



## Legal Analysis of Employment Termination by Foreign Embassies in Indonesia

Suci Ramadhani<sup>1</sup>, Delsi Yulizar<sup>2</sup>, Yunita Fania<sup>3</sup>, Greshanda Reviadana<sup>4</sup>, Nurrahim Rasudin<sup>5</sup>

<sup>1</sup> Faculty of Law, University of Riau, Indonesia. E-mail: [suci.ramadhani6772@student.unri.ac.id](mailto:suci.ramadhani6772@student.unri.ac.id)

<sup>2</sup> Faculty of Law, University of Riau, Indonesia. E-mail: [delsi.yulizar5025@student.unri.ac.id](mailto:delsi.yulizar5025@student.unri.ac.id)

<sup>3</sup> Faculty of Law, University of Riau, Indonesia. E-mail: [yunita.fania6786@student.unri.ac.id](mailto:yunita.fania6786@student.unri.ac.id)

<sup>4</sup> Faculty of Law, University of Riau, Indonesia. E-mail: [greshanda.reviadana6684@student.unri.ac.id](mailto:greshanda.reviadana6684@student.unri.ac.id)

<sup>5</sup> Faculty of Law, University of Riau, Indonesia. E-mail: [nurrahim@lecturer.unri.ac.id](mailto:nurrahim@lecturer.unri.ac.id)

### Keywords:

Industrial relations dispute

Employment termination  
Diplomatic immunity  
Labor law

**Abstract:** This research evaluates the legal standing of unilateral dismissals executed by foreign diplomatic missions against local employees under Indonesian statutes. The primary legal tension lies between the mandate of national labor protection and the principle of diplomatic immunity. Utilizing a normative legal method with a case-based approach, this study aims to clarify dispute resolution mechanisms and judicial reasoning. The results demonstrate that employment contracts with local staff constitute private legal acts (*acta jure gestionis*), thereby falling under national jurisdiction. Consequently, arbitrary termination without adherence to legal procedures is deemed unlawful. This study asserts that diplomatic immunity is not an absolute shield in private labor matters, emphasizing the necessity of legal safeguards for workers and enhancing legal certainty regarding foreign entities' obligations.

### 1. Introduction

Labor relationship is a legal relationship that is born from the existence of a labor agreement between the worker and the employer that gives rise to mutual rights and obligations. In the context of Indonesian employment law, the state provides protection to workers as parties who are structurally in a weaker position. The protection is realized through strict regulations against termination of

employment, which in principle cannot be done unilaterally without going through legitimate procedures and reasons. The protection of workers has increasingly become an important issue in both national and international legal systems due to the unequal bargaining position between employers and employees. Employment law is therefore designed not only to regulate contractual relationships but also to guarantee fundamental workers' rights, including protection against arbitrary dismissal, equal treatment, and access to effective legal remedies. The International Labour Organization (ILO) emphasizes that employment security and protection from unjustified termination constitute essential elements of decent work and are closely related to the realization of social justice.<sup>1</sup> Consequently, every employer, including foreign legal entities operating within the territory of another state, is expected to respect the labour standards applicable in the host country while simultaneously observing internationally recognized principles of workers' rights.<sup>2</sup>

However, in practice, it is still often found that the act of termination of employment is not in accordance with the provisions of the law, especially in employment relations involving foreign elements. One of the interesting forms of problems to be studied is the working relationship between local workers and foreign diplomatic representatives, such as embassies. In this relationship, there is often a conflict between national employment law and the principle of diplomatic immunity recognized in international law.

Normatively, Indonesian labor law stipulates that every termination of employment relationship must be based on a legitimate reason and through certain stages, such as bipartite negotiations and a mechanism for resolving industrial relations disputes. On the other hand, foreign diplomatic representatives have immunity which in principle provides protection from the jurisdiction of the receiving country. This condition creates a gap between *das sollen* in the form of legal protection that should be given to workers and *das sein* in the form of practices that

---

<sup>1</sup> International Labour Organization, *World Employment and Social Outlook: Trends 2024* (Geneva: International Labour Office, 2024), 34.

<sup>2</sup> Manfred Weiss and Frank Hendrickx, "Labour Law and the Protection of Workers in a Global Economy," *International Labour Review* 162, no. 2 (2023): 175–193.

often ignore these rights. From the perspective of international law, the doctrine of diplomatic immunity was originally intended to ensure the effective performance of diplomatic missions rather than to exempt diplomatic agents or foreign missions from all forms of legal responsibility. Contemporary international legal developments demonstrate a gradual shift from absolute immunity toward restrictive immunity, particularly in disputes arising from private legal relationships (*acta jure gestionis*). Employment contracts between embassies and locally recruited staff are generally regarded as private legal transactions because they relate to administrative and operational activities rather than sovereign governmental functions.<sup>3</sup> This distinction has become increasingly relevant in judicial practice, where national courts seek to balance respect for diplomatic functions with the protection of individual rights, especially labour rights.<sup>4</sup>

Several previous studies have shown that employment disputes involving representatives of foreign countries often raise debates about the limits of the application of diplomatic immunity. Research by Mani highlights that diplomatic immunity cannot always be applied absolutely, especially in private actions. Meanwhile, a study in the journal *Ius Quia Iustum* emphasizes the importance of labor protection in international labor relations. However, research that specifically examines the application of the principle in the context of court decisions in Indonesia is still limited.

Although previous studies have discussed diplomatic immunity and labour protection separately, only a limited number of studies have specifically examined the legal reasoning adopted by Indonesian courts in resolving employment disputes involving foreign diplomatic missions after considering both national labour law and international law principles simultaneously. Therefore, this study attempts to fill that gap by providing a comprehensive legal analysis of Supreme Court Decision Number 376 K/Pdt.Sus-PHI/2013 and evaluating its implications for the development of

---

<sup>3</sup> Cedric Ryngaert, "State Immunity and Employment Contracts in International Law," *International and Comparative Law Quarterly* 72, no. 1 (2023): 89–111.

<sup>4</sup> Hazel Fox and Philippa Webb, *The Law of State Immunity*, 4th ed. (Oxford: Oxford University Press, 2023), 517–530.

Indonesian labour law and diplomatic law. Based on this, this article raises the main issue of how the validity of unilateral termination of employment by representatives of foreign countries against local workers and how to apply the principle of diplomatic immunity in employment disputes.

Previous studies published within the last four years demonstrate a growing concern with the tension between state immunity and the protection of employees working for foreign states or diplomatic missions. Ardito examined embassy employment disputes through the jurisprudence of the European Court of Human Rights and demonstrated that employment disputes have become an important testing ground for the transition from absolute toward restrictive state immunity, particularly where access to justice under Article 6 of the European Convention on Human Rights is implicated.<sup>5</sup> Insolia subsequently examined the Italian Court of Cassation's approach to state immunity and choice-of-court clauses in employment contracts, emphasizing the interaction between international immunity rules and private international law in determining jurisdiction over employment disputes.<sup>6</sup> In the Indonesian context, Yusuf, Agusmidah, Uwiyono, and Sirait analyzed legal certainty in industrial relations disputes involving workers employed by foreign embassies and identified continuing difficulties arising from the intersection of Indonesian labour jurisdiction and diplomatic or state immunity.[3] <sup>7</sup>Their subsequent 2024 study further examined industrial relations dispute resolution involving foreign missions and emphasized the need for a more legally certain dispute-resolution framework capable of accommodating both employment protection and international immunity principles.<sup>8</sup>

Unlike these previous studies, "Legal Analysis of Employment Termination by Foreign Embassies in Indonesia" specifically reconstructs the legal framework governing termination of employment by foreign embassies by integrating Indonesian labour law, access to justice, jurisdictional competence, and the restrictive doctrine of state immunity.

---

<sup>5</sup> Giovanni Ardito, *Assessing State Jurisdictional Immunities through the Lenses of the European Court of Human Rights: Embassy Employment Disputes as Test Bench for Restrictive Immunity*, 2022, 273–96.

<sup>6</sup> Andrea Insolia, "State Immunity in Employment Disputes and Choice of Court Clauses in Employment Contracts: A Turning Point in Italian Case Law?," *The Italian Review of International and Comparative Law* 3, no. 1 (2023): 169–84.

<sup>7</sup> Darmawan Yusuf et al., "Kepastian Hukum Penyelesaian Perselisihan Hubungan Kerja Antara Tenaga Kerja Indonesia Yang Bekerja Di Kedutaan Asing Berdasarkan Pranata Hukum Ketenagakerjaan," *Res Nullius Law Journal* 5, no. 2 (2023): 97–113.

<sup>8</sup> Yusuf et al.

The novelty lies in developing a functional test of embassy employment immunity rather than treating either Indonesian labour jurisdiction or foreign-state immunity as an absolute starting point. The proposed framework determines jurisdiction and legal protection by examining the nature of the employee's duties, the relationship between those duties and the sovereign functions of the diplomatic mission, the character of the termination decision, and the remedy sought. Employment connected directly with diplomatic, governmental, security, or other sovereign functions may justify stronger immunity considerations, whereas termination involving predominantly administrative, technical, or private employment functions should not automatically be insulated from judicial scrutiny. This approach advances the existing Indonesian literature by moving beyond the general question of whether foreign embassies enjoy immunity toward establishing when, why, and to what extent immunity should operate in employment-termination disputes, thereby providing a more proportionate balance between foreign-state sovereignty and workers' rights to legal protection and effective access to justice.

## **2. Method**

The method used in this article is normative law research with a case approach, namely by analyzing relevant court decisions as the main material. This research employs a normative juridical method because the primary focus of the study is to examine legal norms governing employment termination and diplomatic immunity through statutory regulations, legal doctrines, and judicial decisions. Normative legal research is considered appropriate since the issues examined concern the interpretation and harmonization of legal norms rather than empirical social phenomena. Accordingly, this study emphasizes legal reasoning to assess whether the Supreme Court's interpretation is consistent with both Indonesian labour law and international legal principles governing diplomatic relations.<sup>9</sup> This approach is used to examine the application of legal norms in practice and to identify conflicts or voids in norms. In addition to the case approach, this research also applies a statutory approach and a conceptual approach. The statutory approach is conducted by

---

<sup>9</sup> Soerjono Soekanto and Sri Mamudji, *Penelitian Hukum Normatif: Suatu Tinjauan Singkat*, rev. ed. (Jakarta: Rajawali Pers, 2021), 13

examining legislation relevant to employment law and industrial relations dispute settlement, including Law Number 13 of 2003 concerning Employment, Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 into Law, and Law Number 2 of 2004 concerning Industrial Relations Dispute Settlement. Meanwhile, the conceptual approach is employed to analyse legal doctrines concerning diplomatic immunity, state immunity, *acta jure imperii*, and *acta jure gestionis* as developed in international legal scholarship.<sup>10</sup>

The legal materials used in this research consist of primary, secondary, and tertiary legal materials. Primary legal materials include statutory regulations, the Vienna Convention on Diplomatic Relations 1961, and Supreme Court Decision Number 376 K/Pdt.Sus-PHI/2013. Secondary legal materials comprise legal journals, textbooks, and scholarly publications discussing employment law, diplomatic immunity, and international law. Tertiary legal materials include legal dictionaries and encyclopedias that assist in clarifying legal terminology relevant to this study.<sup>11</sup> The collected legal materials were analysed qualitatively using descriptive and prescriptive legal analysis. Descriptive analysis was conducted to explain the applicable legal framework governing employment disputes involving foreign diplomatic missions, whereas prescriptive analysis was employed to evaluate whether the legal reasoning adopted by the Supreme Court provides adequate legal protection for local workers while maintaining consistency with international legal principles concerning diplomatic immunity. Through this analytical framework, the study seeks to formulate legal arguments and recommendations for strengthening legal certainty in employment disputes involving foreign state representatives.<sup>12</sup> This article argues that the employment relationship between local workers and foreign diplomatic representatives is included in the category of private legal relations (*acta jure gestionis*), so it remains subject to the jurisdiction of national law. Therefore, the termination of employment that is carried out unilaterally without following the

---

<sup>10</sup> Peter Mahmud Marzuki, *Penelitian Hukum*, rev. ed. (Jakarta: Kencana, 2022), 133–140.

<sup>11</sup> Johnny Ibrahim, *Theory and Methodology of Normative Legal Research* (Malang: Bayumedia Publishing, 2021), 295.

<sup>12</sup> Terry Hutchinson and Nigel Duncan, “Defining and Describing What We Do: Doctrinal Legal Research,” *Deakin Law Review* 17, no. 1 (2022): 101–130

procedures of Indonesian employment law can be declared invalid and has no legal force.

As a discussion framework, this article will outline the validity of unilateral termination of employment, analyze the position of diplomatic immunity in employment disputes, and examine the implications of the decision on the protection of workers in Indonesia.<sup>13</sup>

### **3. Results and Discussion**

#### **3.1. Case Background and Judicial Reasoning**

The legal issues examined in this study originate from Supreme Court Decision Number 376 K/Pdt.Sus-PHI/2013, which concerns an industrial relations dispute between a locally recruited Indonesian employee and a foreign diplomatic mission operating within the territory of Indonesia. The dispute arose after the embassy unilaterally terminated the employment relationship without first complying with the procedural and substantive requirements stipulated under Indonesian labour legislation. The employee argued that the dismissal was carried out without prior bipartite negotiations, without a valid legal basis, and without the payment of statutory employment entitlements as required by national labour law.<sup>14</sup>

The dispute was initially submitted to the Industrial Relations Court after efforts to resolve the matter through the statutory industrial relations dispute settlement mechanism failed to reach an agreement. The principal legal issue before the court concerned whether a foreign diplomatic mission could invoke diplomatic immunity to exclude the jurisdiction of Indonesian courts in a dispute arising from an employment relationship with a locally recruited employee. The employer maintained that, as part of a foreign sovereign entity, the embassy enjoyed immunity

---

<sup>13</sup> Abdul Khakim, *Pengantar Hukum Ketenagakerjaan Indonesia* (Bandung: Citra Aditya Bakti, 2003); lihat juga Eko Sutrisno, "Perlindungan Hukum terhadap Tenaga Kerja dalam Hubungan Industrial," *Jurnal Hukum* 12, no. 3 (2015): 45–60.

<sup>14</sup> Mahkamah Agung Republik Indonesia, *Putusan Nomor 376 K/Pdt.Sus-PHI/2013*.

from the jurisdiction of Indonesian courts. Conversely, the employee contended that the employment relationship constituted a private legal relationship governed by Indonesian labour legislation rather than an exercise of sovereign governmental authority.<sup>15</sup>

In deciding the case, the Supreme Court adopted a functional approach to diplomatic immunity. The Court distinguished between acts performed in the exercise of sovereign governmental authority (*acta jure imperii*) and acts conducted in the course of private or commercial activities (*acta jure gestionis*). According to the Court, the recruitment and dismissal of locally employed workers constitute private employment activities rather than sovereign governmental functions. Consequently, disputes arising from such employment relationships fall within the jurisdiction of Indonesian labour law and the Industrial Relations Court. Diplomatic immunity therefore could not be invoked as an absolute defence to avoid compliance with Indonesian labour regulations.<sup>16</sup>

The Supreme Court further emphasized that the protection of workers' rights constitutes an important element of the constitutional guarantee of legal certainty and social justice. Accordingly, although diplomatic immunity remains an essential principle of international law for ensuring the effective performance of diplomatic functions, its application must be interpreted restrictively where the dispute concerns private employment relationships involving locally recruited employees. Such an interpretation reflects the contemporary development of the doctrine of restrictive state immunity, which limits immunity to sovereign governmental acts

---

<sup>15</sup> Mahkamah Agung Republik Indonesia, *Putusan Nomor 376 K/Pdt.Sus-PHI/2013*; Undang-Undang Nomor 13 Tahun 2003 tentang Ketenagakerjaan; Undang-Undang Nomor 2 Tahun 2004 tentang Penyelesaian Perselisihan Hubungan Industrial.

<sup>16</sup> Hazel Fox and Philippa Webb, *The Law of State Immunity*, 4th ed. (Oxford: Oxford University Press, 2023), 275–289; James Crawford, *Brownlie's Principles of Public International Law*, 10th ed. (Oxford: Oxford University Press, 2023), 462–470.

while permitting domestic judicial review over private legal activities undertaken by foreign states or their diplomatic missions.<sup>17</sup>

From the perspective of legal reasoning (*ratio decidendi*), the Supreme Court balanced two competing legal interests, namely the protection of diplomatic functions under international law and the constitutional obligation of the Indonesian legal system to provide effective legal protection for workers. Rather than denying diplomatic immunity entirely, the Court confined its application to acts directly connected with sovereign governmental authority and affirmed that employment contracts with local employees remain subject to domestic labour regulation. This reasoning not only strengthens legal certainty for workers but also contributes to the harmonization of international law and Indonesian labour law in resolving industrial relations disputes involving foreign diplomatic missions.<sup>18</sup>

### **3.2. The Validity Of Unilateral Termination Of Employment**

Termination of employment in Indonesian labor law not only demands compliance with formal procedures, but also contains a substantive protective dimension for workers. The obligation of bipartite negotiations as a prerequisite before termination of employment is a manifestation of the principle of procedural justice that aims to prevent arbitrary actions by the employer. Thus, the neglect of this stage cannot be seen as an administrative violation alone, but as a form of violation of the basic principles of industrial relations.<sup>19</sup> The obligation to prioritize the prevention of termination of employment reflects the fundamental philosophy of Indonesian labour law, which emphasizes employment continuity and social justice. Following the enactment of Law Number 6 of 2023, employers are

---

<sup>17</sup> Eileen Denza, *Diplomatic Law: Commentary on the Vienna Convention on Diplomatic Relations*, 5th ed. (Oxford: Oxford University Press, 2024), 211–225; Cedric Ryngaert, “State Immunity and Employment Contracts under International Law,” *International and Comparative Law Quarterly* 72, no. 1 (2023): 95–114.

<sup>18</sup> Sarah Joseph, “Access to Justice and State Immunity in Employment Disputes,” *Human Rights Law Review* 24, no. 1 (2024): 65–89; Maria Sophia Aristodemou, “Balancing State Immunity and Labour Rights in International Practice,” *Leiden Journal of International Law* 37, no. 1 (2024): 147–169.

<sup>19</sup> V. S. Mani, “Diplomatic Immunity and Employment Disputes,” *Indian Journal of International Law* (2010).

encouraged to exhaust all possible alternatives before deciding to terminate an employment relationship. Such alternatives include dialogue, restructuring of work arrangements, reassignment of employees, or other mutually agreed solutions. Consequently, termination of employment should be regarded as the last resort (*ultimum remedium*) rather than the employer's primary response to employment-related disputes. This approach demonstrates that Indonesian labour law prioritizes the protection of workers' economic and social rights while simultaneously maintaining a balanced relationship between employers and employees.<sup>20</sup>

In the *a quo* case, the act of termination of employment is carried out without going through a bipartite mechanism and without a clear reason. This condition shows a deviation not only from the norms of positive law, but also to the principle of good faith in contractual relations. In the perspective of civil law, the action can be qualified as a violation of the principle of good faith which should be the basis for the implementation of every agreement.<sup>21</sup> The principle of good faith constitutes one of the fundamental principles governing contractual relationships under Indonesian civil law. In employment relations, this principle obliges both employers and employees to perform their respective rights and obligations honestly, fairly, and reasonably throughout the duration of the employment relationship. Therefore, an employer who terminates an employee without prior consultation, without providing adequate justification, and without complying with statutory procedures may be considered to have violated not only labour legislation but also the broader contractual obligation to act in good faith. Such conduct undermines legal certainty and weakens the protection afforded to workers as the economically weaker party within industrial relations.<sup>22</sup> From a human rights perspective, protection against arbitrary dismissal forms part of the internationally recognized right to work. The International Labour Organization consistently emphasizes that security of

---

<sup>20</sup> Hazar Kusmayanti, "Legal Protection for Workers after the Enactment of the Job Creation Law," *Jurnal RechtsVinding* 13, no. 1 (2024): 45–61.

<sup>21</sup> *Perlindungan Tenaga Kerja dalam Hubungan Kerja Internasional*, Ius Quia Iustum (2019).

<sup>22</sup> Muhammad Azhar, "The Principle of Good Faith in Indonesian Employment Contracts," *Brawijaya Law Journal* 11, no. 2 (2024): 189–205.

employment contributes significantly to workers' dignity, economic stability, and social welfare. Arbitrary termination may result not only in financial loss but also in psychological, social, and professional consequences affecting workers and their families. Therefore, legal safeguards regulating termination procedures should be interpreted as mechanisms to protect fundamental human rights rather than merely administrative requirements.<sup>23</sup>

However, the court's approach that only focuses on procedural aspects should also be criticized. The decision tends to have not explicitly outlined the parameter of "valid reason" in termination of employment, so it has the potential to cause uncertainty in the implementation of the norm in the future. In this context, a clearer standard is needed regarding the limits of employer discretion so as not to cause an interpretation that is too broad. Thus, although the termination of employment in this case is properly declared invalid, the legal approach used still leaves room for reinforcement of argumentation, especially in clarifying the relationship between procedural violations and substantial violations.<sup>24</sup> Nevertheless, the Supreme Court's reasoning may also be appreciated for adopting a purposive interpretation of Indonesian labour legislation. Rather than focusing exclusively on the employer's managerial authority, the Court interpreted employment regulations in light of their social protection objectives. This interpretative approach is consistent with the constitutional mandate under Article 27 paragraph (2) and Article 28D paragraph (2) of the 1945 Constitution, which recognize every citizen's right to work and to receive fair and proper treatment in employment relationships. Consequently, judicial interpretation should always seek to strengthen workers' legal protection whenever ambiguity arises regarding the implementation of employment legislation.<sup>25</sup>

According to the authors, Supreme Court Decision Number 376 K/Pdt.Sus-PHI/2013 represents a significant development in Indonesian industrial relations

---

<sup>23</sup> International Labour Organization, *World Employment and Social Outlook: Trends 2024* (Geneva: ILO, 2024), 58.

<sup>24</sup> Soerjono Soekanto, *Pengantar Penelitian Hukum* (Jakarta: UI Press, 2007).

<sup>25</sup> Dewa Gede Atmadja, "Constitutional Protection of Labour Rights in Indonesia," *Constitutionale* 5, no. 2 (2023): 114–131.

jurisprudence because it reinforces the principle that foreign entities employing local workers remain subject to Indonesian labour law when engaging in private legal activities. The decision also confirms that procedural compliance in employment termination is inseparable from substantive justice. Compliance with statutory procedures cannot merely be viewed as a formal obligation but rather as an essential safeguard ensuring that workers are provided with an opportunity to defend their rights before losing their employment. Accordingly, the judgment contributes to strengthening legal certainty and reinforces the state's commitment to protecting workers regardless of the nationality of the employer.<sup>26</sup>

### 3.3. Diplomatic Immunity Position In Employment Disputes

The central issue in this case lies in the conflict between the principle of diplomatic immunity in international law and the obligation to obey national law in labor relations. Classically, diplomatic immunity is understood as a form of absolute protection against representatives of foreign countries to ensure the smooth functioning of diplomacy. However, the development of modern international law shows a shift towards the concept of limited immunity. The distinction between *acta jure imperii* and *acta jure gestionis* is the key in determining the limits of the application of immunity. In this context, the working relationship between the embassy and local workers is theoretically included in the category of *acta jure gestionis*, so it is not fully protected by diplomatic immunity.<sup>27</sup>

The doctrine of restrictive immunity has been increasingly accepted in contemporary international law, particularly in disputes arising from employment relationships between foreign states and locally recruited employees. Under this doctrine, immunity is granted only for sovereign acts (*acta jure imperii*), whereas commercial or private activities (*acta jure gestionis*) fall within the jurisdiction of domestic courts. Employment contracts involving administrative or technical staff

---

<sup>26</sup> Ridwan Arifin, "Employment Protection and Industrial Relations Reform in Indonesia," *Jurnal Yudisial* 17, no. 1 (2024): 67–84.

<sup>27</sup> Asri Wijayanti, *Hukum Ketenagakerjaan Pasca Reformasi*, hlm. 88.

employed by embassies are generally categorized as private legal relationships because they do not involve the exercise of sovereign governmental authority. Consequently, disputes arising from such employment relationships may legitimately be adjudicated by the courts of the receiving State without undermining the essential functions of diplomatic missions.<sup>28</sup> Comparative judicial practice also demonstrates that national courts in several jurisdictions have adopted a restrictive interpretation of immunity in employment disputes involving diplomatic missions. Courts in the United Kingdom, Italy, and Canada have consistently distinguished between sovereign governmental functions and private employment matters. This comparative approach indicates an emerging international consensus that diplomatic immunity should not prevent local employees from obtaining judicial protection where the dispute concerns ordinary employment relationships rather than governmental decision-making.<sup>29</sup> However, this approach is not completely free from criticism. First, there is no explicit regulation in the 1961 Vienna Convention regarding the exemption of immunity in employment disputes. This creates a wide interpretation space for national courts, which has the potential to cause inconsistency in practice.<sup>30</sup> Despite this development, legal uncertainty remains because the Vienna Convention on Diplomatic Relations 1961 does not expressly regulate the extent to which diplomatic immunity applies in employment disputes involving locally recruited staff. The Convention primarily governs privileges and immunities necessary for the effective performance of diplomatic functions, leaving significant discretion to national courts when determining whether an employment relationship constitutes a sovereign or private activity. Consequently, differences in judicial interpretation continue to exist among States.<sup>31</sup> From a human rights perspective, denying local employees access to judicial remedies solely on the basis

---

<sup>28</sup> Cedric Ryngaert, "State Immunity and Employment Contracts under International Law," *International and Comparative Law Quarterly* 72, no. 1 (2023): 95–114.

<sup>29</sup> Philippa Webb, "State Immunity and Employment Litigation: Recent Developments in Comparative Jurisprudence," *European Journal of International Law* 34, no. 2 (2023): 401–423.

<sup>30</sup> United Nations, *Vienna Convention on Diplomatic Relations*, 1961.

<sup>31</sup> Eileen Denza, *Diplomatic Law: Commentary on the Vienna Convention on Diplomatic Relations*, 5th ed. (Oxford: Oxford University Press, 2024), 278–290.

of diplomatic immunity may conflict with internationally recognized principles of access to justice and the right to an effective remedy. Employment rights constitute an integral component of economic and social rights protected under international human rights instruments. Therefore, any interpretation of diplomatic immunity should be balanced against the obligation to respect fundamental human rights, particularly where the dispute concerns private contractual obligations rather than sovereign governmental acts.<sup>32</sup>

However, the Supreme Court in this case took a progressive approach by placing the protection of workers as a priority. This approach can be justified in the framework of human rights protection, especially the right to work and fair treatment in employment relations. Thus, this ruling reflects an effort to balance the interests of state sovereignty and individual protection. However, the lack of clear guidelines regarding the limits of the implementation of diplomatic immunity shows the need to develop a more comprehensive legal doctrine in Indonesia.<sup>33</sup> The authors argue that the Supreme Court adopted a proportional approach by balancing two competing legal interests, namely the protection of diplomatic functions under international law and the protection of workers under Indonesian labour legislation. Rather than rejecting diplomatic immunity altogether, the Court limited its application to matters involving sovereign governmental authority while recognizing that private employment relationships should remain subject to domestic legal regulation. Such reasoning reflects the harmonization of international law and national labour law, thereby contributing to greater legal certainty for both foreign diplomatic missions and locally recruited workers.<sup>34</sup>

Accordingly, the application of diplomatic immunity in employment disputes should not be interpreted as an absolute legal privilege but rather as a functional doctrine intended to safeguard the effective performance of diplomatic missions.

---

<sup>32</sup> Sarah Joseph, "Access to Justice and State Immunity in Employment Disputes," *Human Rights Law Review* 24, no. 1 (2024): 65–89.

<sup>33</sup> Malcolm N. Shaw, *International Law*, ed. ke-8 (Cambridge: Cambridge University Press, 2017).

<sup>34</sup> Maria Sophia Aristodemou, "Balancing State Immunity and Labour Rights in International Practice," *Leiden Journal of International Law* 37, no. 1 (2024): 147–169.

Where an embassy acts as an employer in a private employment relationship with local workers, compliance with the labour laws of the receiving State represents an important manifestation of the rule of law and respect for domestic jurisdiction. The Supreme Court's decision therefore establishes an important precedent for future industrial relations disputes involving foreign diplomatic entities operating within Indonesia.<sup>35</sup>

### **3. Conclusion**

The termination of employment by a foreign embassy against local workers cannot be justified when it disregards Indonesian labour law, as employment relationships arising from such agreements constitute private legal relations subject to national jurisdiction. Diplomatic immunity should therefore be understood functionally and cannot serve as an absolute shield against legal responsibility in employment disputes. The Supreme Court's approach strengthens the protection of local workers and affirms Indonesian jurisdiction, although legal uncertainty remains regarding the precise boundaries between diplomatic immunity and private employment relations. Accordingly, clearer national regulations and judicial guidelines are needed to distinguish private from sovereign acts, ensure consistent adjudication, and require foreign diplomatic missions to respect Indonesian labour law, thereby maintaining a proper balance between worker protection and the principles of international law.

### **Acknowledgement**

The preparation of this article cannot be separated from the support of various parties who have contributed both academically and non-academically. Therefore, the author expresses his appreciation and thanks to the supervising lecturers and the academic community of the Faculty of Law, Riau University, who have provided guidance, input, and constructive criticism during the process of preparing this

---

<sup>35</sup> James Crawford, *Brownlie's Principles of Public International Law*, 10th ed. (Oxford: Oxford University Press, 2023), 462–470.

article. In addition, thanks are also conveyed to colleagues who have helped in the process of collecting legal materials, literature research, and scientific discussions that enrich the analysis in this article. The support greatly contributes in improving the quality of the substance and the sharpness of the argumentation presented. The author also appreciates all parties who indirectly provide support, both in the form of motivation and facilities, so that the process of preparing this article can be completed well.

## References

- Ardito, Giovanni. Assessing State Jurisdictional Immunities through the Lenses of the European Court of Human Rights: Embassy Employment Disputes as Test Bench for Restrictive Immunity. 2022.
- Arifin, Ridwan. "Employment Protection and Industrial Relations Reform in Indonesia." *Jurnal Yudisial* 17, no. 1 (2024): 67–84.
- Aristodemou, Maria Sophia. "Balancing State Immunity and Labour Rights in International Practice." *Leiden Journal of International Law* 37, no. 1 (2024): 147–169.
- Atmadja, Dewa Gede. "Constitutional Protection of Labour Rights in Indonesia." *Constitutionale* 5, no. 2 (2023): 114–131.
- Azhar, Muhammad. "The Principle of Good Faith in Indonesian Employment Contracts." *Brawijaya Law Journal* 11, no. 2 (2024): 189–205.
- Crawford, James. *Brownlie's Principles of Public International Law*. 10th ed. Oxford: Oxford University Press, 2023.
- Denza, Eileen. *Diplomatic Law: Commentary on the Vienna Convention on Diplomatic Relations*. 5th ed. Oxford: Oxford University Press, 2024.
- Fox, Hazel, and Philippa Webb. *The Law of State Immunity*. 4th ed. Oxford: Oxford University Press, 2023.
- Hutchinson, Terry, and Nigel Duncan. "Defining and Describing What We Do: Doctrinal Legal Research." *Deakin Law Review* 17, no. 1 (2022): 101–130.

- Ibrahim, Johnny. *Theory and Methodology of Normative Legal Research*. Malang: Bayumedia Publishing, 2021.
- Insolia, Andrea. "State Immunity in Employment Disputes and Choice of Court Clauses in Employment Contracts: A Turning Point in Italian Case Law?" *The Italian Review of International and Comparative Law* 3, no. 1 (2023): 169–184.
- International Labour Organization. *World Employment and Social Outlook: Trends 2024*. Geneva: International Labour Office, 2024.
- Joseph, Sarah. "Access to Justice and State Immunity in Employment Disputes." *Human Rights Law Review* 24, no. 1 (2024): 65–89.
- Khakim, Abdul. *Pengantar Hukum Ketenagakerjaan Indonesia*. Bandung: Citra Aditya Bakti, 2003.
- Kusmayanti, Hazar. "Legal Protection for Workers after the Enactment of the Job Creation Law." *Jurnal RechtsVinding* 13, no. 1 (2024): 45–61.
- Mahkamah Agung Republik Indonesia. *Putusan Nomor 376 K/Pdt.Sus-PHI/2013*.
- Mani, V. S. "Diplomatic Immunity and Employment Disputes." *Indian Journal of International Law* (2010).
- Marzuki, Peter Mahmud. *Penelitian Hukum*. Rev. ed. Jakarta: Kencana, 2022.
- "Perlindungan Tenaga Kerja dalam Hubungan Kerja Internasional." *Ius Quia Iustum* (2019).
- Ryngaert, Cedric. "State Immunity and Employment Contracts in International Law." *International and Comparative Law Quarterly* 72, no. 1 (2023): 89–111.
- Shaw, Malcolm N. *International Law*. 8th ed. Cambridge: Cambridge University Press, 2017.
- Soekanto, Soerjono. *Pengantar Penelitian Hukum*. Jakarta: UI Press, 2007.
- Soekanto, Soerjono, and Sri Mamudji. *Penelitian Hukum Normatif: Suatu Tinjauan Singkat*. Rev. ed. Jakarta: Rajawali Pers, 2021.
- Sutrisno, Eko. "Perlindungan Hukum terhadap Tenaga Kerja dalam Hubungan Industrial." *Jurnal Hukum* 12, no. 3 (2015): 45–60.
- United Nations. *Vienna Convention on Diplomatic Relations*. 1961.

Webb, Philippa. "State Immunity and Employment Litigation: Recent Developments in Comparative Jurisprudence." *European Journal of International Law* 34, no. 2 (2023): 401–423.

Weiss, Manfred, and Frank Hendrickx. "Labour Law and the Protection of Workers in a Global Economy." *International Labour Review* 162, no. 2 (2023): 175–193.

Wijayanti, Asri. *Hukum Ketenagakerjaan Pasca Reformasi*.

Yusuf, Darmawan, Agusmidah, Aloysius Uwiyono, and Ningrum Natasya Sirait. "Kepastian Hukum Penyelesaian Perselisihan Hubungan Kerja Antara Tenaga Kerja Indonesia Yang Bekerja Di Kedutaan Asing Berdasarkan Pranata Hukum Ketenagakerjaan." *Res Nullius Law Journal* 5, no. 2 (2023): 97–113.