Employment Termination in the Middle of Covid-19 Pandemic: Labor Law Point of View

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How to cite : Aris Prio Agus Santoso, et.all." Employment Termination in the Middle of Covid-19 Pandemic :								
Labor Law	Point of	View".	Unifikasi:Jurnal	Ilmu	Hukum.	8(1).	2021.86-94.	DOI :
10.25134/unifikasi.v8i1.3971								
Submitted : 21-10-2020			Revised : 08-01-2021			Accepted : 14-02-2021		

Abstract : Article 28D paragraph (2) of the 1945 Constitution states everyone has the right to work and to receive fair and proper compensation and treatment in a working relationship. It is emphasized in Article 151 (1) of Law no. 13/2003 concerning Manpower. The entrepreneurs, workers/laborers, trade/labor unions, and the government must make every effort to prevent an employment termination. In fact, many workers have been terminated and some even did not receive any severance pay at all. Accordingly, the researchers formulated the following research questions: how to terminate employment in the midst of the Covid-19 pandemic, and how is the government's responsibility for the welfare guarantees for workers. This research employed a normative juridical approach by collecting data from literature studies. The data obtained were analyzed qualitatively. The findings revealed the layoffs in the midst of the Covid-19 pandemic were a breach of contract by entrepreneurs. The entrepreneurs were still obliged to provide severance pay, reward money, and compensation money. In addition, the government has also provided accountability in the form of an economy, the Pre-Work Card. With this card, workers can develop workforce competence, increase productivity and competitiveness of the workforce, and develop entrepreneurship. The Manpower Office responsible for this program also participated in the workforce supervising and guiding. **Keywords**: Covid-19; Employment termination; Labor law

Pemutusan Hubungan Kerja saat Pandemi Covid-19 Ditinjau dari Sudut Pandang Hukum Ketenagakerjaan

Abstrak : Pasal 28D ayat (2) UUD 1945 menyebutkan bahwa setiap orang berhak untuk bekerja serta mendapat imbalan dan perlakuan yang adil dan layak dalam hubungan kerja. Dipertegas dalam Pasal 151 (1) UU No. 13/2003 tentang Ketenagakerjaan yang berbunyi bahwa pengusaha, pekerja/buruh, serikat pekerja/serikat buruh, dan pemerintah, dengan segala upaya harus mengusahakan agar jangan terjadi pemutusan hubungan kerja. Fakta di lapangan, justru banyak tenaga kerja yang memperoleh pemutusan hubungan kerja dan bahkan ada yang tidak memperoleh pesangon sama sekali. Permasalahan dalam penelitian ini adalah bagaimana pemutusan hubungan kerja di tengah pandemi Covid-19, dan bagaimana pertangguajawaban pemerintah atas jaminan kesejahteraan bagi tenaga kerja. Metode penelitian ini menggunakan pendekatan yuridis normatif, dengan pengumpulan data dari studi pustaka. Data yang diperoleh dianalisis secara kualitatif. Berdasarkan hasil penelitian ditemukan bahwa PHK di tengah pandemi Covid-19 merupakan wanprestasi yang dilakukan oleh pengusaha, dan pengusaha tetap berkewajiban memberikan uang pesangon, uang penghargaan, dan uang penggantian hak. Pemerintah juga telah memberikan pertaggunajawaban dalam bentuk ekonomi, yaitu melalui Kartu Pra Kerja, di mana dengan kartu tersebut, tenaga kerja dapat mengembangkan kompetensi angkatan kerja, meningkatkan produktivitas dan daya saing angkatan kerja, dan mengembangkan kewirausahaan. Dinas Keternagakerjaan yang membawahinya, juga ikut melaksanakan pengawasan dan pembinggan terhadap tengga kerja. Kata Kunci: Putus Hubungan Kerja; Covid-19, Hukum Ketenagakerjaan

INTRODUCTION

Prosperity is every human's life dream. Welfare can be achieved when all human needs are fulfilled, the most basic needs to the needs to be recognized in community life. Humans will not be able to complete or get the needs in his life without the help of others. This is emphasized by Ibn Khaldun in his book, Muqaddimah,"Humans are social creatures", humans need other people to fulfill their needs. For example, a trader needs a trading partner to sell his goods and also requires

workers to complete or produce raw materials into consumable goods.¹ A worker who works in a business entity has the right to get welfare. This is stated in Article 28H paragraph (1) of the 1945 Constitution, everyone has the right to live in physical and mental prosperity, have a place to live, get a good and healthy living environment, and obtain health services. In Indonesia, the labor force increased from 73.9 million people in 1990 to 96.5 million in 2000 and continued to increase to 144.7 million in 2020. This increase becomes a problem because one party demands bigger opportunities while the other party demands to foster the workforce. This is to produce higher output as a prerequisite for getting to the take-off stage.²

The covid-19 caused a global and economic crisis. Furthermore, it also caused a health crisis leading to illness and died. Various solutions through government policies were carried out to reduce the spread of the pandemic of Covid-19 pandemic. This includes Presidential Decree No. 11/2020, the determination of public health emergency of the 2019 Corona Virus Disease, and PP No. 21/2020 concerning Large-Scale Social Restrictions (PSBB) to accelerate the handling of COVID-19. The impact of this policy has caused a wave of employment termination.³ This prospect begins with the economic shocks due to the Covid-19 outbreak. This then leads various companies to do layoffs. Many companies are faced with difficult conditions which require them to immediately make the best decisions for companies and workers in the midst of economic pressure and social and political pressures. In a crisis situation like this, the companies have no other choice but to terminate their employment. This is because they have to massively reduce operational costs. However, the employment termination is not only harming the workers but also the company.⁴

The Ministry of Manpower noted there were 2,311 workers affected by layoffs. Meanwhile, 9,183 workers were sent home due to the weakening economy. The high rate of layoffs in Indonesia limits the community from working. Activities to restrict people from working can trigger an increase in the unemployment rate. According to Core Indonesia's projections, the significant increase in the number of unemployment is not only caused by a slowdown in the rate of economic growth, but also due to changes in people's behavior related to the COVID-19 pandemic and social restriction policies on a small and large scale.⁵

Article 28D paragraph (2) of the 1945 Constitution states everyone has the right to work and to receive fair and proper compensation and treatment in a working relationship. This is reaffirmed in Article 151 (1) of Law no. 13/2003 concerning Manpower, entrepreneurs, workers/laborers, trader/labor unions, and the government must make every effort to prevent an employment termination. In fact, there are many workers who get terminated and do not get any severance pay. Even though Article 62 of Law No.13 / 2003 states if one of the parties ends the working relationship for a certain time before the period stipulated in the work agreement or the end of the working relationship is not due to the provisions as referred to in Article 61 paragraph (1), the party terminating the employment relationship is obliged to pay compensation to the other party amounted to the worker's/laborer's wages until the end of the working agreement period.

The following are some example cases of employment termination (PHK) that were carried out in the midst of the pandemic of covid-19:

¹ Amirus Sodiq, "Konsep Kesejahteraan dalam Islam", Jurnal Ekonomi Syariah, Vol. 3, No. 2, 2015.

² Prijono Tjiptoherijanto, 2001, Majalah Perencanaan Pembangunan: Proyeksi Penduduk, Angkatan Kerja, Tenaga Kerja, dan Peran Serikat Pekerja dalam Peningkatan Kesejahteraan, Jakarta: Bappenas, p. 5-6.

³ Asri Kusuma Dewanti, "Darurat PHK di Tengah Corona", dalam Bhirawa Opini 8 April 2020, p. 4.

⁴ Mohamad Anwar, "Dilema PHK dan Potong Gaji Pekerja di Tengah Pandemi Covid-19", Adalah: Buletin Hukum dan Keadilan, Vol. 4, No. 1, 2020.

⁵ Fahri, Jalil, dan Kasnelly, "Meningkatnya Pengangguran di Tengah Pandemi Covid-19", Jurnal Ekonomi Syariah, Vol. 2, No. 2, 2019.

- 1. Quoted from TribunJateng.com on May 1, 2020, 50,563 workers in Central Java have been affected by covid-19 from a total number, 37,400 workers were sent home and 13,163 workers were laid off.⁶
- 2. Quoted from Surabaya.tribunnews.com on June 14, 2020, 50,379 workers in East Java were laid off dan sent home since Covid entered East Java. Based on the data as of June 12, 2020, 6,924 workers were laid off that spread across 231 companies in East Java which houses 607 companies, totaling 34,108 workers, and the remaining 9,347 Indonesian migrant workers are unemployed.⁷
- 3. Quoted from Liputan6.com on July 6, 2020, a number of companies in Tangerang were forced to go out of business and cut off thousands of workers. There are 13 companies that have gone bankrupt due to the pandemic. The total number of workers laid off in Tangerang Regency was nearly 23 thousand people.⁸

From the aforementioned cases, it can be concluded that the pandemic of Covid-19 has had a negative impact on the welfare of workers in Indonesia. Many companies have collapsed and locked out so they are forced to terminate their working relationship (layoffs) and sent them home. This is because of the decline in corporate economic income. Accordingly, the researchers formulated the following research questions: how to terminate employment in the midst of the Covid-19 pandemic and how is the government's responsibility for the welfare guarantees for workers.

RESEARCH METHODS

The study used a normative juridical approach which was based on the main legal materials by examining theories, concepts, legal principles, and laws and regulations related to this study. ⁹ Researchers selected this method because the situation is still constrained by Covid-19. Thus, the researchers could not employ an empirical approach. The type of research design used was Descriptive. Meanwhile, the data collection was taken from secondary data obtained from the literature study. The sources of law in this study were the Civil Code, Labor Law, and State Administrative Law. Furthermore, the data was analyzed using qualitatively. This was to answer the following research questions: how to terminate employment in the midst of the Covid-19 pandemic and how is the government's responsibility for the welfare guarantees for workers.

RESULTS AND DISCUSSION

1. Employment termination in the Midst of the pandemic of Covid-19 Pandemic from a Labor Law Perspective

Employment termination is an act of dismissing or releasing a worker/laborer from a company. The term dismissal (layoff) (sparation) has the similarity with the dismissal or separation of employees from an organization. In the literature on Labor/Employment Law stated by Lalu Husni, there are several types of layoffs as follows:¹⁰

a. Employment termination by the employer/entrepreneur

⁶ Mamdukh Adi Priyanto, 2020, *Dampak Pandemi Covid-19, 50 Ribu Buruh di Jawa Tengah Kena PHK dan Dirumahkan,* accessed on: <u>https://jateng.tribunnews.com/2020/05/01/dampak-pandemi-covid-19-50-ribu-buruh-di-jawa-tengah-kena-phk-dan-dirumahkan</u> (July 28, 2020).

⁷ Sofyan Arif Candra Sakti, 2020, *Sudah 50.379 Pekerja di Jatim Kena PHK dan Dirumahkan Dampak Pandemi Covid-19*, accessed on: <u>https://surabaya.tribunnews.com/2020/06/14/sudah-50379-pekerja-di-jatim-kena-phk-dan-dirumahkan-dampak-pandemi-covid-19</u> (July 28, 2020).

⁸ Pramita Tristiawati, 2020, Akibat Corona, 13 Perusahaan di Tangerang Bangkrut dan PHK Ribuan Karyawan, accessed on: <u>https://www.liputan6.com/bisnis/read/4297306/akibat-corona-13-perusahaan-di-tangerang-bangkrut-dan-phk-ribuan-karyawan</u> (July 28, 2020)

⁹ Aris Prio Agus Santoso, dan Tatiana Siska Wardani, "Analisis Yuridis Kewenangan Perawat dalam Pemberian Obat-Obatan Label Merah pada Praktik Keperawatan Mandiri", Jurnal Hukum Kesehatan, Vol 6, No.1, 2020.

¹⁰ Lalu Husni, 2012, Pengantar Hukum Ketenagakerjaan Indonesia, Jakarta: Rajawali Pers, p.198-206.

The dismissal of the employer/entrepreneur is due to an error or violation committed by the labor/worker.

- Employment termination by the labor/worker
 It refers to the termination of a working relationship by the labor/worker because there has been a discrepancy between the labor/worker and the employer/entrepreneur.
- c. Employment termination by law

This means the working relationship must be terminated by itself and to the labor/worker, the entrepreneur does not need to get a stipulation of dismissal from the authorized institution. For example, a worker/laborer who dies.

d. Employment termination by the court

It refers to the employment termination by an ordinary civil court at the request of the person concerned (employer/laborer) based on important reasons.

If the company is experiencing a financial crisis that makes it impossible to run its company by avoiding layoffs, the entrepreneur can provide an explanation of the company's situation to workers. Furthermore, the entrepreneurs can take the following steps: ¹¹

- a. Reducing wages and upper-level work facilities;
- b. Reducing shifts;
- c. Limiting / eliminating overtime work;
- d. Reducing working hours;
- e. Reducing the working day;
- f. Taking turns of the workers' day off or sending them home
- g. Not renewing the contract for workers whose contract has expired;
- h. Providing early retirement for those who have met the requirements.

Referring to Article 164 Paragraph (1) of Law Number 13 the Year 2003 concerning Manpower, it is stated that entrepreneurs can terminate workers/laborers if the company closes due to force majeure. Article 164 Paragraph (3) of Law 13/2003 adds that the entrepreneurs can also lay off workers/laborers if the company is closed not because of the losses for two consecutive years or force majeure but due to efficiency. The workers/laborers get one-time severance pay if they are terminated from their work.¹² The pandemic of Covid-19 is an incidental situation. This situation was never previously suspected. This has legal implications for business contracts that have been made by the parties, including working agreements. Referring to Article 1245 of the Civil Code, if the debtor is prevented from fulfilling his contractual obligations due to force majeure, the debtor is not obliged to pay compensation, fees, fines, and interest. The debtor also cannot be declared a breach of contract or negligent because it is beyond the control of the parties. In addition, the legal consequence of a pandemic as a relative force majeure, the parties cannot make a pandemic situation as a reason for contract cancellation. Relative force majeure only temporarily suspends the debtor's contractual obligations, not canceling the business contract. Business contracts remain valid and binding to the parties. The pandemic of Covid-19 only delays the fulfillment of debtors 'obligations to creditors and does not completely eliminate debtors' obligations to creditors.¹³

In Article 47 paragraph (1) letter j Law 2/2017 on Construction Services explains force majeure. According to the provisions of this article, force majeure can be interpreted as an event that arises beyond the will and ability of the parties that cause harm to one of the parties. These coercive circumstances include:

¹¹ The Minister of Manpower and Transmigration Circular Letter No. SE 907/Men/PHI-PPHI/X/2004 concerning the prevention of mass employment termination
¹² Sri Zulhartati, "Pengaruh Pemutusan Hubungan Kerja Terhadap Karyawan Perusahaan", Jurnal Pendidikan Sosiologi

¹² Sri Zulhartati, "Pengaruh Pemutusan Hubungan Kerja Terhadap Karyawan Perusahaan", Jurnal Pendidikan Sosiologi dan Humaniora, Vol. 1, No.1, 2010.

¹³ Dona Budi Kharisma, "Pandemi Covid-19 Apakah Force Majeure?", Jurnal Rechtsvinding, Vol. 9, No. 1, 2020.

- a. A compelling situation that is absolute. It is impossible for the parties to do their rights and obligations.
- b. An absolute (relative) coercive situation. It is possible for the parties to carry out their rights and obligations.

Employment termination (PHK) during the pandemic of Covid-19 used as an alibi by several companies was deemed illogical. This is because some companies argued with force majeure. These reasons cannot be categorized as an outbreak that is currently happening in Indonesia, Covid-19, and the outbreak is also not categorized as a National Disaster.¹⁴

Layoffs could not be done on the basis of social distancing because workers do not come to work. This is stated in Article 153 paragraph (1) letter b, workers/laborers are unable to do their work because they have to fulfill their obligations to the state based on the provisions of the applicable laws and regulations. For this reason, employment termination is null and void. The entrepreneur is obliged to re-employ the worker/laborer concerned. Article 156 paragraph (1) states that in case the employment termination happens, the entrepreneur is obliged to pay severance pay and/or service pay, and compensation for rights that should have been received. The implementation is as informed on social media. The workers are laid off without severance pay. The is strengthened by Article 164 paragraph (1). the entrepreneur can terminate the worker/laborer if the company is closed because the company has suffered continuous losses for two years, or a force majeure. ¹⁵ The provisions for workers/laborers are entitled to severance pay of one time. The provisions of Article 156 paragraph (2) of the reward money for working tenure of one time, the provisions of Article 156 paragraph (3), and compensation for rights based on the provisions of Article 156 paragraph (4). Article 165 also states the entrepreneur can terminate the worker/laborer because the company is bankrupt under the condition that the worker/laborer has the right to severance pay of one time. This is in line with the provisions of Article 156 paragraph (2), the reward money for the period of service is one time, the provisions of Article 156 paragraph (3), and compensation for rights according to the provisions of Article 156 paragraph (4). Thus, the entrepreneur is obliged to implement the provisions of the article.

From all the descriptions above, it can be concluded that the employer has done a breach of contract on the workforce. The entrepreneurs still have the obligation to give the workers rights even in the pandemic of Covid-19. This is stipulated in Article 1239 of the Civil Code, which states that, every engagement to do something, or not to do something, must be completed by providing compensation for costs, losses, and interest. If the debtor does not fulfill its obligations, which this Article is strengthened by Article 164 paragraph (1) of Law no. 13/2003, the entrepreneurs can terminate their workers/laborers if the company is closed because it has suffered continuous losses for two years, or a force majeure. This is under the condition that the worker/laborer is entitled to money severance pay of one time, reward money for service of one time, and compensation for entitlements.

2. Government Accountability for Welfare Security for Workers

Government accountability refers to an attitude in which government officials/agencies are obliged to bear the burden of all government actions that have been caused or taken in implementing

 ¹⁴ Imas Novita Juaningsih "Analisis Kebijakan PHK Bagi Para Pekerja Pada Masa Pandemi Covid-19 di Indonesia", Adalah: Buletin Hukum dan Keadilan, Vol. 4, No. 1, 2020.
 ¹⁵ Anak Agung Ngurah Wisnu Manika Putra, et.all, "Perlindungan Hukum Bagi Pekerja yang Mengalami Pemutusan

¹⁵ Anak Agung Ngurah Wisnu Manika Putra, et.all, "Perlindungan Hukum Bagi Pekerja yang Mengalami Pemutusan Hubungan Kerja Oleh Pemberi Kerja Karena Force Majeure", Kertha Semaya: Journal Ilmu Hukum, Vol. 5, No.1, 2018.

its power. ¹⁶ According to Brautigam in Anis Zakaria Kama, government accountability consists of three types, namely; political accountability, legal accountability, and economic accountability. ¹⁷

In reality, political accountability relates to political systems or focuses more on democratic pressure. Furthermore, legal accountability means that the Government must be accountable for causing a detrimental to the interests of the people or other parties and accept legal claims for their actions. Legal accountability can be carried out through the utilization of the three legal means, administrative law, criminal law, and civil law facilities. ¹⁸ Based on this legal instrument, there is administrative responsibility, criminal responsibility, and civil responsibility. ¹⁹ The responsibility in the economic sector, Nisjar argues that economic (financial) accountability means that government officials are obliged to be accountable for every rupiah of public money in their spending budget which comes from tax and retribution revenues. Economic accountability requires the government to provide reports on control over public funds and their use according to their designation. In addition, the government must also be accountable to the people on the excavation or collection of sources of public funds and the purpose for which they are used. ²⁰

In state administrative law, there are several types of government actions constitute to legal responsibility, in the context of carrying out public interests, namely:

- a. Imposing obligations on these organs to carry out public interests;
- b. Giving a burdensome orders or regulations;
- c. Providing subsidies or assistance to the private sector;
- d. Giving a legal position (rechtsatus) to someone based on his wishes so the person has rights and obligations;
- e.Supervising private work;
- f. Cooperating with other companies in determined form for the public interest;
- g. Holding agreements with citizens based on matters regulated in law.²¹

In running the state and government, accountability is attached to the position. This juridically adheres to an authority. From a public law perspective, this authority gives rise to accountability. The powers to carry out certain legal actions create accountability for the use of that power. ²² According to Suwoto, in the power-sharing system, the principle applies that every power must be accounted for. Therefore, in the granting of power, the burden of responsibility for each recipient of power must be considered. The willingness to carry out responsibility inclusively has been received at the time of accepting power. ²³ Thus, the administration of government does not harm the citizens. The government also has a responsibility to protect its citizens. This is stated by Imam Soepomo on legal protection for workers/laborers as follows: ²⁴

a. Economic protection, a type of protection related to efforts to provide workers with a sufficient income to meet daily needs for him and his family. This includes when the worker is unable to work because of something against his will. This is Included in economic protection, wage protection, Jamsostek, and THR.

¹⁶ Aris Prio Agus Santoso, 2020, *Hukum Ketenagakerjaan dan Penyelesaian Perselisihan Hubungan Industrial*, Yogyakarta: Pustaka Baru Press, hlm. 156.

¹⁷ Anis Zakaria Kama, 2012, *Disertasi: Hakikat Akuntabilitas Dalam Penyelenggaraan Pemerintahan, Disertasi*, Makassar: Program Doktor Ilmu Hukum Pascasarjana Universitas Muslim Indonesia, hlm. 258.

¹⁸ Ashabul Kahfi, *Perlindungan Hukum Terhadap Tenaga Kerja*, Jurnal Jurisprudentie, Vol. 3, No. 2, 2016.

¹⁹ Muhammad Syarif Nuh, "Hakikat Pertanggungjawaban Pemerintah Daerah dalam Penyelenggaraan Pemerintahan", Jurnal MMH Vol. 41, No. 1, 2012.

²⁰ Nisjar S. Karhi, "Beberapa catatan Tentang Good Governance", Jurnal Administrasi dan Pembangunan, Vol. 1, No. 2, 1997.

²¹ Sahya Anggara, 2018, *Hukum Administrasi Negara*, Bandung: Pustaka Setia, hlm. 141.

 ²² Erna Susanti, "Kebijaksanaan Pembinaan Hubungan Industrial dalam Melindungi Pekerja untuk Menuju Terciptanya Kepastian Hukum Menurut UU No. 13 Tahun 2003 Tentang Ketenagakerjaan", Jurnal Risalah Hukum, Vol.4, No.2, 2008.
 ²³ Ibid, p. 142-143.

²⁴ Abdul Khakim, 2015, Aspek Hukum Penyelesaian Perselisihan Hubungan Industrial, Bandung: Citra Aditya Bakti, p. 97.

- b. Social protection refers to protection on the community efforts. This aims to enable workers to enjoy and develop their lives as human beings in general and as members of the community and family members. This social protection includes protection for child laborers and women laborers. The entrepreneurs are obliged to provide time off and leave.
- c. Technical protection is protection related to efforts of protecting workers from the danger of accidents caused by planes or other work tools, or materials processed, or worked on by the company. This technical protection is related to K3 (Occupational Safety and Health), a labor protection. This aims to prevent workers from all possible hazards that may arise in the workplace, whether caused by tools or materials worked on in a working relationship.

Article 149 paragraph (2) of Law no. 13/2003, states before and during the lockout, the agency responsible for the manpower sector has the authority to immediately resolve the problem that caused the lockout by bringing it together and negotiating it with the disputing parties. This means that the manpower office is also responsible for the welfare of workers who are laid off. In addition to the above provisions, President Joko Widodo issued Presidential Decree No. 36/2000 concerning Developing Work Competence through the Pre-Employment Card Program, in which the Pre-Employment Card Program aims to: ²⁵

- a. Developing workforce competencies;
- b. Increasing the productivity and competitiveness of the workforce, and
- c. Developing entrepreneurship. In addition to Job Seekers, Pre-Employment Cards can be given to: ²⁶
- a. Workers/Laborers affected by layoffs;
- b. Workers/Laborers who need an increase in Work Competence, including:
 - 1) Workers / Laborers who are sent home; and
 - 2) Workers who do not receive wages, including micro and small businesses.

The above provisions are also clarified in Article 2 Permenko Number 11 of 2020 concerning the implementation of Presidential Regulation Number 36 of 2020 concerning Work Competency Development through the Pre-Employment Card Program, Pre-Employment Cards are given to job seekers as follows: Workers/laborers who have been laid off; and Workers/laborers who need to improve work competence, including workers/laborers who are laid off and workers who do not accept labor, including micro and small business actors.

From the aforementioned description, it can be concluded that the Government has provided economic accountability, the Pre-Work Card. With this card, the workforce can develop workforce competence, increase productivity and competitiveness of the workforce, and develop entrepreneurship. Not only that, the manpower office in charge of them also carries out supervision and guidance for workers as instructed by Article 149 paragraph (2) of Law no. 13/2003.

CONCLUSION

Based on the results of examining the employment termination from the labor law perspective, it can be concluded: The entrepreneur has breach the contract on the workforce. The entrepreneurs still have the obligation to give the workers rights even during the pandemic of Covid-19. This is stipulated in Article 1239 of the Civil Code, every engagement to do something, or not to do something, must be completed by providing compensation for costs, losses, and interest. If the debtor is does not fulfill its obligations, which this Article is strengthened by Article 164 paragraph (1) of Law no. 13/2003, the entrepreneurs can terminate their workers/laborers if the company is closed because it has suffered continuous losses for two years, or a force majeure. This is with the

²⁵ Article 2 of Presidential Decree No. 76/2020 concerning Amendments to Presidential Regulation No. 36/2000 concerning Developing Work Competence through the Pre-Employment Card Program.

²⁶ Article 3 paragraph (3) Presidential Decree No. 76/2020 concerning Amendments to Presidential Regulation No. 36/2000 concerning Developing Work Competence through the Pre-Employment Card Program.

condition the worker/laborer is entitled to money severance pay of one time, reward money for service of one time, and compensation for entitlements. In addition, the government has provided economic accountability, the Pre-Work Card. With this card, workers can develop workforce competence, increase productivity and competitiveness of the workforce, and develop entrepreneurship. Not only that, the manpower office in charge of them also carries out supervision and guidance for workers as instructed by Article 149 paragraph (2) of Law no. 13/2003.

SUGGESTION

Accordingly, this study provides the following suggestions: The government should monitor the process of giving pre-working cards so that it runs smoothly in the community. Furthermore, the manpower office needs to evaluate the companies that have laid-off workers. Meanwhile, the entrepreneurs need to conduct collective negotiations on severance pay and compensation before conducting layoffs. Lastly, Labor unions need to assist and fight for the rights of their members in obtaining severance pay from the entrepreneurs.

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