



IMPACT OF COVID-19 ON LABOR AND A NEW WAY OF WORKING: HOW INDONESIA COPED WITH COVID-19

Tuesday, March 2, 2021
Danang Girindrawardana
Executive Director of APINDO

Update on COVID-19 Indonesia 26 January 2021

Confirmed cases

Deaths

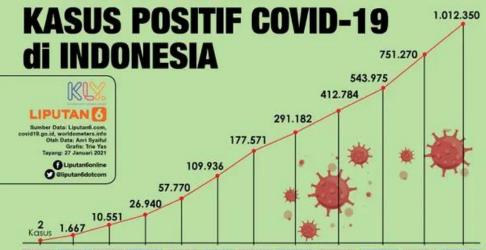
Recover

1.012.350

28.468

820.356

TEMBUS SEJUTA



/5/20 1/6/20 1/7/20 1/8/20 1/9/20 1/10/20 1/11/20 1/12/20 1/1/21 26/1/21

DATA COVID-19 INDONESIA

1.012.350 Positif

28.486 Meninggal

820.356 Sembuh

* Data hingga 26 Januari 2021 Pukul 12.00 WIB

DATA COVID-19 GLOBAL

100.286.772 Positif

2.149.496 Meninggal

72.313.625 Sembuh

Indonesia Peringkat 19 dari 219 Negara



"Faktor utamanya ketidakdisiplinan masyarakat mematuhi protokol kesehatan 3M. Masih banyak masyarakat berkerumun."

1 Desember 2020 Prof. Wiku Adisasmito **Jubir Satgas Penanganan** Covid-19



"Seluruh rakyat Indonesia harus bersama-sama pemerintah bekeria bersama mengatasi pandemi ini dengan lebih keras

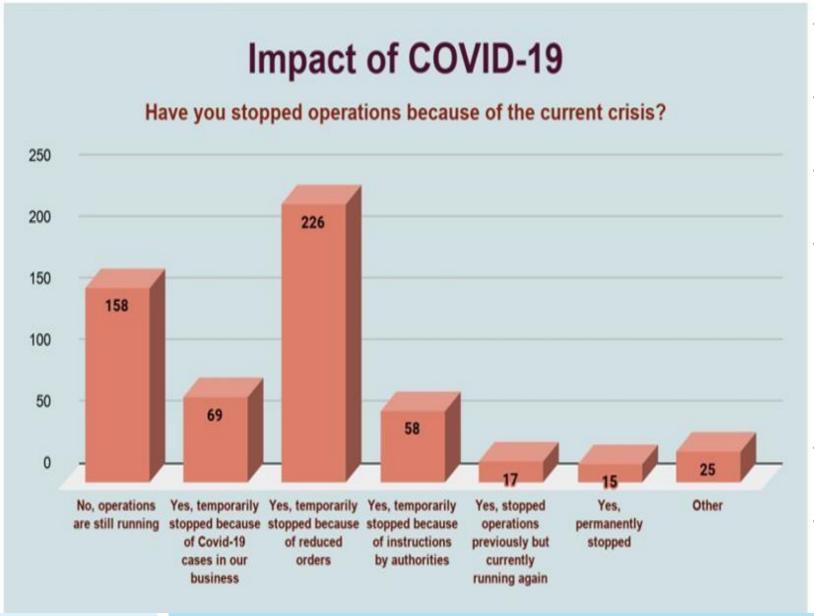
> 26 Januari 2021 **Budi Gunadi Sadikin** Menteri Kesehatan

2/22/2021



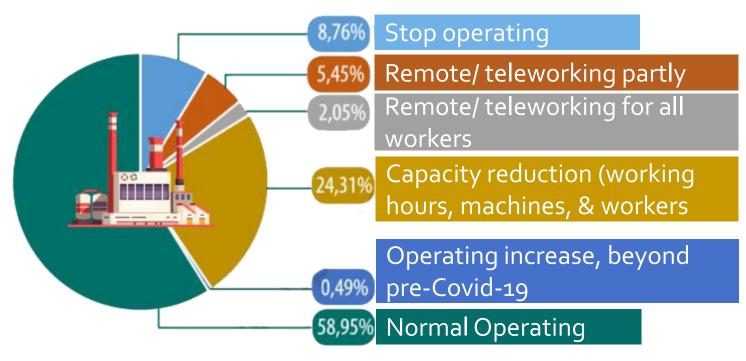


Impact of Covid-19 to MSMEs



- Around 52% of MSME lost their income more than 50%
- Around 63% of the MSMEs have reduced the number of workers
- Around 6 millions workers are taking on leave or temporary layoffs
- About 1/3 of MSMEs were survive by switching to online businesses. One of the 5 companies has successfully diversified its products to respond to new products such as masks and sanitation
- Currently less than 40% of MSMEs carry out body temperature checks.
- However, more 30% cannot ensure adequate physical distance between workers.

Company Operation During COVID-19



Source: BPS RI -Statistics Indonesia, Analysis of the Results of the Covid-19 Impact Survey on Business Sectors, July 2020

- In general, 6 out of every 10 companies are still operating normally.
- In the 5 provinces with the highest Covid-19 cases, on average 5 out of every 10 companies are still operating as usual.
- Around 77 out of every 100 companies in sectors; water supply, sewage treatment, agriculture, livestock, fisheries and real estate are still operating normally.
- Only about 27 out of every 100 company in the education services sector are still operating normally.

Updating the overall business condition,

although almost all companies have implemented health protocols.

Apindo view that 8 out of 10 companies in Indonesia experienced decrease in revenue....:

 82.80% of revenue decreased

• 14.60% of revenues remained

• 2.55% of revenues increased

APINDO's ROLE in PEN (Pemulihan Ekonomi Nasional / National Economic Recovery)

- Positioning APINDO to supports the government program of President Joko Widodo, a program called PEN, (National Economic Recovery).
- APINDO create some advocacy programs, intensive communications and providing criticism or advice to provide a way out of the regulatory challenges.
- Apindo also has close relationships with all stakeholders, sectors associations to provide more details data and factual support for economic recovery.

9 Trends in Pandemic Which Affect the Future of Work

COVID-19 only accelerates and scales up the level of importance of the shifts in employment trend introduced by industry 4.0.

Both employers and employees need to adapt to the shifts

Increased remote work

Expanded data collection

Employer as social safety net supplement

Expansion of contingent workers

Separation of critical skills and critical roles

Humanizing (and dehumanizing) of workers

Emergence of new top-tier employers Balance between business efficiency and business resilience

Increased organizational complexity

Source: Industry Week

Indonesia Tackle Job Creation After Pandemic

The Government of the Republic of Indonesia issue the Job Creation Law, Law 11 Year 2020, to stimulate and create competitive investment environment.

It is expected to achieve the following goals:

- o Growth rate above 6% to achieve the developed economic status by 2045 (GDP > USD 20,000)
- o Creating new jobs through increased investment, while increasing protection for workers or laborers.
- o Supports for Micro and Small Medium Size Enterprises (MSME) and Cooperatives to bring more people into the formal sectors given the fact that today over 55% of the labor force is in the informal sector.

Indonesia Job Creation (OMNIBUS) Law

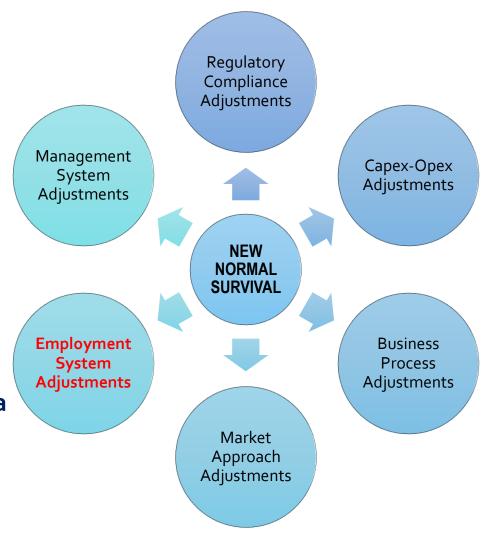
- □ Job Creation Law was signed on November 2020. The objective is to simplify the regulation and replacing the obsolete regulations. This expectantly will attracting the FDI and creating new jobs.
- ☐ The Employment Cluster in Job Creation Law is also targeted in line with the competition of business world in the era of Industrial Revolution 4.0. The law also ensures that workers continue to get decent jobs and increasingly guaranteed rights and obligations.
- ☐ There are 42 Government Regulations that need to be issued for implementing Job Creation Law.

APINDO is part of the stake holders who actively engage on this regulations drafting.

New Normal Survival

beyond health protocols for business

- Company need to strategize finding the most appropriate system and ensure business sustainability, maintain economic performance without significantly impacted by pandemic infections until vaccine is found and successfully reach herd immunity.
- Employers need to communicate every substantial adjustments to workers. Implementation of Social Dialogue is crucial in maintaining employers relations with their workers especially during pandemic where mutual agreement is necessary to mitigate the dispute caused by miscommunication.
- Evaluating companies structure "less of a boss and more of a leader" and build supportive work culture
- Companies also need to invest in more dynamic technologies that can support communication and operation in critical situation.



APINDO'S SUPPORT What we do – Expertise Advocacy Service



Promote and defend business interests at the United Nations, the International Labour Organization, Indonesians Government. Advocacy in Covid-19 regulation drafting

Strategic Partnership

AOTS: Training Program on HR/IR, OSH.

DECP: Social Dialogue Training together with

Labor Union

IOE: A number of guidance related to New

Normal/COVID-19.

ILO: "Safe Return to Work" Book.









Member's Services

- In 2020, more than 15 Online Members' Gathering and Seminar with various topics mostly regarding Covid-19 Pandemic, e.g., New Normal, Tax Incentives, Social Securities Fee's Relaxation, Cyber Security, Minimum Wage, etc.
- Continuous Update on new regulations regarding Covid-19 Pandemic
- Consultation with APINDO's experts
- Cooperation with Members in CSR Program regarding Covid-19 Pandemic



Terima Kasih - Arigatōgozaimashita



The Employers' Association of Indonesia (APINDO)

Gedung Permata Kuningan Building, Lt. 10 Jl. Kuningan Mulia Kav. 9C

Guntur – Setiabudi

Jakarta Selatan 12980

Tel. (62) 21 8378 0824, Fax. (62)21 8378 0823/8378 0746

Website: www.apindo.or.id , Email: sekretariat@apindo.or.id



Example of BEST PRACTICE

Example 19 Bipartit Implementation & Social Dialog

Company Operation during Covid-19 Pandemic



Strengthening Mutual Trust



Amid covid-19 pandemic situation, **conducive workplace environment** becomes important factor to create employees comfort and safe feeling as a basis **to enforce mutual trust and respect culture.**

Relationship Establishment of Mutual Trust and Respect

Creating workplace
environment where
employees can work
with their trust in the
company

for promoting constant and voluntary **initiative** in continuous improvement

Fully committed and thorough human resources development

Promoting
teamwork aimed at
pursuit of individual
roles and
optimization of the
entire company

Pillar #1

Pillar #2

Pillar #3

Pillar #4

Sincere & Thorough Communication

3-Pillars of Industrial Relations



Basic Labour Relations between TMMIN Management and Labour Union are divided into 3 pillars, they have different objectives but **complementary each other**.

3-Pillars of Industrial Relations

I. Communication



Formal:

- Bipartite (minor, local, executive level)
- Business Communication

Informal:

HRP, PTA, & Freetalk

II. Negotiation



- Collective Labour Agreement (every 2 years)
- Bonus (1x/year)
- Salary Increase (1x/year)
- Working Calender (1x/year)

III. Dispute Settlement



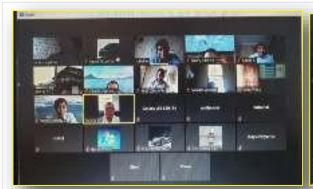
- Grievance Handling (stated in CLA)
- Termination (Law 13/2003)
- Labour Dispute Settlement (Law 02/2004)

Communication Enhancement during Covid-19

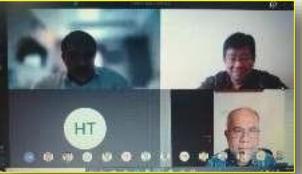


Intensive communication is performed everyday via MS Teams meeting, **including safety patrol** by management and union to grasp recent situation and follow up the improvement.

Daily Coordination Meetings



HR & Union Teams Meeting



TAM TMMIN BOD Meeting



Crisis Center Meeting







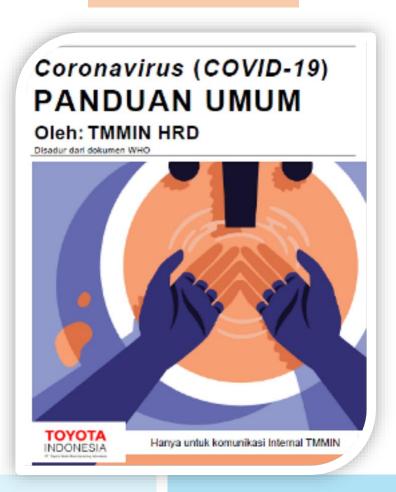
Genba Check & Patrol by Management, Union, and Medical Team to ensure the Health Protocol implementation

How TMMIN Operates during Covid-19

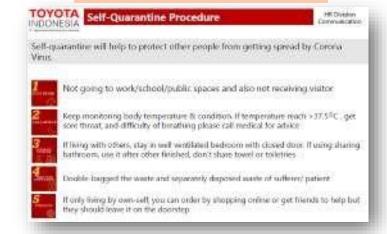


Company policies and procedures are widely communicated through management & Union communication channels. Employees understanding levels are monitored through survey.

1.1 General Guidlines



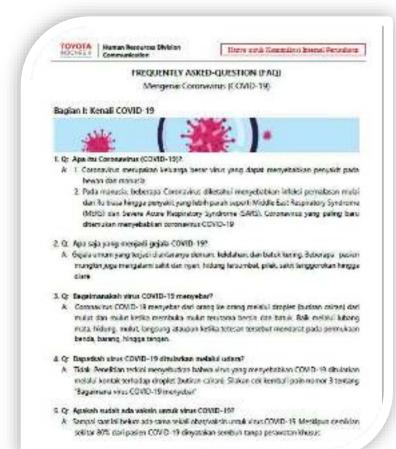
1.2 Employees Procedures



1.3 Do's and Dont's



1.4 FAQ for Employees



How TMMIN Operates during Covid-19



Join Monitoring of Health Protocol by Management & Union









Online Daily Self-Health Declaration

Masker, gloves, and body temperature checking before enter workplace











Social distancing, temperature checking, and clean & healthy behavious are regularly checked

How TMMIN Operates during Covid-19



During PSBB, employees are instructed to **work from home**. Meanwhile, they are required to **do idea suggestion** & **e-learning training** provided by Toyota Learning Center Division.

Work From Home Activities

Dates	6 Apr	7 Apr	B Apr	9 Apr	10 Apr
Shift White	Working	E-Learning Covid 19 Education (08.00-11.45)	Working	E-Learning Safety Awareness (08.00-11.45)	Holiday (Wafat Isa Almasih)
Shift Red	E-Learning Covid 19 Education (08.00-11.45)	Working	E-Learning Safety Awareness (08.00-11,45)	Working	
Dates	13 Apr	14 Apr	15 Apr	16 Apr	17 Apr
5hift White + White	E-Learning Quality Awareness (08,00-11.45)	E-Learning 58 (08.00-11.45)	E-Learning QCC (08.00-11.45)	E-Learning Toyota Way (08.00-11.45)	E-Learning Rasic Environment (08.00-11.45)
Dates	20 Apr	21 Apr	22 Apr	23 Apr	24 Apr
Shift White + White	E-Learning ATSG (08.00-11.45)	E-Learning Etika Kerja (08.00-11.45)	E-Learning Safety Riding (08.00-11.45)	E-Learning Pengelolaan Keuangan (08.00-11.45)	E-Learning Pola Hidup Sehat (08.00-11.45)

Various training topics are performed via MS Teams



Trainings are provided for staff & production members