



## Government Policy to the Expansion of Employment Opportunities Post Pandemi

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### **Abstract**

The end of the Covid-19 pandemic which has affected all aspects of life, especially health and socio-economic aspects has opened up vast spaces and opportunities for the central and regional governments to revive economic growth. Therefore, it is the Open Unemployment Rate (TPT) that disrupts accumulation human capital which ultimately trigger criminal acts and violence, must be addressed with policies that accommodate all. This article focuses on how the government's policy towards expanding job opportunities after the Covid-19 pandemic. This study uses a normative approach and comparative-descriptive analysis. The conclusion in this article is the program for expanding employment opportunities through the Independent Workforce or TKM program for creating entrepreneurs and the labor-intensive program that has been rolled out by the government since 2021 must continue to be encouraged by various elements of society, of course accompanied by evaluation and improvement on all fronts to increase access to job opportunities for all levels of society one of which is by adding the type of training program at the Vocational Training Center which adapts to developments in the era of the industrial revolution 4.0.

**Keywords:** *Covid Pandemic; Expansion of Job Opportunities*

### **Introduction**

Manpower development is carried out through the utilization of each workforce so that it becomes a potential supporter of development, to then participate in the production process in order to improve general welfare. These operational objectives are further elaborated in the manpower law, namely to empower and utilize manpower in an optimal yet humane manner, to realize equal employment opportunities and to provide manpower in accordance with development needs. On the other hand, the next operational goal is to provide protection to the workforce, in their efforts to create prosperity for themselves and their families through 'work'.<sup>1</sup>

On the other hand, the current principle of manpower development is the optimization of employment opportunities, reduction of unemployment and development of human resources directed at the formation of a workforce that is professional, independent, has a high work ethic, is productive and has an entrepreneurial spirit. In practice, these principles are often constrained by market mechanisms.

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<sup>1</sup> Aloysius Uwiyono et al, 2018, Principles of Labor Law (Cet-2), Depok: Rajawali Press, p. 32–33.

Labor as a human resource is only one factor in the production process besides natural resources and technology. The elasticity of optimizing employment opportunities is affected by product cycles in the form of goods and services, especially fluctuations in product demand and supply which ultimately bring with it the demand and supply of labor. Increasing demand for certain products (goods or services) will increase the supply and price of related products, continuously up to a certain point as a result of saturation of market share or cessation of purchasing power. The next cycle is marked by a decrease in demand as well as supply and price of these products. The existence of labor as a factor in the production process is also influenced by this cycle.<sup>2</sup>

In this regard, the COVID-19 pandemic has spread throughout the world and has spread to 215 countries. As of November 23, 2020, the total number of cases has reached more than 59.1 million. In Indonesia, there have been more than 502 thousand positive cases of Covid-19, of which 422 thousand patients were declared cured and 16 thousand patients died.<sup>3</sup>

In Indonesia, Covid-19 began to enter in March 2020 which then required the government to issue a Large-Scale Social Restrictions (PSBB) policy to prevent the spread of Covid-19. This PSBB limited community and economic activities. Private consumption slowed down due to restrictions on mobility and consumer behavior reluctant to leave the house, thereby limiting consumption. In addition, workplace closures have a direct impact on the activities of companies and self-employed workers and are at high risk of bankruptcy.<sup>4</sup>

The decline in economic growth due to the Covid-19 pandemic also had a negative impact on the labor market. The decline in economic activity has forced business actors to make efficiencies to reduce losses. As a result, many workers have been laid off or even laid off (PHK), which has an impact on increasing the number of unemployed.<sup>5</sup>

Based on data from the Ministry of Manpower (Kemnaker) as of April 7 2022, due to the Covid-19 pandemic, there were 39,977 companies in the formal sector. who choose to lay off, and lay off their workers. The number of workers affected was 1,010,579 people with details of 873,090 workers from 17,244 companies who were laid off, while 137,489 workers were laid off from 22,753 companies. Meanwhile, the number of companies and workers affected in the informal sector is 34,453 companies and 189,452 workers.<sup>6</sup>

In line with the above, labor force absorption until February 2020 is still dominated by the working population with a low education level (SD and below) as many as 50.96 million people (38.89 percent). Meanwhile, the percentage of the working population with higher education (Diploma and University) is only 13.02 percent. The following is the percentage of the working population according to completed higher education:<sup>7</sup>

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<sup>2</sup> *Ibid*, hlm. 34.

<sup>3</sup> Coordinating Ministry of Economy of the Republic of Indonesia, *Report on the Study of the Impact of the Covid-19 Pandemic on Employment in Indonesia*, 2021, hlm. 1 – 2.

<sup>4</sup> *Ibid*.

<sup>5</sup> *Ibid.*, hlm. 2.

<sup>6</sup> *Ibid*.

<sup>7</sup> *Ibid.*, hlm. 5 – 6.

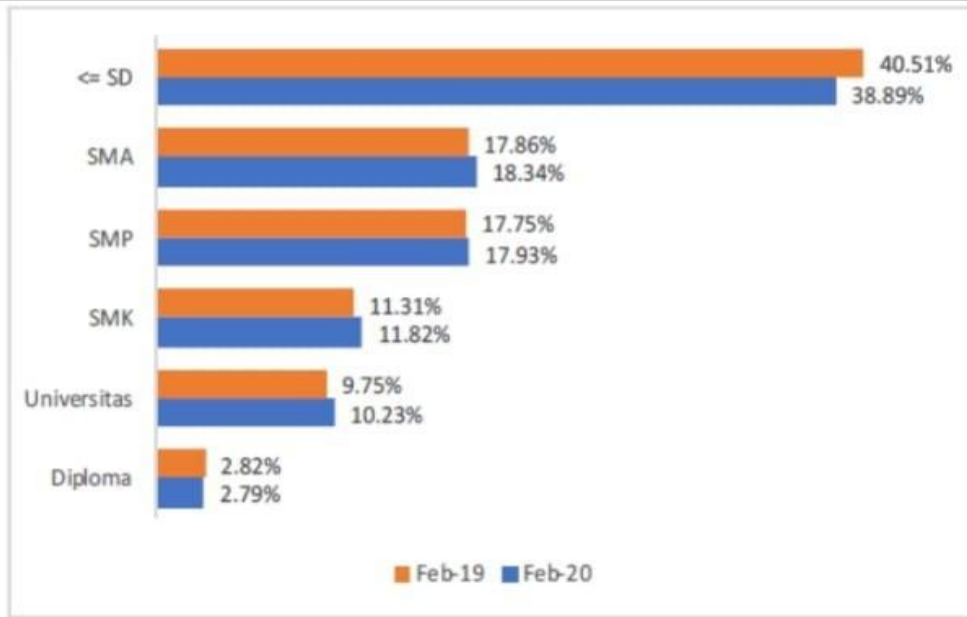


Figure 1. Percentage of Working Population According to Completed Tertiary Education

Judging from the open unemployment rate (TPT) based on education (Figure 2), the highest TPT is in people with senior secondary education (SMK and SMA) which respectively reach 8.63% and 6.78 percent. This problem can cause disruption of accumulation *human capital* because of the expectation of getting returns by accumulating *human capital* (schooling) becomes smaller, in the end this can trigger criminal acts and violence.<sup>8</sup>

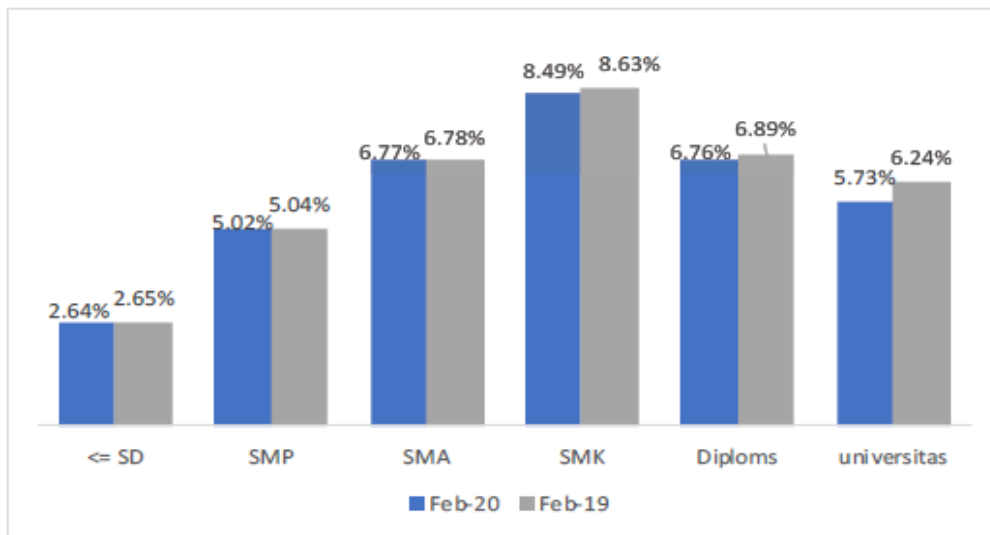


Figure 2. Open Unemployment Rate (TPT) According to the Highest Education Yang Terminated

<sup>8</sup> *Ibid.*

With regard to the description above, since the end of the Covid-19 pandemic which has had an impact on all aspects of life, especially health and socio-economic aspects, it has opened up vast spaces and opportunities for the central and regional governments to revive economic growth. Therefore, it is the Open Unemployment Rate (TPT) that disrupts accumulation *human capital* which ultimately trigger criminal acts and violence, must be addressed with policies that accommodate all.

One effort that can be taken is to expand employment opportunities. According to Government Regulation Number 33 of 2013 concerning Expansion of Employment Opportunities in article 3 it is stated that the Government and Regional Governments establish policies for expanding employment opportunities in each sector according to their authority based on national and regional manpower planning in each sector in accordance with statutory provisions. Therefore, this article wants to discuss the synergy of central and regional government policies towards expanding employment opportunities after the Covid-19 pandemic. This study uses a normative approach and comparative-descriptive analysis.

### ***Discussion***

The goal of the state is to protect the entire Indonesian nation and all of Indonesia's bloodshed, promote public welfare, educate the nation's life, and participate in carrying out world order based on freedom, eternal peace and social justice, which are shared aspirations that must be realized. The realization of the ideals of the state is carried out through comprehensive and integrative development planning. Development planning that is capable of guaranteeing the creation of integration, synchronization and synergy both between regions, between spaces, between times, between government functions and between the Center and the Regions. Development planning capable of synergy with budgeting, implementation, and supervision.

In this regard, a National Development Planning System has been prepared through Law Number 25 of 2004. Based on this Law, in order to achieve national goals, a Long Term Development Plan (25 Years), a Medium Term Development Plan (5 Years) is prepared, and Short Term Development Plans (1 Year) both at the national, provincial and district/city levels. Based on Law Number 25 of 2004, the preparation of the development plan is coordinated by the Ministry of National Development Planning/National Development Planning Agency.

With regard to the expansion of employment opportunities, there is Government Regulation Number 33 of 2013 which states that the expansion of employment opportunities is an effort made to create new jobs and/or develop available jobs. Meanwhile, job opportunities are job vacancies filled by job seekers and existing workers.

Expansion of employment opportunities in an employment relationship is an effort made to create new jobs and/or develop available jobs based on work agreements, which have elements of orders, work and wages. While the expansion of employment opportunities outside of work relations is an effort made to create new jobs and/or develop available jobs not based on work agreements.

The policy on expanding employment opportunities is based on national and regional manpower planning in each sector in accordance with statutory provisions. The policy on expanding employment opportunities is directed at creating and developing employment opportunities where the Government and Regional Governments can facilitate investment carried out by BUMN, BUMD and the private sector by establishing programs and activities to expand employment opportunities that are required to absorb labor.

The policy on expanding employment opportunities outside of work relations is directed at creating and developing productive and sustainable employment opportunities by utilizing the potential of natural resources, human resources, community institutions and appropriate technology implemented by

the Government, Regional Governments, state-owned enterprises, regionally-owned enterprises, private companies, and community institutions in the form of entrepreneurship programs.

Entrepreneurship programs are carried out with a pattern of forming and fostering an independent workforce, labor-intensive systems, application of appropriate technology, utilization of voluntary workers, and/or other patterns that can encourage the creation of expanded employment opportunities. The Government and Local Government facilitate the implementation of the pattern through the following activities: a. capital; b. guarantee; c. accompaniment; d. training; e. consultation; f. technical guidance; and/or g. provision of data and information.

Guarantee institutions and financial institutions provide convenience and facilitation to the public which can create or expand employment opportunities in the form of credit facilities and/or credit guarantee facilities.

With regard to the synergy between the government and regional governments, in article 11 it is stated that the Minister coordinates with relevant agencies to support the implementation of expanding employment opportunities, if necessary the Minister can involve the community in the implementation of coordination. Coordination is carried out at least 1 (one) time in 1 (one) year or at any time if necessary, it is carried out for:

- a) Provide input, suggestions and considerations to the Government and Regional Governments as material in establishing policies in the field of expanding employment opportunities; and
- b) Carry out mediation, motivation, and evaluation of the implementation of Government policies in the field of expanding employment opportunities.

In other words, there is actually a basis where the government has a stake in aggregating the problems that arise in society. This is in line with the concept of a welfare state which forms the basis of the government's position and function (*management function*) in modern countries. The welfare state is the antithesis of the concept of a formal rule of law state, which is based on the idea of carrying out strong oversight of the administration of state power, especially the executive. In the concept of a welfare state, the state is required to expand its responsibility for social problems faced by society.<sup>9</sup>

It was this development that provided the legislation for the twentieth century "intervention state". The state even has to intervene in various socio-economic problems, to ensure the creation of shared prosperity in society. This intervention step allows the regulation by the state of activities previously outside the range of state functions, such as expanding the provision of social services to individuals and families in special matters, such as "social security" health, social welfare, education and training and housing.<sup>10</sup>

These interventions can be linked to the main objectives of the welfare state, including: (1) controlling and using socio-economic resources for the public interest; (2) ensure fair and equitable distribution of wealth; (3) reduce poverty; (4) provide subsidies for basic social services for *disadvantage people*; (5) provide social insurance (health, education) for the poor; (6) provide social protection for every citizen.<sup>11</sup> Therefore, expanding employment opportunities is a form of government intervention in overcoming the problems of post-pandemic Indonesian society.

At the regional level, efforts have actually been made to expand employment opportunities. In West Nusa Tenggara Province for example, the field of Placement and Expansion of Work has the task of compiling providing information on the labor market, carrying out the placement and protection of workers, fostering labor placement agencies, controlling foreign workers and developing/expanding job

<sup>9</sup> Green Mind Community, *Constitutional Law Theory and Politics*, Yogyakarta: Total Media, 2009, p. 297.

<sup>10</sup> *Ibid.*, hlm. 298.

<sup>11</sup> *Ibid.*

opportunities for labor-intensive systems, appropriate technology and expanding informal sector job opportunities.<sup>12</sup>

At the national level, the Minister of Manpower (Menaker) of the Republic of Indonesia Hj Ida Fauziyah, said the signing of a memorandum of understanding (MoU) between three ministries (Ministry of Manpower, Kemendesa and Kemenkop UKM) at the Sungai Kunjang Job Training Center (BLK) Workshop in Samarinda, on October 11 2021 which is the momentum to increase joint work and collaboration in programs to encourage expansion of employment opportunities, reduce unemployment rates, and increase community economic activity to create prosperity in rural areas. According to him, this pandemic has had a broad impact on various aspects of people's lives, not only affecting health, but also the social and economic life of the community. The industrial sector, which previously absorbed many workers, was affected by the pandemic, which resulted in a significant reduction in employment and contributed to an increase in the number of unemployed. The government has implemented various relaxation, incentive and subsidy policies aimed at alleviating people's economic pressure. In the employment sector, there are strategic steps, one of which is launching a program to expand employment opportunities through the Independent Workforce or TKM program to create entrepreneurs and work-intensive programs.<sup>13</sup>

However, this government program should be evaluated in terms of access to people who need job opportunities, considering that 29.12 million workforce have been affected by the Covid-19 pandemic. Of that number, 2.56 million are unemployed, around 0.76 million are not in the labor force and there are 1.77 million people who are temporarily out of work due to being laid off.<sup>14</sup> This number certainly does not include high school/vocational high school and university graduates whose frequency has increased from time to time.

In other words, the program to expand employment opportunities must be able to reach all groups of people, both those affected by the pandemic and the productive age workforce who need government intervention and attention in dealing with it. One of the forms of this effort is through outreach to all senior high schools of the same level regarding programs that can be obtained through training at Vocational Training Centers (BLK) in each Province. Because perhaps, the existence of BLK is not known by all levels of society. This is also related to the obligation to disclose public information. However, BLK must renew the type of training program in line with the times, especially in the current era of the industrial revolution 4.0.

## **Conclusion**

Expansion of job opportunities is a form of government intervention in overcoming the problems of the Indonesian people after the pandemic. Taking into account the impact of the pandemic on society with the increasing number of unemployed including increasing high school and tertiary graduates, then the program for expanding job opportunities through the Independent Workforce or TKM program for creating entrepreneurs and the labor-intensive program that has been rolled out by the government since 2021 must continue to be encouraged by various elements of society, of course with evaluation and improvement to increase access to all levels of society, one of which is by increasing types of training programs at Vocational Training Centers that adapt to developments in the industrial revolution era 4.0.

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<sup>12</sup> <https://disnakertrans.ntbprov.go.id/dinding-penempatan/>, accessed December 20, 2022.

<sup>13</sup> <https://www.kaltimprov.go.id/berita/tiga-kementerian-dorong-perjuangan-kesempatan-kerja>, accessed 21 December 2022.

<sup>14</sup> *Ibid.*

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### **Legislation**

Law Number 25 of 2004 concerning the Development Planning System National

Government Regulation Number 33 of 2013 concerning Expansion of Job Opportunities

### **Website**

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