the presence of large gatherings inside the workplace, contributing to the prevention of disease

transmission. In the context of labor arrangements, companies or governments must fulfill their obligation of providing full compensation to employees, even during periods when workers are not actively engaged in their designated tasks. The aforementioned strategy is commonly enacted in times of pandemics to mitigate the transmission of diseases.

Furthermore, if employees are subjected to successive layoffs lasting less than a month as a result of government measures such as the implementation of Large-Scale Social Restrictions (known as PSBB), they may encounter a prolonged period of job inactivity. In instances of this nature, corporations undergo a temporary closure period lasting fourteen days to mitigate the transmission of illness. In the present era, it is incumbent for employers to bear the complete burden of remunerating their workforce. If employers are unable to fulfill their salary obligations, it is suggested that the government should offer social support as a means to alleviate the challenges associated with wage payment.

Furthermore, implementing a series of consecutive worker layoffs lasting from 1 to 3 months. To enhance company efficiency through workforce reduction lasting more than one month, it is imperative to engage in consultations with the affected employees or their representative union to ensure the proper consideration of their entitlements. Transparency in the financial state of the company is imperative in this circumstance. There is a need for consensus throughout the workers' temporary suspension from employment. An employment termination should be initiated in cases when employees are subjected to a period of layoff that exceeds the duration stipulated in their employment agreement. The remuneration system and other normative salary structures are determined through a mutual agreement between employers and employees or labor unions.

Additionally, the fourth entity is engaging in the practice of terminating employees for a duration beyond three months. The implementation of a predetermined time restriction for worker layoffs becomes necessary when a company has a continuous decline in its financial performance for a period exceeding three months. In this scenario, the employer should initiate termination proceedings to enhance organizational efficiency. As a result, the employees are

entitled to receive severance pay, service pay, and other unpaid entitlements that have accrued during their employment, under relevant rules. The implementation of a restriction on terminating employees for a duration exceeding three months is deemed necessary to safeguard the fundamental rights of workers, as stipulated in Article 28D of the Constitution 1945. This approach circumvents the employer's tactic of surreptitiously or unlawfully terminating the employment contract.

In response to the COVID-19 pandemic, the Indonesian government is actively engaged in efforts to sustain a stable relationship between workers and companies. To safeguard the viability of businesses in the immediate term, it is imperative for the government to issue directives encompassing measures such as output reduction, deferment of payments, loan repayment rescheduling with financial institutions, reduction of working hours, and workforce downsizing (Fatahillah et al., 2020).

The implementation of layoffs necessitates the establishment of specific criteria and processes. The process encompasses preliminary negotiations between employers and workers or trade unions, subsequently culminating in the formal documentation of the agreement with the local Labour Office. In addition, employers are obligated to formally state their commitment to re-employ workers who have been laid off within the mutually agreed-upon timeframe. On the other hand, employees are required to refrain from engaging in employment with another organization for a specified duration, typically limited to a maximum of three months. According to the terms of this agreement, remuneration for workers will continue to be disbursed.

If the employer breaches the mutually agreed-upon agreement, it is incumbent upon them to end the working relationship and provide the worker with appropriate severance compensation. The severance pay should be equivalent to twice the usual provisions, as determined by the company's efficiency considerations. If the worker breaches the agreement, such action will be seen as a voluntary resignation, rendering them ineligible for any entitlement to severance compensation. Any additional normative rights shall be remunerated based on a mutually agreed-upon arrangement between the parties concerned.

It is imperative to establish regulatory measures to guarantee the legal certainty of worker layoffs. The rationales behind workforce reductions may stem from adverse financial conditions within the organization, such as those experienced during a pandemic or economic downturn, as well as suboptimal operational effectiveness. An instance in which this matter has been subject to disagreement is exemplified by case Number 29/Pdt.Sus-PHI/2020/PN Jmb, wherein the Jambi branch of PT. Sriwijaya Air (Defendant) terminated the employment of four workers without providing prior notification (Mahkamah Agung, 2020). Despite the consistent attendance of the workers (referred to as defendants) at their workplace from May 28, 2020, they were not assigned any tasks due to the non-operation of Sriwijaya Air aircraft in Jambi. Consequently, their normative rights were not upheld. The employees were informed of the closure of the branch office solely on May 15, 2020, via communication from the branch office. On June 4, 2022, the employees made contact with the President and Director of PT Sriwijaya Air in Jakarta to seek information regarding their employment status. However, they have yet to get a reply. On June 10, the workers proceeded to notify the Jambi Provincial Labour and Transmigration Office on the occurrence, seeking their assistance in mediating the matter. Following a failed attempt at mediation, the workers proceeded to initiate legal proceedings by filing a lawsuit at the Industrial Relations Dispute Court in Jambi. The case has been assigned the reference number 29/Pdt.Sus-PHI/2020/PN.Jmb.

The establishment of clear standards regarding the initiation and cessation of worker layoffs is of utmost importance for several reasons. One such reason is to control the timing and circumstances under which such actions are deemed acceptable, ensuring fairness and transparency for all parties concerned. Additionally, this regulatory framework serves to delineate the rights and obligations of the various stakeholders, providing clarity and certainty in the process. Moreover, these restrictions serve to empower the government in its efforts to effectively enforce labor laws. According to labor regulations, employers are strictly bound to adhere to the mutually agreed-upon notice period or a maximum

duration of three months when initiating worker layoffs. The provision of protection and fair treatment for workers in cases of employment termination is ensured.

Employers have a legal responsibility to ensure the protection of workers' rights, including in cases of layoff. Nevertheless, certain employers are unable to fulfill this obligation as a result of budgetary limitations, resulting in legal conflicts. In the aforementioned legal case, identified as Case Number 661K/Pdt.Sus-PHI/2021, Sriwijaya Air Corporation used workforce reduction measures and neglected to fulfill their obligations regarding employee remuneration and entitlements. Consequently, this gave rise to a labor dispute within the industrial relations framework, ultimately culminating in the severance of the employer-employee connection (Agung, 2021b). The present case has been subjected to an appeal following the ruling of the Jambi District Court, specifically referred to as Case Number 28/Pdt.Sus-PHI/2020/PN Jmb, and is further identified by its case registration number 29/Pdt.Sus-PHI/2020/PN Jmb. It is vital to acknowledge that workplace modifications aimed at enhancing firm efficiency should be contingent upon obtaining the consent of the employees.

Workplace modifications are permissible contingent upon the mutual consent reached between the employer and employees. According to the court case with reference number 10/Pdt.Sus-PHI/2021/PN Jmb, it was established that the individual referred to as the Plaintiff was employed by the Defendant firm, namely the Jambi branch of Ciomas Adisatwa company, where their employment involved poultry farming (Agung, 2021a). The projected movement of staff from the logistics unit office in Jambi to Adm Farm Makmur Sentosa in Pekanbaru was planned. The intended relocation of staff from the logistics unit office in Jambi to Adm Farm Makmur Sentosa in Pekanbaru was planned. Despite the repeated issuance of the transfer notice by the corporation, the workers persistently declined, asserting that it contravened the provisions stipulated in Article 32 (1) of the Labour Law. The corporation reached the determination that the workers were considered to have voluntarily terminated their employment due to their violation of the company's regulations. The employees had been engaged in employment from May 1, 2008, occupying the role of a logistics unit in the Jambi office. Their most recent

remuneration amounted to IDR 3,136,000, equivalent to three million one hundred thirty-six thousand rupiahs. According to Article 1, Section 20 of the Labour Law, employers are responsible for drafting corporate regulations that encompass directives and working conditions. The regulation encompasses the internal policies of the company, which do not pertain to the legal norms governing inter-company collaboration. It is justifiable for the company to establish a mutual consensus before any intercompany transfers, as the allocation of employees is contingent upon the terms outlined in the employment agreement.

The presence of supervision is essential to ensure compliance with legal statutes and to collect empirical evidence regarding the practical application of labor standards. The function can be fulfilled by workers of the local Labour Office. To enhance the efficiency and accessibility of supervision for all stakeholders involved, it is recommended that the government develop an internet-based application, such as the "Worker Complaint Application," and distribute it to each worker. The employee can readily report instances of employer non-compliance with labor regulations using this mechanism. To establish equilibrium, it is advisable to develop an "Employer Complaint Application" that can be completed by the employer. This would enable both parties involved in the employment arrangement to submit their respective reports, facilitating a process of cross-verification and analysis by supervisory personnel.

Furthermore, it is imperative to provide a clear definition of the term "emergency" or "force majeure." The financial condition of an entrepreneur can be weakened by a variety of internal and external circumstances. External factors refer to circumstances that originate from outside the organization, such as the occurrence of a worldwide economic crisis within the country between 1997 and 1998. The global financial crisis transpired after 2008, coinciding with the outbreak of the covid-19 epidemic. National disasters are not universally perceived as force majeure occurrences, leading to employers being exempted from their responsibilities towards employees. There are two sorts of force majeure. Absolute force majeure is triggered when the employer can substantiate its financial distress for two consecutive years, as evidenced by audited financial accounts prepared by

a Public Accountant. In the event that a matter is brought before the Industrial Relations Court, the testimony of an expert witness in the form of a Public Accountant must be provided. The second category pertains to relative force majeure, wherein the entrepreneur is required to substantiate that no financial losses were incurred for two consecutive fiscal years. The employer's obligations may be subject to suspension as per the agreement reached between the parties involved. The outcomes of the agreement are duly recorded at the registrar of the Industrial Relations Court, rendering the agreement legally binding and conclusive (Agri Chairunisa Isradjunintias, 2015).

Numerous scholars have put out their theoretical perspectives on the legal concept of force majeure as it pertains to clause 93, paragraph (2f) of the Labour Law. The expression "obstacle that should have been avoided by the employer" can be construed as a form of force majeure occurrence that is contingent upon the employer's responsibility to prevent it. Hence, the employer may endeavor to mitigate the potentiality of workforce reduction. The employer ought to engage in negotiations with the employees and provide them with the choice of either termination or transfer. The aforementioned action was executed by the Ciomas Adisatwa corporation in Case No. 10/Pdt. Sus-PHI/2021/PN Jmb, wherein the employer granted the employees the opportunity to choose among the available alternatives. Nevertheless, the ruling rendered by the Judge Panel failed to take into account the principles of worker welfare and justice, as it determined that the defendant had voluntarily resigned. The limitation of the transfer of position under the company regulation is that it exclusively pertains to internal transfers inside the organization. The judge's ruling solely took into account the legal advantage of the interests of the firm. In situations where the risk is unavoidable and a company experiences consecutive years of financial losses, the debtor or employer can be relieved of their commitment to the workers. This necessitates the demonstration of which risk is inherently unavoidable.

CONCLUSION

Legal principles should serve as the foundation for employee termination regulations, encompassing key aspects such as empowerment to safeguard the more vulnerable party, humanity to uphold individual rights, nationality to foster national unity, and family as an initial approach to dispute resolution. Additionally, the regulatory framework for worker layoffs should incorporate various crucial elements. These include a comprehensive understanding of worker layoffs and classifications, emphasizing the positive impact of layoffs on operational efficiency and job termination reduction. The regulation should establish a designated timeframe for worker termination and clearly define worker rights. Furthermore, it should allow for employment termination after the agreed-upon deadline or a three-month period. Any efficiency-related job transfers should require approval from affected personnel, and online supervision should be permitted. Lastly, the regulation must provide a clear and precise definition of emergency or force majeure conditions. To ensure comprehensive coverage, layoff measures should be included in the Labour Law by the administration and legislature. This study recommends revising the law to align with these principles and content.

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