



## Protection of Workers' Legal Rights Against Unilateral Termination of Employment (Analysis of Decisions 83/Pdt.Sus-PHI/2020/PN. Mdn and 105/Pdt.Sus-PHI/2021/PN. Mdn)

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**Abstract** - Employees and workers may be fired by a firm as long as it complies with the procedures and requirements outlined in the Manpower Law. But it is not acceptable to fire a worker or employee arbitrarily or for not following the correct procedure. This work is normative juridical legal research with analytical descriptive research features. Legal papers gathered through literature review procedures, classified as primary, secondary, and tertiary, make up the secondary data that is employed. Techniques from qualitative analysis were used in the data analysis process. Although the Manpower Law enables unilateral the termination of employment (PHK) due to efficiency and business closure, based on reduced productivity, is allowed under Law No. 6/2023, often known as The Regulations on the creation of work. This law permits layoffs without necessitating the company's closure. As per the terms of legislation 6/2023, the Creation of Industries Act, layoffs are outside the jurisdiction from the PHI, the Industrial Relations Court. The End of Looking for Work, however (PHK) process under the Manpower Law requires direct negotiation between the employer and employee. The panel of judges examined the legislation in Decision Numbers 83/Pdt.Sus-PHI/2020/PNMdn and 105/Pdt.Sus-PHI/2021/PNMdn with the aim of safeguarding the rights of employees who were terminated unjustifiably. This entailed bestowing upon the plaintiff the rights specified by the Labor Law. Although the judge did not take into account the Job Creation Law (Law No. 2/2020) that was in existence at the time, it is believed that the verdict adequately safeguards the rights and provides legal protection of employees who were fired without cause.

**Keywords:** Protection, Workers' Rights, Unilateral Termination of Employment.

### I. INTRODUCTION

Layoffs are the ending of employment connections for specific reasons that lead to the workers'/laborers' rights and obligations ending with the employers. Layoffs cause workers to lose their jobs and money, which is a loss of livelihood. Therefore, the term layoffs can be a scourge for every worker/laborer because it will threaten their survival and feel the pain of the consequences of the layoffs. Given the fact in the field that finding a job is not as easy as imagined. The increasingly fierce competition, the labor force continues to increase and the condition of the business world that is always fluctuating is very natural if workers/laborers are always worried about the threat of termination of employment.

1. Employers must adhere to legal justifications and avoid behaving arbitrarily when undertaking layoffs. Negotiations must instead occur beforehand between the employer and the worker or employee. The reasons listed below support legal layoffs:
2. In the event that the laborer/employee voluntarily files a formal resignation, free from outside influence or coercion—that is, without the consent of his employer or fellow

employees— If The employee or laborer has attained retirement age, which should be in line with earlier provisions in the employment contract or legal regulations.;

3. Should the laborer or worker pass away;
4. In the event that the laborer makes grave errors, like committing fraud, giving false information, acting immorally, disclosing company information, etc.;
5. Should the business encounter a downturn in the economy or a string of losses;
6. If the laborer fails to fulfill his responsibilities, such as missing extended periods of time from work without giving the employer advance warning or confirmation; and
7. In the event that laborers are observed engaging in behavior that is prohibited by law or social norms.

If layoffs occur, it will have an impact on the responsibilities of every party. If a firm fires employees or laborers in line with the Manpower Law's specified grounds and processes, the firing is justified; nevertheless, if a company fires employees or laborers arbitrarily or without following the established protocols, the firing is not. The delicate nature of layoffs stems from the fact that they affect both employers and employees. In Indonesia, if the circumstances outlined by the Manpower Regulation are met, the employer is needed to provide the severance money for the fired employee or laborer Law, (Khairi et al., 2021).

Workers' rights protection under the law serves as the study's focal point. Decision numbers 83/Pdt.Sus-PHI/2020/PNMdn and 105/Pdt.Sus-PHI/2021/PNMdn correspond to the first and second cases, respectively. Decision Number 83/Pdt.Sus-PHI/2020/PNMdn is the first case in which PT. TSI (Defendant) is sued by Plaintiffs PN (Plaintiff I) and SS (Plaintiff II). The nature of the work at PT. TSI, where the defendants once worked, is "sedentary and continuous" (PKWTT). The working period of Plaintiff I is 3 (three) years and 4 (four) months and the working period of Plaintiff II is 2 (two) years and 11 (eleven) months, so that if the Defendant unilaterally lays off the Plaintiffs, the Defendant is required by law to compensate the Rights that Plaintiffs.

The Defendant has not complied with the Plaintiff's attempts to reach a "bipartite" settlement. Additionally, the plaintiffs attempted mediation at the Deli Serdang Regency Manpower and Transmigration Office. The head of the office then followed up and submitted Letter Number: 560 / 4918 / DTKTR / 2016 on April 13, 2016, but the plaintiffs vehemently disagreed with the office's recommendation because they felt that the Defendant had not provided Severance Pay, which would have given them a sense of justice. Money and Remuneration for Service Awards money to the plaintiffs because the defendant believed the plaintiffs were eligible to resign and sought cover behind an inaccurate summons.

The second case is Decision Number 105/Pdt.Sus-PHI/2021/PNMdn The plaintiff is SD, namely an employee at PT. BPLU who worked from May 9, 2000 to July 6, 2020 as a Press Machine Employee who sued PT. BPLU which is the company where the Plaintiff previously worked for approximately 20 (twenty) years, which is engaged in the manufacture of furniture, until July 6, 2020 the Plaintiff was unilaterally laid off by the Defendant on the grounds that the productivity of the factory decreased because of the COVID-19 outbreak, with its Defendant refused to pay severance pay, money from the service period award, as well as reimbursement for rights under Labor Law Article 156, paragraph (1), which became the Plaintiff's rights. For this reason, the Plaintiff attempted bipartite mediation but was unable to resolve the matter through this method because the Defendant did not act in good faith. On October 27, 2020, the Plaintiff sent a complaint letter to the Deli Serdang Regency Manpower Office in an attempt to resolve the matter tripartite between the Plaintiff and the Defendant, but this too failed. In view of this, the Plaintiff filed a case before the Industrial Relations Court of the District of Columbia, seeking the Defendant to reimburse her for lost wages and other rights under the Labor Law, as well as to receive severance pay and compensation.

In the two cases described above, there are differences in decisions related to workers' rights after the unilateral layoff. In the first case, the panel of judges only granted the Plaintiffs' lawsuit with a value much smaller than that sued by the Plaintiffs, while in the second case, the panel of judges granted the Plaintiff's lawsuit in accordance with the value requested by the Plaintiff. Considering these two instances together, it is clear that workers require legal

protection. The goal of worker legal protection is to uphold employees' fundamental rights. Ensure that everyone receives the same opportunity and treatment without exception. in order to fulfill the needs of laborers while also consideration to objectives the employing owners to advancement of the business sector. in a strong socioeconomic position are therefore required to assist in putting these protection provisions into practice in compliance with applicable laws and regulations. This includes defending workers' and laborers' rights in the event that their employer unilaterally fires them and fails to uphold their rights.

Based on the above background descriptions, a study entitled " Protection of Workers' Legal Rights Against Unilateral Termination of Employment (Analysis of Decisions 83/Pdt.Sus-PHI/2020/PN.Mdn and 105/Pdt.Sus-PHI/2021/PN.Mdn)" must be completed. Because of this, the research's main concerns are whether Falling productivity, the PHK mechanism's foundation in Law Number 13 of 2003 concerning Manpower and Law Number 6 of 2023 concerning Job Creation, and the panel of judges' assessment of the legal protection of PHK employees' rights in Decision Numbers 83/Pdt. Sus-PHI/2020/PNMdn and 105/Pdt.Sus-PHI/2021/PNMdn all support the company's justification for unilateral termination of employment (PHK). The Job Creation Law of 2023 introduces significant amendments to U.S. labor laws, aiming to stimulate economic growth and job creation. However, these changes carry profound implications for workers' rights, protections, and the broader labor market dynamics.

The aim of this research is to investigate whether corporations can unilaterally terminate employees due to declining productivity. The methodology for this purpose is based on Law Number 13 of 2003 concerning Manpower and Law Number 6 of 20 23 concerning Job Creation. In Decisions Numbers 83/Pdt.Sus-PHI/2020/PNMdn and 105/Pdt.Sus-PHI/2021/PNMdn, the justices examined the legal safeguarding of the rights of employees who were fired without cause.

## **II. METHOD**

Normative law research is employed, employing a legal systematics research methodology. Normative law research involves the systematic study of legal norms, principles, and rules. It focuses on interpreting, analyzing, and evaluating the law as it is, aiming to understand its meaning, scope, and implications. This type of research examines statutes, case law, and legal doctrines to determine their validity, coherence, and application within the legal system. It is concerned with what the law ought to be, providing critical insights into the ethical and theoretical underpinnings of legal rules and regulations. Legal systematics is a methodological approach that organizes and categorizes legal norms and principles into a coherent and systematic framework. It involves the classification and structuring of legal materials to create a logical and consistent legal system. This methodology helps in understanding the relationships and hierarchies between different legal concepts, ensuring that the law is applied uniformly and predictably. Legal systematics facilitates the interpretation and application of the law by providing a clear, organized structure that highlights the interconnections and distinctions within legal norms.

This study uses a descriptive analytical approach. Secondary data, specifically literature data, are needed for this investigation. Secondary data is gathered from three main sources of important legal materials in the legal domain, which consist of laws and regulations; secondary legal resources, which consist of books and previous study findings; Journals are considered tertiary legal materials. a review of the documents, also known as a literature study, is the method used to collect the secondary data for this study. After gathering all the data needed for an inventory of all the documents and/or data pertinent to the discussion topic, the data is categorized according to how the problem has been formulated. Next, (Fuady, 2007), the chosen analysis approach, is used to examine the data. This study used a qualitative approach to its analysis.

### **III. RESULT AND DISCUSSION**

#### **Companies Use Declining Productivity As A Justification For Unilateral Termination Of Employment (Layoffs).**

There are several reasons why employees could be let go, both personal and business-related. The corporation has been letting go of employees since the Labor Law does not clearly explain why productivity is declining within the organization. However, the Manpower Law offers an explanation for effectiveness. Commonly, these layoffs are referred to as "efficiency layoffs." According to The Employment Law, which derives from paragraph (3) of Article 164 in contentious layoff grounds is efficiency.

According to Article 156 paragraph (4), the laborer or worker is entitled If the company closes for reasons other than force majeure or after suffering losses for two (two) years in a row, the employer may end the worker's or laborer's employment connection. requirements essentially Article 156, paragraph (3), which provides compensation as well as reimbursement of rights and severance pay equal to twice that amount performs efficiently.

The following paragraphs can be produced to aid in understanding and analysis based on the language of Article 164 paragraph (3): Upon the conclusion of two consecutive years of profit-free operations, businesses have the option to terminate employees or laborers. During this period, employers are allowed to lay off employees in the event that the company closes, but not if it has experienced losses in the preceding two years. In the unlikely event that the business closes and is not forced to close, these employees will also be laid off. The company's second reason for closing is that, as this section makes clear, it is not facing a force majeure in addition to having suffered losses for the previous two years.

Nevertheless, employers have the authority to fire workers in the event that the company closes because it is profitable. Referring to the article's phrasing, it is evident that employers have the right to fire employees in the event that their businesses fail for operational reasons. However, neither the phrase "closed company" nor the term "efficiency" are further defined by the Labor Law. Moreover, each article's explanation has merely the term "quite clear" as a description. The article's provisions may be interpreted differently in the real world because of this ambiguity. According to the first reading, the terms "efficiency" and "closed company" are interchangeable, which means that the only way layoffs for efficiency may happen is if the company closes down entirely. Employers can impose layoffs based only on efficiency, according to the second view, which maintains that "efficiency" and "closed company" can be defined independently.

Layoffs are frequently justified by efficiency concerns, particularly when the company is facing financial difficulties or fierce competition. This efficiency rationale is frequently employed in practice as a tactic to keep the business from suffering losses. Reductions based on productivity indicate a power imbalance between employers and employees, meaning that the former holds greater influence over the latter. Workers are thus more susceptible to layoffs that are implemented without taking their rights into account. The wedding of (Putri & Lie, 2023). Essentially, this efficiency justification is a form of layoffs meant to maintain the company's sustainability since the employer wants to reduce or save the weight of the firm, especially labor cost reductions.

For efficiency, the regulations' restrictions regarding layoffs have been adjusted. Since terminating employees was the only option to boost efficiency, layoffs were first forbidden by The Law's Article 164, paragraph (3). However, legislation evolved throughout time. As long as they can show that they will lose money in order to make a profit, employers are now permitted to fire workers provided they can prove their productivity without having to close their doors. One modification is the inclusion of provisions and requirements pertaining to efficiency as the basis for the layoffs. Layoffs are prohibited by law unless there are legitimate reasons for doing so, such as efficiency concerns raised by Article 164 paragraph (3), which the Supreme Court declared unconstitutional and subjected to a material test in its Constitutional Court Decision Number 19/PUU-IX/2011.

Constitutional Court Decision Number 19/PUU-IX/2011, the judge's legal analysis, states that efficiency can be used as a pretext to force layoffs provided that the business

closes down completely and not just momentarily. The reason behind this is because firms possess the capability to efficiently execute layoffs. The Job Creation Law, however, currently offers justification in order to requirements it has on the implementation of layoffs for the sake of efficiency. Furthermore, there exist other forms of efficiency that could potentially be the basis for staff reductions. First, while a company closure isn't always necessary, implementing layoffs might be an effective strategy for the business to deal with its losses. Implementing efficiency could also be a way to stop losses for the company. Third, efficiency predicated on the fact that losses, either continuous or sporadic, accompany the business's closure for a duration of two years. Fourth, effectiveness because even if the company did not experience a loss, it closed.

The Job Creation Law incorporates an extra efficiency reason, as opposed to the first and second categories of efficiency reasons included in the previous Employment Law, which were that efficiency can be implemented by businesses without facing closure and as a form of loss prevention measures. There is undoubtedly a legal foundation for every argument regarding the effectiveness of the regulations. The position Article 154A, Paragraph 1, Letter B of the Creation Law answers the first rationale by stating that enterprises can run successfully with or without closure. Regulation Number 35 of 2021 on outsourcing, specified time work agreements, working and resting hours, and termination of employment. Article 43 paragraph (2) covers the second justification. It states that businesses may terminate employees for reasons that stop or minimize losses.

However, this statute forbids firing employees without cause. The Job Creation Law's Article 151, paragraphs (1) through (4), governs how businesses carry out layoffs. These lines do a good job of outlining a systematic process for organizing and carrying out layoffs inside an organization. Following the bipartite negotiation procedure described in paragraph (4) When a decision cannot be reached, the next phase of the labor-management relationship dispute mechanism will be followed. It is abundantly clear from this section that there has been neither a unilateral dismissal nor a breakdown of the agreement. According to Government Regulation Number 35 of 2021, if a potential decline in business productivity has an effect on the firm's operational performance, efficiency measures can be used to prevent losses. Based on its content, it appears that the modification significantly alters the connection between the Employment Law and the Job Creation Law. Under the Job Creation Law, employers may use efficiency-based layoffs as long as they only incur no financial losses.

The goal of the Job Creation Law is to protect citizens' rights to a decent place of employment while simultaneously promoting employment in order to build a prosperous, just, and affluent Indonesian society, according to the section on contemplation of the law. But the phrase "efficiency must be followed by the company closing" has been changed in the Manpower Law to read, "efficiency is not followed by closure caused by the company experiencing losses and even for the reason of preventing company losses, layoffs can still be carried out." This makes it reasonable to assume that the company can only fire workers in order to reduce costs. Businesses are more able to carry out layoffs for the reasons mentioned above, even if, as we all know, these decisions are based on the salary and benefits offered by the company. However, it doesn't appear that workers are treated fairly and appropriately in practice.

Employers are free to choose whether to impose layoffs in response to little or substantial losses because there is no one signal that serves as a baseline for losses incurred in nominal terms. The renewal of the provision will bring up a number of issues regarding the limitations on the amount of losses incurred by businesses that serve as justification for layoffs for this efficiency-related cause. Additionally, with regard to the justifications for layoffs made in order to prevent losses, while the Job Creation Law explains the decline in company productivity, it is still unclear how much of a reduction in productivity is required to qualify as a layoff reason and what grounds employers can use to demonstrate such a decline.

Layoffs based on efficiency are permitted under the current regulations, but it is important to note that law enforcement—especially judges—must investigate and confirm that the employer actually experiences significant losses. This can be demonstrated by looking

through the company's financial statements and other supporting documents, which can be used as proof of losses or a decline in productivity, leaving employers with no other option than to lay off employees in order to save their business.

## **The Phk (Termination Of Employment) Mechanism Is Based On The Manpower Law Number 13 Of 2003 And The Job Creation Law Number 6 Of 2023**

### **Employment Termination (PHK) According to Manpower Law Number 13 of 2003**

#### 1. Procedure for Termination

The Manpower Law's layoff process will be explained in detail below.

##### a. General Layoff Procedures

According to Article 151 paragraph 1, employers, workers, and trade unions are all required to make every effort to avoid layoffs; if layoffs are unavoidable, employers and trade unions/trade unions engage in negotiations (Article 151 paragraph (2)); if the negotiations are successful, come to a consensus; if unsuccessful, the business owner files a written application for determination to the industrial relations. Until the industrial relations dispute settlement institution issues a determination or decision, both parties shall continue to carry out their respective obligations. In circumstances where the laborer/worker continues to work and is paid by his employer (Article 155 paragraph (2)); Employers may depart from the letter e requirements in accordance with Article 155 paragraph (3) by suspending workers who are going through a layoff; however, they are still obligated to pay wages and give other benefits that are typically supplied to employees.

Article 151 of the Labor Law has been modified by the Job Creation Law, and Articles 152 and 155 have been removed. Article 151 of the Labor Law is modified in accordance with the Copyright Law to:

- 1) Labor unions, companies, workers, and the political system as a whole must work together to avoid employment termination.
- 2) If an employee's employment must be terminated for whatever reason The company must notify every worker, the union, and any other relevant parties. of the reason and intent behind the termination.
- 3) If the worker or laborer has been informed and refuses the termination of employment, then the Employer and the worker/labor and/or the labor union/labor union must negotiate in a two-way fashion to resolve the termination of employment.
- 4) In the event that an agr When the worker or laborer has been informed and refuses to be terminated, the Employer, the worker/labor, and/or the labor union/labor union must establish a two-way agreement to address the termination of employment. eement is not reached during the bipartite negotiations outlined in paragraph (3), the Termination of Employment will move forward to the next step in accordance with the Industrial Relations Dispute Resolution Mechanism.

Between Articles 151 and 152, a single new article, Article 151A, is introduced with the following text:

Section 151A When a worker or laborer resigns on their own initiative, when Pekeda/Labor and the Employer end their employment relationship in accordance with a time employment agreement, when a worker or laborer reaches retirement age in accordance with the Employment Agreement, Company Regulations, or Collective Labor Agreement, or when a worker or laborer passes away, the Entrepreneur is not required to notify as required by Article 151 paragraph (2).

##### b. Employer Layoff Procedures

Organizations' layoff processes can be divided into two groups:

###### 1. Dismissal for small errors

Usually, employment contracts, company regulations, or collective bargaining agreements regulate layoffs brought on by errors. In order to guarantee the legitimacy of the process, the following needs to be finished: A verbal warning is typically given initially, followed by the first,

second, and third (final) written warnings. Gradual written warnings are not always sufficient, as they can vary based on the level of wrongdoing committed by the employee and the needs of the organization. As a result, if the procedure is defined by an employment agreement, company policy, or a collective bargaining agreement, the employer can issue the first and last written warning at any time. Employers regularly use first and last written warnings to discipline employees or laborers, which may result in termination. A commemoration usually has a six-month validity period, unless expressly noted in the work contract, business policy, or collective bargaining agreement. If the third (final) written warning period is still open and the worker/laborer has not yet received a warning, the employer may fire the employee without cause. If the employee thinks the termination of employment is acceptable, draft a collective agreement and file an application with the Industrial Relations Court for a decision. If the worker or laborer finds the termination of employment intolerable, one or more parties may use the Law Number 2 of 2004's procedures for settling industrial relations problems.

## 2. Layoff as a result of a grave error

According to Decision No. 012/PUU-1/2003 issued by the Constitutional Court of the Republic of Indonesia on October 28, 2004, employers can only terminate employees who commit serious errors if a criminal judge issues a final and binding legal ruling (*inkracht van gewijsde*) regarding the Right to Material Test of the Labor Law against the 1945 Constitution. As to Circular Letter Number SE. 13/MEN/SJ-HK/1/2005 issued by the Ministry of Manpower and Transmigration, dismissals resulting from serious mistakes are not always subject to criminal proceedings. Instead, due to the civil employment relationship between companies and employees, layoffs can be promptly executed. Consequently, a disagreement arose regarding the layoffs, and a resolution was reached through a settlement procedure. Compliance with Industrial Relations Settlement Law No. 2 of 2004.

- a) Employers are forbidden from terminating employees/workers for the following reasons:
  - a. being unable to report to work for a period of not more than 12 (twelve) months due to illness as certified by a doctor;
  - b) being unable to work because they fulfill their duties to the state in compliance with laws and regulations;
  - c) performing religious services as prescribed by their faith;
  - d) getting married;
  - e) pregnant, giving birth, miscarriage, or breastfeeding their baby;
  - f) have blood relations and/or marital ties with other Employees/Laborers in one Company;
  - g) founding, joining, and/or
  - h) complaining to the Employer to the authorities regarding the actions of the Entrepreneur who commits a criminal act;
  - i) different understandings, religions, political streams, ethnicities, skin colors, groups, genders, physical conditions, or marital status; and
  - j) in a condition of irreversible impairment, sickness brought on by a work-related accident, or sickness brought on by a working relationship, as determined by a medical certificate whose length of recuperation is unknown.

## 3. Layoff Procedure by Workers/Laborers

Layoffs due to resignation requests and layoffs due to applications to the industrial relations court. Each has a different procedure, namely:

### 1. Layoff Procedure due to Resignation Request

Workers/laborers resign of their own volition and must meet the requirements:

- a) Submit a written departure request no later than 30 days before the resignation date.
- b) Free from formal ties.
- c) Fulfill its commitments till the resignation begins. Layoff Procedure for Application to Industrial Relations Court

The existence of an application submitted by the Worker/Labor of the Industrial Relations Dispute Resolution Institution stating that the Employer did not commit the act as referred to in 154 A paragraph (1) letter i of the Job Creation Law can be used as a reason for dismissal by the Worker/Labor. The process for reaching a settlement involves attempting to reach an agreement through arbitration, mediation, conciliation, or bipartite talks before filing a lawsuit with the industrial relations court. Therefore, if the efforts to reach a settlement outside of court are failed, the worker or laborer pursues a settlement through the legal system, namely by suing the employer in the industrial relations court. Provisions on the Amount of Workers' Rights Received by Workers After Termination of Employment. The formulation of the amount of severance pay, service period award money and compensation money according to Article 156 of the Manpower Law is described in the following table: (Khakim, 2014)

**Severance Pay Provisions**

No.	Working Period	Severance Pay
(1)	(2)	(3)
	Not more than one year.	One month's salary
	One year or longer but less than two years	two months of wages
	Two years or less than or equal to three years	Three months' worth of pay
	Three years or less than Four years	months of wages four
	four years/more and less than five years	five months of wages
	five years/more and less than six years	six months of wages
	six years/more and less than seven years	seven months of wages
	seven years/more and less than eight years	eight months of wages
	eight years/more	nine months of wages

**Terms of Service Award Money**

Working Period	Service Award Money
three years/more and less than six years	two months of wages
six years/more and less than nine years	three months of wages
nine years/more and less than twelve years	four months of wages
twelve years/more and less than fifteen years	five months of wages
fifteen years old/more and less than eighteen years old	six months of wages
eighteen) years/more and less than twenty-one years	seven months of wages
twenty-one year/more than less twenty four years	eight months of wages
twenty four years or more	ten months of wages

**Components that are replaced by rights**

No.	Components of Reimbursement Money	Information
(1)	(2)	(3)
1.	Untaken annual leave	
2.	The price or expense of traveling back to the location where the employee and their family are hired	Those who are not eligible for service period awards, severance pay, or both are immediately ineligible for this remuneration.
3.	Housing reimbursement and medical care expenses are limited to a maximum of 15% of severance pay, severance pay, or service period award money for eligible individuals.	
4.	Additional provisions outlined in the collective bargaining agreement, company rules, or employment agreement	

**Employment Termination (PHK) in accordance with the rules 2023 Law Number 6 on the Creation of Jobs**

**Termination Procedure**

In accordance with the legislation pertaining in response stipulates that Simply informing the staff of the purpose and rationale for the layoffs is the employer's only obligation. known as Industrial Relations Court (PHI) is not obligated to provide a ruling regarding the layoffs. If the employee refuses to accept a reduction in salary, they have the option to initiate bipartite negotiations with the company. In case a mutually agreeable resolution is not possible, PHI is able to mediate and oversee settlement processes. When it comes to labor matters in particular, the Job Creation Law streamlines business administration for entrepreneurs.

To illustrate the point, employers are not need to await a ruling from the Industrial Relations Court or an industrial relations dispute resolution body (PHI) in order to terminate employment (PHK) according to Article 151 Law. Regulates the circumstances in which companies are unable to avoid layoffs, namely when the company plans to terminate specific employees and/or trade unions have been notified of the layoffs. According to Article 151 of the Manpower Law, if layoffs cannot be avoided despite making the best possible measures, they may occur. If such a situation arises, required to engage in direct negotiations over layoffs. Government Regulation Number 35 of 2021 (PP No. 35 of 2021), provides detailed instructions and procedures for conducting layoffs. As to Government Regulation No. 35 of 2021, provide written notice of the layoff to the employee and/or the trade union.

This notification must be sent in a legal and appropriate manner, no later than 14 working days before to the employee's final day of work. If an employee is in the training phase, they are required to submit a notification letter at least seven working days before to being laid off. After providing notice to a worker and receiving no objection, the employer must inform the province and district/city heads of the Manpower Office of any layoffs that take place. Upon receipt of the layoff notice, the employee is granted a period of seven working days to write a comprehensive letter of rejection, clearly articulating their concerns to the company's proposed layoffs. The layoff-related issues were subsequently settled through

bilateral negotiations amongst the parties involved. If the negotiations are unsuccessful, a tripartite method is employed, involving a third party serving as a mediator. This process is carried out at the provincial, fog, or municipal Manpower Office.

If both mutually to end working relationship, there is no longer a requirement to provide notification of the layoff. Employers must notify the local Manpower office of any layoffs as they pertain to employees' entitlement to the Job Loss Insurance (JKP) program. In addition, the parties establish a collective agreement, which is subsequently filed with the industrial relations court (PHI) in order to get a bipartite registration deed. If the employee expresses opposition to the layoffs that the employer has suggested, the layoff dispute will be decided in accordance with the applicable procedural law. First, it will be necessary to undergo the trial process before the Industrial Relations Court, followed by the subsequent Bipartite and

Tripartite procedures.

The hiring termination process can be completed based on the grounds specified in Article 154A of the Job Creation Law.: (Aponno & Arifiani, 2021)

Termination of employment can occur for any reason :

- a) The company undergoes mergers, acquisitions, or separations, resulting in the worker/laborer's unwillingness to continue the employment relationship or the employer's unwillingness to retain the worker/employee.
- b) The company implements efficiency measures, which may lead to the closure of the company or, in the case of significant losses, may not result in the closure of the company.
- c) The company shuts down due to continuous losses sustained for a period of two years.
- d) The company ceases operations due to force majeure events.
- e) The company is experiencing a delay in fulfilling its debt payment obligations.
- f) The company is facing bankruptcy.
- g) The worker/laborer has made an application for termination of employment, citing the following acts committed by the employer:
  1. Engaging in the mistreatment, insult, or threat of workers/laborers.
  2. Encouraging or directing workers/laborers to engage in actions that are in violation of laws and regulations.
  3. Failing to pay wages promptly for a continuous period of three months or more, even if the employer subsequently pays wages on time;
  4. Breaching the commitments made to the worker/laborer;
  5. Instructing workers/laborers to perform tasks that are not specified in the agreement; or
  6. Assigning work that poses a risk to the life, safety, health, and moral well-being of the worker/laborer, without including it in the employment agreement;
- 1) the existence of a decision of the Industrial Relations Dispute Settlement Agency stating that the employer did not commit the act as referred to in letter g to the application submitted by the worker/laborer and the employer decides to terminate the employment relationship;
- 2) The worker/laborer resigns of his or her own volition and must meet the following conditions:
  1. submit a written application for resignation no later than 30 (thirty) days before the date of commencement of the resignation;
  2. not bound by official ties; and
  3. continue to carry out their obligations until the date of commencement of their resignation;
  4. the employee/laborer is absent for 5 (five) consecutive working days or more without a written statement equipped with valid evidence and has been summoned by the employer 2 (two) times appropriately and in writing;
  5. The worker/laborer violates the provisions stipulated in the Employment Agreement, Company Regulations, or Collective Labor Agreement and has

- previously been given the first, second, and third warning letters consecutively valid for a maximum of 6 (six) months each unless otherwise stipulated in the Employment Agreement, Company Regulations, or Collective Labor Agreement;
7. workers/laborers are unable to do work for 6 (six) months due to being detained by the authorities for suspected criminal acts;
  8. the worker/laborer experiences prolonged illness or disability due to a work accident and is unable to do his or her work after exceeding the limit of 12 (twelve) months;
  9. workers/laborers entering retirement age; or
  10. worker/laborer dies

According to the stipulations of this article, firms have the ability to terminate the employment of their workers using well-defined channels and procedures, rather than doing so unilaterally. The company is required to inform the workers about the layoff plan. If the workers refuse, both sides are obligated to engage in bipartite negotiations. Bipartite negotiations refer to the process of resolving industrial relations concerns through direct negotiations between workers and employers. If negotiations fail to achieve an agreement, the layoffs will be implemented in accordance with the prescribed industrial relations dispute resolution system.

The Job Creation Law has maintained the existing method for settling industrial relations disputes without any alterations. Nevertheless, the sequence of layoff protocols has been altered. As per Article 151 of the Job Creation Law, businesses have the authority to commence layoffs without engaging in talks, provided that they inform their employees immediately about the reason and the layoff plan. If an employee expresses opposition to the company's intended workforce reductions, discussions are initiated. The sequence of layoffs in this case adheres to the parameters specified in the Job Creation Law.

### **Provisions on the Amount of Workers' Rights Received by Workers After Termination of Employment**

Pursuant to Article 156 paragraph (1) of Law Number 6 of 2023 concerning the Determination of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation becoming Law, employers are obligated to provide severance pay, service period award money, and any outstanding compensation to terminated employees. Article 156 of the Job Creation Law lays out the regulations that govern the payment of severance compensation

#### **Severance Pay Provisions**

No.	Working Period	Severance Pay
	(2)	(3)
	Less than one year	One month of wages
	One year/more and less than two years	two months of wages
	two years/more and less than three years	three months of wages
	three years/more and less than four years	four months of wages
	four years/more and less than five years	five months of wages
	five years/more and less than six years	six months of wages
	six years/more and less than seven years	seven months of wages
	Seven years/more and less than eight years	eight months of wages
	eight years/more	nine months of wages

**Severance Pay Provisions**

No.	Working Period	Severance Pay
	(2)	(3)
	Less than one year	one month of wages
	one year/more and less than two years	two months of wages
	two years/more and less than three years	three months of wages
	three years/more and less than four years	four months of wages
	four years/more and less than five years	five months of wages
	five years/more and less than six years	six months of wages
	Six years/more and less than seven) years	seven months of wages
	seven years/more and less than eight years	eight months of wages
	eight years/more	nine months of wages

Thus, it can be concluded that regarding the mechanism for settling layoffs Law, there are shortcomings and advantages of each. It can be seen that the Job Creation Law makes layoffs easier, namely companies are made easier to lay off, (Aini et al., 2023)

**Judgments of The Legislative Advisors Concerning the Rights of Employees Who Were Unilaterally Discharged in Decisions 83/Pdt. Sus-Phi/2020/Pnmdn and 105/Pdt. Sus-Phi/2021/Pnmdn  
Adjustment of the Decision to Legal Norms of Termination of Employment**

This implies that a business must logically uphold the Constitution's mandate by safeguarding and ensuring the requirements of its employees. Pay, benefits, and treating employees fairly are some of the most crucial factors that affect a business's ability to succeed. (Bambar, 2022). Conflicts between parties are usually the result of their discontent. Although the employer thinks the counsel is sound, the employee is unhappy with it because it does not fit with his particular values and priorities. Apart from disputes over salary and related issues, the most common disputes also include layoffs, or the termination of employment. Every worker hates the phrase "termination of employment," since it implies suffering for the worker and their family and puts their lives in jeopardy by making people lose their jobs and income due to layoffs. Because all parties concerned have accepted the end of their employment relationship and made plans to deal with it, layoffs that occur from the expiration of stated time periods in employment agreements do not give rise to litigation. Layoffs brought on by company rules or disputes, however, will have an impact on all parties, especially if some employees respond angrily and reject the grounds for the layoffs. (Silambi, 2014).

The legislation, of course, is very important in this case since it is designed to ensure that employee protections are applied. modified number articles and portions of the Employment Law. The categories and further application of this regulation are explained in Article 36 of Government regulation Number 35 of 2021 of the Republic of Indonesia on Agreement on Working Hours, Outsourcing, Working Hours and Rest Hours, and Termination of Work. Consequently, each sector will have jurisdiction in the event of a layoff. An entity may fire an employee provided it follows the Labor Law's processes and grounds. However, firing an employee arbitrarily or in violation of the Labor Law is unjustified and may put their interests and those of their employer at greater risk. (Gulo & Lie, 2024).

The aim of labor laws and regulations is to safeguard the vulnerable party, which is the worker in this instance. Accordingly, the author's evaluation of the judge's ruling on:

a. Resolution 83/Pdt.Sus-PHI/2020/PN. Mdn, et al.

The judges' panel weighed the terms of Article 168 of the Manpower Law according to the following standards:

- 1) Workers and employees may be fired from their employment if they meet the requirements to quit after missing work for five or more consecutive working days without providing written notice backed by credible documentation and after being formally summoned twice in writing by the employer.
- 2) As mentioned in paragraph (1), written information backed up by reliable evidence needs to be submitted by the laborer/worker by the latest day they report for duty.
- 3) Should employment be ended as specified in paragraphs (1), the worker or laborer in question is entitled to remuneration in accordance with Article 156, paragraph (4). In addition, they will obtain separation money, which is stipulated in the collective bargaining agreement, business rules, or employment agreement.

The Plaintiff's lawsuit seeking the Plaintiff's discharge due to the unsatisfactory connection led Despite the lack of evidence in this case that the Defendant fired the Plaintiff, the Panel of Judges concluded that the Plaintiffs' employment relationship with the Defendant was illegitimate. The defendant was dismissed because the plaintiffs were entitled to monetary compensation for their rights under Article 156 paragraph (4) of the Manpower Law, and the court's ruling was consistent with Article 168 of the Labor Law. A decision no. 105/Pdt.Sus-PHI/2021/PN.Mdn granted the Plaintiffs Rp. 1,935,000.00 (one million nine hundred and thirty-five thousand rupiah) as PN and Rp. 1,620,000.00 (one million six hundred twenty thousand rupiah) as SS.

The following sections of Article 151, paragraphs 1, 2, and 3 of the Manpower Law are cited by the judge in his legal consideration: Employers, employees, trade unions, and the government are required to make every effort to prevent termination of employment. 2) If, in spite of best efforts, termination of employment is unavoidable, the employer, the trade union, or the employee, if the employee is not a member of the union, will discuss the intention to terminate employment. 3) If the negotiation outlined in paragraph (2) is unsuccessful in reaching a mutual understanding, the employer will only be able to end the worker/laborer relationship after receiving confirmation from the industrial relations dispute clearinghouse. Article 155 paragraph (1) of the Manpower Law states that termination of employment without determination as referred to in Article 151 paragraph (3) is null and void."

Based on the evidence presented during the trial and the aforementioned provisions, the judge determined that the Defendant's termination of the Plaintiff's employment was not in compliance with Article 151 paragraphs (1), (2), and (3) of Article 155 paragraph (1). Accordingly, the Panel declared the termination letter to be invalid and null and void. As a result, the Medan District Court's Industrial Relations Court decided the employment relationship. According to Article 156 paragraph (1) of the Manpower Law, which stipulates that In the event of termination of employment, the employer is required to pay severance pay, and/or service award money and compensation money that should have been received, the panel of judges sentenced the defendant to pay the plaintiff's rights. The Manpower Law's Article 151, paragraph (3) served as the basis for the decision.

The plaintiff is entitled to Rp. 97,172,326.00 (ninety-seven million one hundred and seventy-two thousand three hundred and twenty-six rupiah) in compensation money in accordance with Article 156 paragraph (4) of the Manpower Law, severance pay double the provisions of Article 156 paragraph (2), and a one-time service period award money under Article 156 paragraph (3). This is so because the Plaintiff is not at fault for the loss of employment. Employers, workers/trade unions, and the government are required by the Manpower Law, Article 151, Paragraph 1, to take all reasonable steps to prevent layoffs. If layoffs are unavoidable, however, employers, workers/trade unions, or workers/laborers who are not workers/laborers shall negotiate over such layoffs. This means that layoffs must be carried out through agreements beforehand and that companies may only terminate employment relations with workers/laborers in accordance with the ruling of the industrial relations dispute settlement institution. Acceptance of the outcomes of the negotiations does

not imply authorization. The words that are under dispute are industrial relations court, industrial relations arbitration, industrial relations conciliation, and industrial relations mediation. Layoffs are prohibited by the Manpower Law's Article 155, paragraph (1), unless the Industrial Relations Settlement Institution rules otherwise. This implies that as long as the Relationship Dispute Settlement Institution's Decision has not been made, the employer and the worker or employee must both keep up with all of their obligations and that the unilateral layoffs are considered to have never taken place.

Since the workers in the two aforementioned circumstances are permanent employees, the Manpower Law's Article 161 paragraph (1) governs the layoff procedure and specifies the conditions that must be met. In particular, if an employee follows the guidelines in the employment contract, rules, or collective bargaining agreement, the employer has the right to terminate the employee's employment after the employee receives the first, second, and third warning letters in a succession.

While the judges in Decision Number 105/Pdt.Sus-PHI/2021/PN.Mdn describe how the Defendant unilaterally terminated the Plaintiff's employment on July 6, 2020, in accordance with the Decree on Termination of Employment (PHK) Number: 200/BPLU/VII/2020, without providing severance pay, in Decision Number 83/Pdt.Sus-PHI/2020/PN.Mdn, they found no evidence that the Plaintiff had been fired by the Defendant. Workers who are laid off should be compensated with severance pay. There is a claim that Article 40, paragraph (4) of Government Regulation No. 35 of 2021, which deals with severance pay for sacked employees, is unclear. Severance pay plays a critical role in guaranteeing that workers can sustain their quality of life, provided they haven't returned to work. Severance pay is a significant payment made to departing employees. In essence, employees must also satisfy their conditions in order to get basic pay, benefits, and severance pay, which should be given during employment or at the conclusion of their term. This is a gesture of appreciation as long as the employee remains employed by the company.

According to the provisions of Article 156 paragraph (4) of the Manpower Law, the judge determined in Decision Number 83/Pdt.Sus-PHI/2020/PN.Mdn that PN would receive Rp. 1,935,000.00 (one million sembilan one hundred and thirty-five thousand rupiah) and SS would receive Rp. 1,620,000.00 (one million six hundred and twenty thousand rupiah) in compensation. The Plaintiff was also awarded Rp. 97,172,326,- (ninety-seven million, one hundred and seventy-two thousand, three hundred and twenty-six rupiah) as severance pay, one-time service period award money, and compensation money for subsequent rights under the provisions of Article 156 paragraph (4) of the Manpower Law, according to the judge's decision in Decision Number 105/Pdt.Sus-PHI/2021/PN.Mdn.

The judges in Decision Number 83/Pdt.Sus-PHI/2020/PN.Mdn established their legal considerations on Article 168 of the Manpower Law, citing the lack of formalization of the Job Creation Law. Due process might now be followed by the judges' panel. According to the applicable Termination of Employment legal standards, the judge's analysis of the facts in Decision Number 83/Pdt.Sus-PHI/2020/PN.Mdn is still valid. Although Article 151 and Article 155 paragraph (1) of the Manpower Law were considered by the judge in Number 105/Pdt.Sus-PHI/2021/PN.Mdn, the Job Creation Law had already been passed before this case was heard. The Manpower Law's Article 151, which previously said the following, has been amended by the Job Creation Law.

**Employment terminations must be prevented by the government, labor unions, employers, and employees working together.**

When it's time to let go of an employee, the employer must tell the worker, laborer, and/or trade union/labor union of the cause and the intent behind the termination.

- 1) If the employee has been informed and declines to terminate the employment relationship, the employer and the employee, as well as the trade union, must hold bilateral discussions to resolve the termination of employment.

- 2) The employment termination process is carried out in accordance with the next phase of the industrial relations dispute resolution procedure if the bipartite discussions outlined in paragraph (3) are unable to produce an agreement.

In spite of the fact that the Job Creation Law was formally passed at the time of the case's trial, the judge's consideration in case number 105/Pdt.Sus-PHI/2021/PN. Mdn is not supported by the law and is therefore incompatible with the termination of employment relations standards.

### **Legal Certainty in Decision Number 83/Pdt.Sus-PHI/2020/PN. Mdn and Decision Number 105/Pdt.Sus-PHI/2021/PN. Mdn**

Ensuring legal certainty, particularly through written legal standards, is a critical component of the law's core goal of establishing social order. In particular, Fence M. Wantu emphasized that "law without legal certainty loses its significance as it cannot serve as a code of conduct for people." Having definite standards that people can use as a guide means that there is legal certainty. Consequently, the idea of legal certainty calls for the application of the law to be both clear and firm in society. Strict guidelines for terminating employees are established by the Manpower Law. Nonetheless, the Job Creation Law brings about adjustments that alter the current labor laws. The way in which these revisions are perceived to affect workers has garnered a great deal of attention. It is considered unacceptable to attempt to undermine labor protections. Deregulation is necessary, according to the administration, because excessively strict labor regulations have discouraged investment.

The Job Creation Law lessens worker protection, even if that was the plan all along. Oversimplifying employment issues, legislators seem to prioritize business and investor interests. The new rule can make layoffs easier by giving firms more latitude to fire employees for less specific reasons. This could result in issues with labor relations, like disagreements, strikes, and layoffs ordered by the employer. As a result, during the layoff process, employees must deal with uncertainty and risk in order to protect their rights. (Jahari & Artita, 2023). Beyond the textual provisions of the law, legal certainty also includes consistency in judicial rulings, which guarantees consistency in decisions made by various judges in similar circumstances. When industrial termination agencies are unable to settle conflicts between employees and employers, the legislation provides channels for workers seeking legal certainty, such as the judiciary, which acts as a litigation forum. By giving the plaintiffs severance pay in the aforementioned situations, judges have supported legal certainty.

### **Legal Justice for the Parties in Decision Number 83/Pdt.Sus-PHI/2020/PN.Mdn and Decision Number 105/Pdt.Sus-PHI/2021/PN.Mdn**

One of the problems contained in the Labor Law is the concept of justice. Where it turns out that the concept of justice that has been carried out in the Labor Law is still not felt by workers and employers. This can be seen from the findings that show that both employers and workers object to several provisions in the Manpower Law. However, at the time of the revision of this law, both employers and workers seemed unwilling to conduct further discussions due to the very strong conflict of interests that did not meet a common ground, (Joka & Sutopo, 2018)

There are two types of justice in Plato's conception of it: justice in the state and individual justice. To determine the proper interpretation In order to understand individual justice, one must first understand the essential elements of state justice, about which Plato said: "Let us first inquire as to what the cities are, then we will examine it in the single man, looking for the likeness of the larger in the shape of the smaller." Despite what Plato claimed, justice in the state is not the same as justice in an individual. It's just that Plato saw that justice results from modifications that provide a harmonious environment for the constituents of a community. In a society, justice is demonstrated when every individual performs well in accordance with their capacity to act responsibly or in harmony with one another, (Johan Nasution, 2014).

John Rawls further argues that justice is essentially the application of rational policy principles to the idea of the total welfare of all social groups. In order to accomplish this justice, it makes sense for someone to enforce the fulfillment of their desires in line with the utility principle, since this increases the net profit from the satisfaction that members of their community receive. The foundations of justice can be established by equality because, at its core, wisdom must serve as a guide so that individuals can behave proportionately in accordance with their rights, take a fair stance while still taking into account their unique interests, and refrain from breaking the law. As a result, justice is intimately tied to the parties' rights and responsibilities in carrying out the agreement.

The first stage in establishing a state is the creation of laws as norms that govern the internal order of the country and state. Protect all Indonesian nationals and all Indonesian regions; enhance overall prosperity; expand public awareness; and contribute to preserving international peace based on the ideals of social justice, freedom, and perpetual peace. Workers and laborers have a role in the execution of state development since they are the actor and the ultimate objective of development itself. Furthermore, in order to raise the caliber of the labor force, Employment Development needs to be included in National Development. The expansion of employment must be carefully planned to guarantee workers' security and the realization of their fundamental rights, as well as to promote the expansion of the business community.

Based on legal considerations, the panel of judges in Decision Number 83/Pdt.Sus-PHI/2020/PNMdn awarded the Plaintiff compensation according to Article 156 paragraph (4), a one-time service period award under Article 156 paragraph (3), and severance pay amounting to twice the provisions of Article 156 paragraph (2) of the Manpower Law. The total awarded amount was ninety-seven million, one hundred and seventy-two thousand, three hundred and twenty-six rupiah. In Decision Number 105/Pdt.Sus-PHI/2021/PNMdn, the judge, referencing Article 156 paragraph (4) of the Manpower Law, granted reimbursement of Rp. 1,935,000.00 (one million nine hundred thirty-five thousand rupiah) for PN and Rp. 1,620,000.00 (one million six hundred twenty thousand rupiah) for SS. These decisions affirm the judges' commitment to protecting the rights of workers dismissed without cause, based on the evidence and facts presented during the trials. Layoffs are deemed a last resort when all other measures to ensure workers' rights to secure employment and fair wages have failed. Thus, both employers and employees must endeavor to avoid layoffs by all reasonable means. If layoffs become unavoidable, negotiations between the employee and the company must occur before implementation. Should negotiations fail, the industrial relations dispute settlement institution must decide before any layoffs can proceed.

The Plaintiff in Decision Number 105/Pdt.Sus-PHI/2021/PNMdn was unilaterally laid off on the grounds that lower productivity was deemed unfair to employees who had worked for twenty (20) years, particularly not the severance pays provided by the Defendant to the Plaintiff. As a result, the Plaintiff filed a lawsuit in order to obtain justice and legal protection. Employers have the right to fire employees if their business ceases for operational reasons, as stated in Article 164 paragraph (3) of the Manpower Law. However, in this instance, the Defendant's company is still in operation. The idea of the state of law concerning human rights has given particular consideration to the protection of laborers. The 1945 Constitution's Article 27 Paragraph (2) declares that "Every citizen has the right to work and a decent livelihood for humanity." The 1945 Constitution's Article 28 D, Paragraph (2), which declares that "Every citizen has the right to work and receive fair and decent remuneration and treatment in employment relations," also protects labor and labor. One aspect of the right to work is the absence of employer-initiated layoffs. In order for these rights to be realized, the state must take an active role in defending them and preventing their infringement, especially the right not to be fired without cause. As a guarantee of protection for workers against arbitrary behaviors and actions of employers in an employment relationship, the government must provide concrete rights and justice to workers. Justice and legal certainty are the main benchmarks in human rights that currently harm others.

#### **IV. CONCLUSION**

According to the Manpower Law, companies can justify unilateral termination of employment (PHK) based on decreased productivity for efficiency or company closure. However, Law No. 6/2023 (Job Creation Law) allows using decreased productivity as a loss prevention measure without requiring company closure but prohibits unilateral layoffs. Layoff policies still mandate a planning procedure within the organization to prevent unauthorized unilateral layoffs. The Termination of Employment (PHK) mechanism, as outlined in Law Number 13 of 2003 concerning Manpower, requires direct negotiation between the employer and employee. If these negotiations do not lead to an agreement, the employer can only proceed with layoffs following a court ruling or a decision from the industrial relations dispute resolution organization. Law No. 6/2023 (Job Creation Law) Article 151 paragraphs (3) and (4) stipulates that companies must inform employees of the reason and purpose of layoffs without needing approval from the Industrial Relations Court (PHI). If bipartite negotiations fail, layoffs follow the Industrial Relations Dispute Resolution procedure.

In Decision Number 83/Pdt.Sus-PHI/2020/PNMdn, the judges considered the legal protection of workers' rights in unilateral layoffs, awarding the Plaintiff severance pay and compensation as per Article 156 of the Manpower Law, totaling Rp. 97,172,326. Similarly, Decision Number 105/Pdt.Sus-PHI/2021/PNMdn granted reimbursement to Nainggolan Nurses and Sampe Sukaria, even though the Job Creation Law (Law No. 2/2020) was not used in the legal considerations. These decisions provide adequate legal protection for workers' rights in unilateral layoffs, seen as a last resort to ensure job protection and a decent living. Articles 27 Paragraph (2) and 28 D Paragraph (2) of the 1945 Constitution affirm that labor protection is a human right.

Layoffs should not be conducted on an individual basis without first considering the closure of the business. If individual layoffs are unavoidable, they must follow the relevant principles, layoff regulations, and standards of conduct, ensuring that the employer respects the rights and settlements of the affected employees. To prevent unilateral layoffs, businesses planning to implement layoffs should involve employees in the discussion process beforehand. Additionally, businesses must adhere to legal procedures for layoffs to ensure workers' and laborers' rights are protected and that the company complies with relevant labor laws. The government should act as a regulator favoring workers, who are the weaker party, to protect them from unilateral layoffs by employers. When cases of unilateral layoffs are brought before the PHI court, judges should provide legal protection, justice, and certainty to the affected workers. Following the passage of the Job Creation Law, judges should use this law as a basis for their legal analysis in employment disputes involving unilateral layoffs.

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