The Legal Responsibility of Employers for Paying Wages of Workers who are Temporary Layoffs during the COVID-19 Pandemic

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ABSTRACT

The COVID-19 pandemic has an impact on the economic downturn in every company, so many companies choose to temporary layoffs their workers. In the case of wages for workers who are temporary layoffs, employers are not allowed to not pay wages while the workers are temporary layoffs, so if the employer is unable to pay the workers' wages according to the minimum wage, the employer can postpone the payment of wages, but must first negotiate with the workers/laborers or labor union. For this reason, this article was written with the aim of knowing the responsibility of employers when temporary layoffs workers during the COVID-19 pandemic. The type of research used by the author in this study is normative juridical research, using descriptive analysis using library data as the main data. The results of this study can be concluded that the act of temporary layoffs workers was chosen by the employer as an effort to anticipate the occurrence of termination of employment. The responsibility of employers if they do not pay full wages to their workers during the COVID-19 pandemic employers can be fined, as regulated in Article 55 paragraph (1) of Government Regulation Number 78 Year 2015 concerning Manpower Wage, whereas for workers because their wages are not paid, they can file a termination between the worker and the employer because employers do not pay wages on the promised time for 3 consecutive months or more and do not do what has been promised.

Keywords: The COVID-19 Pandemic, The responsibility of employers, Temporary Layoffs Workers, Wages
ABSTRAK


Kata Kunci: Pandemi COVID-19, Pertanggungjawaban Pengusaha, Pekerja Dirumahkan, Pengupahan
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A. Introduction

One of the principles of a rule of law is to guarantee legal protection to ensure the welfare of all their citizens. When viewed from a manpower perspective, legal protection is mandated in Article 27 paragraph (2) of the 1945 Constitution of the Republic of Indonesia (UUD NRI 1945), which states that every citizen has the right to work and earn a decent living for humanity. The meaning of the article is that every person in living his life definitely needs a job, because that is why work has a very important meaning for everyone as a source of income to meet the necessities of life for themselves and their family. In view of the importance of a job for everyone, then everything related to work is regulated in Law Number 13 of 2003 concerning Manpower with the aim of providing protection for workers/laborers so as to create conducive conditions for the development of the business world.

The position between worker/laborer and employer is not balanced, in which the position of the employer is higher than the position of the worker. That’s why legal protection is needed for workers, this protection is intended to guarantee the fulfillment of the basic rights of workers and ensure that there is treatment without discrimination on any basis in order to realize the welfare of workers. In this context, the law is used as a means to provide protection for workers/laborers, because as a consequence of an employment relationship there are rights and obligations which by law must be guarded and protected.

The concept of legal protection for workers is by providing safeguards for workers so that they can do a job properly. In Law Number 13 of 2003 concerning Manpower, it has been regulated regarding the provision of protection for the basic rights of workers. Any party who violates the basic rights of workers can be subject to sanctions ranging from light sanctions such as reprimands, warnings, revocation of business to the level of violations that can be classified as crimes so that they can be subject to sanctions in the form of imprisonment.

In the implementation of the employment relationship between worker and employer, there may be certain conditions which in turn result in termination of employment. One of them is the COVID-19 pandemic which has caused the company’s financial condition to weaken. However, both in law and in practice there is an action that can be taken by an employer apart from terminating the employment relationship, this action is called temporarily laying off the worker/laborer. The act of temporary layoffs can be a preventive measure against termination of employment and can also be a step in terms of efficiency/savings in company finances.

However, in practice many workers who are temporarily laying off do not get wages as long as they are temporarily laying off, this is due to workers' ignorance of their own rights and obligations, whereas in Article 93 paragraph 2 letter f of Law Number 13 of 2003 concerning Manpower, there are regulations that protect worker who are temporary layoffs where workers still have the right to receive full wages as long as they are temporary layoffs, in this provision it is stated that employer are obliged to pay workers' wages, if worker are willing to do the work that has been promised but employer do not employ them either because of their own mistakes or because of obstacles that should be avoided by the company.

From the background description of the problem above then the author will examine the problems regarding legal responsibility of employers for paying wages of workers who are temporary layoffs during the COVID-19 Pandemic.

Methods of Research

The research method used in this research is juridical-normative, with
The term temporary layoffs is basically unknown and is not regulated in the provisions of Law Number 13 Year 2003 concerning Manpower, but is referred to as suspension. The suspension measures in the provisions of the Manpower Law are regulated in Article 155 paragraph (3), in that article it is explained as actions that can be taken by employers against workers/laborers who are in the process of termination of employment and employer still have the obligation to pay wages and other rights, which is generally accepted by worker/laborer. The reason for using the term temporary layoffs as an act of suspension is because there are several similarities between the two, in the act of temporary layoffs and in the act of suspension, both of them are temporarily suspended from work activities and the employer still has an obligation to pay wages to worker. However, what distinguishes the two is that the act of temporary layoffs of workers is not carried out on the basis of worker error and is not carried out until it results in termination of employment, while the suspension is carried out by the employer as a sanction because the worker has made a mistake and is in the context of the process of terminating the employment.

Because it has not been clearly regulated in Law Number 13 of 2003 concerning Manpower, termination of employment is regulated in the Circular of the Minister of Manpower and Transmigration Number SE-05/M/BW/1998 of 1998 concerning Wages of Workers who Are Temporary Layoffs Not in the Direction of Termination of Employment and also the Circular of the Minister of Manpower and Transmigration Number SE-907/MEN/PHI-PPHI/X/2004 of 2004 concerning Prevention of Mass...
Termination of Employment In the Circular of the Minister of Manpower and Transmigration Number SE-05/M/BW/1998 of 1998, it is explained about the economic conditions that cause many companies to experience difficulties, so that in an effort to save their companies, the company takes action to temporarily layoffs worker/laborer. The thing that needs to be considered in the Circular of the Minister of Manpower Number SE-05/M/BW/1998 of 1998 is that the act of temporary layoffs is carried out as an effort to save the company and must be temporary, which means it has a certain period of time. For the period itself, it is determined according to the agreement of the two parties. Meanwhile, in the Circular of the Minister of Manpower Number SE-907/MEN/PHI-P Phi/X/2004 of 2004 concerning Prevention of Mass Termination of Employment, states that if a company experiences difficulties and can have an impact on employment, terminate the employment must be a last choice. There are several efforts that can be made before termination of employment, one of which is in point f, namely regarding dismissing or laying off worker/laborer on a temporary basis.

With the condition of the company experiencing difficulties due to certain reasons that cannot be avoided, such as the COVID-19 pandemic, which causes a decline in company finances and makes the company have to determine a policy that can benefit its company, such a policy for example choosing to temporary layoffs their worker. However, workers who are temporary layoffs by the company must meet the following criteria:

1. The workers who are temporary layoffs remains at home and does not work at the company until the specified time limit.
2. If when temporary layoffs workers, the company experiences an increase in orders, the company must call the workers who have been temporary layoffs to return to work, even though the deadline for the workers to be temporary layoffs has not ended.

Referring to the Circular of the Minister of Manpower and Transmigration Number SE-907/MEN/PHI-P Phi/X/2004 and the Circular of the Minister of Manpower and Transmigration Number SE-05/M/BW/1998, the temporary layoffs worker by the company is an effort that can be justified, but with a note that it must meet the requirements stipulated in the two circular of the minister of manpower and transmigration, as for the conditions, namely:

1. Employers still pay the full wages in the form of basic wages and fixed allowances as long as the workers are temporarily layoffs, unless otherwise stipulated in the Work Agreement, Company Regulations or Collective Bargaining Agreement.
2. If the employer is not going to pay the wages workers in full, then it is necessary to negotiate with the workers union regarding the amount and the period of time during the temporary layoffs.
3. If negotiations through intermediary services do not reach an agreement, then as soon as possible a recommendation letter is issued and if the recommendation is rejected by one or both of the conflicting parties, the problems that occur should be immediately delegated to Regional P4, or Central P4 for mass layoffs.²
4. The alternative choice to temporarily laying off workers/laborers need to be discussed first with the labor union or with workers/labor

representatives when there is no labor union in that company to obtain a bipartite agreement so that it can be prevented the possibility of termination of employment3.

Referring to Article 151 paragraph (1) of the Manpower Law, it is stated that employers, workers/laborers, labor unions, and the government must work together to ensure that employer do not terminate their employment. So termination of employment to workers should be the last option taken by the employers after other steps have been taken but it still does not work. This was done with the aim to improve the economic problems that caused the country’s economic crisis so as not to have an impact on the sustainability of the lives of Indonesian workers4.

Actions to mass terminate employment to workers when the country is experiencing an economic crisis due to the pandemic COVID-19 is not the right step to solve a problem, especially if the work relationship is terminated unilaterally. When Indonesia is being hit by the COVID-19 pandemic, and it has an impact on the instability of the national economy, what should be done by the government and employers is to avoid layoffs, which is why the government is making efforts to present a solution that is realized by issuing a circular Minister of Manpower and Transmigration M/3/HK/04/III/2020 of 2020 concerning Protection of Workers/Laborers and Business Continuity in the Context of Prevention and Control of COVID-19, by still referring to the Circular of the Circular Minister of Manpower and Transmigration SE-907/MEN/PHI-PPHI/X/2004 of 2004 concerning Prevention of Mass Termination of Employment, Solutions that can be done are, for example, by reducing wages and facilities that are usually obtained by top-level workers such as company managers and company staff, reducing shifts, limiting and eliminating overtime work, reducing working hours, laying off workers on a temporary basis, not extending employee contracts that have expired, and provide pensions to workers who have entered old age and have met the pension requirements.

With the existence of this ministerial circular, it raises questions about the position of the ministerial circular in the laws and regulations of Indonesia. Regarding this matter, as regulated in Article 7 paragraph (1) of Law Number 12 of 2011 concerning the Formation of Laws and Regulations, The types and hierarchy of Legislation consist of:

a. The 1945 Constitution of the Republic of Indonesia;

b. Decree of the People's Consultative Assembly;

c. Laws/Government Regulations in Lieu of Laws;

d. Government regulations;

e. Presidential decree;

f. Provincial Regulation; and
g. Regency/City Regional Regulations.

As the types and hierarchy of laws and regulations as stipulated in Article 7 paragraph (1) of Law Number 12 of 2011 concerning the Formation of Laws and Regulations, basically The Ministerial Circular has not yet regulated the degree and hierarchy in the Indonesian Laws and Regulations. According to Bayu Dwi Anggono, a circular of the minister is a policy regulation (beleidsregel)5 which is indirectly the nature of a policy that is binding on the public.

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In Article 8 of Law Number 12 of 2011 concerning the Formation of Laws and Regulations, confirms that:

(1) Types of Legislation other than those referred to in Article 7 paragraph (1) include regulations stipulated by the People's Consultative Assembly, the House of Representatives, the Regional Representative Council, the Supreme Court, the Constitutional Court, the Supreme Audit Agency, the Judicial Commission, Bank Indonesia, the Minister, agencies, institutions, or commissions that are at the same level as established by law or the government at the behest of the law, the Provincial People's Representative Council, the Governor, the Regency / City Regional People's Representative Council, the Regent / Mayor, the Village Head or equivalent.

(2) The legislation as referred to in paragraph (1) is recognized for its existence and has binding legal force as long as it is regulated by a higher level of statutory regulations or is established based on authority.

Thus the provisions contained in Article 8, it can be concluded that, the types of Legislation other than those mentioned in the hierarchy of the Legislation in Article 7 as long as they are regulated by higher laws and regulations or established based on authority, their existence still recognized and have the binding law, including the regulations stipulated by the Minister in this case the Ministerial Circular. So it can be said that a Ministerial Circular is a binding regulation and its existence is recognized as long as it is regulated by a higher level of legislation and is formed based on authority even though the type and hierarchy of the composition are not contained in the Legislation.

2. The Responsibility of Employers when Temporarily Laying Off Workers During the COVID-19 Pandemic

The principle in civil litigation, especially in industrial relations disputes regarding the act of temporarily laying off workers, which is filing a claim for legally or illegally to temporarily laying off workers that causes legal consequences, legal consequences results from an action that has been desired by the perpetrator which has been regulated by law. This action is called a legal action. So it can be concluded that the legal effect is the result of a legal action⁶, and someone's actions only can be said to be wrong when the action should not be done or can be avoided. Benchmarks regarding the predictability of legal effect are measured in two ways, objectively and subjectively. Objectively, that is if the effect can be predicted in actual circumstances without being influenced by personal opinion, while subjectively, that is if the effect is predictable according to one's expertise.

Due to the COVID-19 pandemic that has not subsided, many employers have chosen to temporarily lay off their workers. Some of them still pay their workers wages even though they are not in full, but not a few do not pay any wages at all. Disputes regarding employers who do not give wages to workers who are temporary layoffs can be classified as a civil dispute. It is classified as a civil dispute because it is seen from the aspect of initiative, in cases concerning labor disputes, the person filing the case come from an interested parties, besides that in terms of evidence it emphasizes whoever argues, must also prove it and whoever denies is also obliged to prove it.

In theory and practice in court, the importance of having a legal relationship in every effort to defend civil rights is as a basis for filing a lawsuit so that before

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considering the subject matter of the case concerning whether the argument of a lawsuit is proven or not, the judge will first consider whether there is a legal relationship or not between the parties in a lawsuit because the position of the legal relationship is the basis of the engagement that occurs between the parties. Then if there is a legal relationship between the parties, then the next consideration concerns the rights and obligations of each party, because rights are interests protected by law, while obligations are contractual burdens.

In relation to disputes in the field of manpower, if the worker cannot provide evidence of a legal relationship in their work relationship with the employer, there is no contractual basis between them, so the position of the worker will only be considered an inappropriate party and do not have the right to claim lawsuit. This gives rise to legal consequences in which workers will be considered as parties who are not entitled to legal protection in the field of manpower, but if the worker can prove that there is a legal relationship with the company where he works, then the judge will then consider whether proven or not a lawsuit about the legal protection of worker who field.

As defined by Subekti, in principle, proof is a process of proving which aims to convince the judge about the truth of the arguments put forward in a dispute. According to Achmad Ali and Wiwie Heryani, there are limitations in proving as an attempt by the parties to resolve disputes or to provide certainty about the truth of legal events by using evidence determined by law so that a decision can be produced by the court. Meanwhile, according to M. Yahya Harahap, the law of proof in the litigation process is a very complicated part. This complexity is getting more complicated because in the process of proof it is closely related to the ability to reconstruct past events as truth. Although the truth that is sought and embodied in the civil court process is not absolute truth, the search for the truth still remains difficult.

Regarding the worker's opinions about the reasons for the employer's actions to temporarily laying off workers accompanied by not being given wages as long as the workers are temporary layoffs as a result of the COVID-19 pandemic, this is an illegal reason. Therefore, on this basis there are exceptions to the law of proof where the burden of proving the act of temporarily laying off workers by the employer is accompanied by not being paid wages while the worker is temporary layoffs becomes the burden of proof by the employer. If the employers are unable to prove that the COVID-19 pandemic is a valid reason to temporary layoffs workers by not being paid wages, then the judge can give a decision to the employer to pay wages as long as the worker is temporarily laying off as mutual agreed, or the employer is obliged to pay the workers' normative rights if according to the judge's consideration the working relationship between employer and worker can no longer be maintained. This proof is called reverse proof, the application of reverse proof is carried out by considering the position of the parties in a case (the entrepreneur and the worker) is not balanced, while the burden proof system in civil procedural law is built on the balanced position of the parties in the litigation.

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8 Sudikno Mertokusumo, Bab-Bab Tentang Penemuan Hukum (Bandung: PT. Citra Aditya Bakti, 1993).
9 Subekti, Hukum Pembuktian (Jakarta: PT. Pradnya Paramita, 2007).
The existence of the COVID-19 pandemic is used as an excuse by employers to take action to temporary layoffs workers who are not accompanied by payment of wages, on the other hand, the actions of employers to temporary layoffs workers are based on the reason the company is doing efficiency because the company is experiencing losses due to the impact of the COVID-19 pandemic, efficiency is carried out by the company for various reasons, for example due to the cessation of the production process so that it does not require a lot of workers so to minimize losses, the company finally chooses to temporary layoffs workers, even though as regulated in Article 164 paragraph (1) of Law Number 13 of 2003 concerning Manpower, it requires that losses occur continuously for 2 (two) years while the determination of the COVID-19 pandemic as a disease classified as a public health emergency and considered a national disaster so far does not necessarily reach 2 (two) years. 

When employers make employment agreement stating that wage withholding is a sanction for undiscipline workers, then the legal consequence of the employment agreement are null and void and the employer will be subject to sanctions in accordance with the prevailing laws and regulations. Employers can follow up on undisciplined workers by imposing sanctions, for such as fines. However, the employer should not withhold their workers' wages. If the employer withhold the workers' wages and causes delays in the payment of the workers' wages, the employer will be subject to fines as regulated in Article 95 paragraph (2) of Law Number 13 of 2003 concerning Manpower which regulates that, Employers who because of their deliberate intent or negligence result in late payment of wages, subject to a fine in accordance with a percentage of the worker’s wages.

The legal responsibility of employers if temporary layoffs their workers and do not giving wages during the COVID-19 pandemic, the employer can be subject to fines as regulated in Article 55 paragraph (1) of Government Regulation Number 78 of 2015 concerning Wages, provided that:

a. starting from the fourth day to the eighth day from the date the wages should be paid, a fine of 5% is imposed for each day of late payment of wages;

b. after the eighth day, if the wages are still not paid, the penalty for late payment as referred to in letter a is added to 1% for each day of delay provided that 1 month cannot exceed 50% of the wages that should be paid; and

c. After a month, if the wages are still not paid, there will be a penalty for late payment as referred to in letter a and letter b, plus interest equal to the interest rate applicable to the government bank.

And in paragraph (2) it should be underlined that, the imposition of such fines does not eliminate the obligation of employers to continue to pay wages to their workers. Whereas in Article 20 of Government Regulation Number 78 of 2015 concerning Wages, it is stipulated that the payment of wages cannot be paid in installments and must be paid in full at each period and date of payment of wages that have been agreed by both parties. However, regarding the adjustment of wage payments in the midst of a pandemic like this, companies can refer to the Circular Minister of Manpower Number M/3/HK.04/III/2020 of 2020 concerning Protection of Workers/Laborers and Business Continuity in the Context of Prevention and Overcoming COVID-19. Companies that restrict their business activities due to government policies in their respective regions for the prevention and control of COVID-19 which causes part or all of their workers/laborers to not work, while still taking attention to business continuity,
changes in the amount and method of payment of workers/laborers wages are made in accordance with agreement between the employer and the worker/laborer. So, employers or companies are allowed to reduce the amount of wages, or change the method of paying wages, so that they still have enough capital for the continuity of their business in the midst of the COVID-19 pandemic, as long as this is done on the basis of an agreement between employers and workers.

If the employer does not pay wages to the workers while being temporary laidoffs, then the workers in fulfilling their daily needs will find it difficult because the wages that workers have been getting are not paid by the employer, because not all workers have a side job. On this basis, workers can apply for Termination of Employment to industrial relations dispute settlement agencies based on the reason that employers do not carry out their obligations as stipulated in Article 169 paragraph (1) letter c and letter d of Law Number 13 of 2003 concerning Manpower. As a result of the termination of the legal relationship between the worker and the employer as regulated in Article 169 Paragraph (2) of Law Number 13 of 2003 concerning Manpower, workers are entitled to severance pay 2 (two) times the provisions of Article 156 paragraph (2), reward money 1 (one) working period of the provisions of Article 156 paragraph (3), and compensation for rights according to the provisions of Article 156 paragraph (4).

Efforts or legal steps that can be taken by workers are guided by the provisions of Law Number 2 of 2004 concerning Settlement of Industrial Relations Disputes. In Law Number 2 of 2004 contains 2 (two) steps to resolve industrial relations disputes, that is the settlement of industrial relations disputes outside the court (non-litigation) and the settlement of industrial relations disputes through courts (litigation). Before an attempt is made through the court, industrial relations disputes outside the court (non-litigation), which in the settlement process is prioritized through deliberation to reach a consensus\textsuperscript{12}, with the aim that there is a peaceful effort between the two parties, but if out of court efforts has been made and the parties still fail to reconcile the parties, then the dispute settlement will be carried out through the efforts of the Court (litigation).

C. Conclusion

Based on the description, it can be concluded that the term temporary layoffs workers is basically unknown and not regulated in Law Number 13 of 2003 concerning Manpower, but is regulated in the Circular of the Minister of Manpower Number SE-05/M/BW/1998 of 1998 concerning Wages of Workers who Are Temporary Layoffs Not in the Direction of Termination of Employment and also in the Circular of the Minister of Manpower Number SE-907/MEN/PHI-PHII/X/2004 of 2004 concerning Prevention of Mass Termination of Employment. As long as the worker is temporary layoffs, the employer is still obliged to pay wages in full, namely basic wages and fixed allowances, unless otherwise stipulated in the Work Agreement, Company Regulation or Collective Bargaining Agreement. If the employer will not pay the worker’s wages in full, then it must be negotiated in advance with the workers union and/or workers regarding the amount of wages to be paid by the employer during the temporary layoffs of workers.

The legal responsibility of employers if temporary layoffs their workers and do not giving wages during the COVID-19 pandemic, the employer can be subject to fines as regulated in Article 55 paragraph (1) of Government Directorate General of PHI and JSK, “Mediasi, Konsiliasi Arbitrasi” (Jakarta, 2007).

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Regulation Number 78 of 2015 concerning Wages. Meanwhile, workers can apply for termination of employment between the worker and the employer because the employer do not pay wages according to the promised time for 3 (three) consecutive months or more. In the settlement of industrial relations disputes, should be resolved first through non-litigation channels, if these efforts fail, the litigant may file a lawsuit to the Industrial Relations Court (litigation).

As described in previous chapters, the authors provide feedback or suggestions for the government, it should be clearly regulated in the laws and regulations concerning workers who have been temporarily laid off, so that they can be implemented in accordance with applicable rules and procedures, so as not create the gap for violations is due to the absences regulations governing temporarily laid off workers. For companies, the policy should be implemented in a transparent manner so that workers can know the causes and effects clearly and problems can be minimized. For workers, should understand their own rights and obligations in order to avoid being temporarily laid off by the employer without any clarity.

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