

Implementation of Job Loss Guarantee Program in Medan City

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ABSTRACT

The purpose of this study is to analyze how the implementation of the Job Loss Guarantee Program in Medan City and the factors that influence the implementation of Government Regulation No. 37 of 2021. This research will use a qualitative research method with a descriptive approach. By using data collection techniques, namely by conducting primary data with interviews, observation and documentation and secondary data obtained from the literature. Data analysis techniques through data reduction, data presentation and conclusion drawing. The results show that the Job Loss Guarantee Program (JKP) is a new scheme in employment insurance that protects workers who lose their jobs due to termination of employment (PHK). This program is implemented by BPJS Ketenagakerjaan which provides benefits for 24 months with a 12-month contribution period. Participants must be enrolled in all BPJamsostek programs, including Work Accident Insurance, Old Age Insurance, Death Insurance, Pension Insurance, and National Health Insurance. The Medan City Government through the Manpower Office provides recommendations to laid-off workers to receive JKP benefits and forwards them to the BPJS Ketenagakerjaan Office for cash benefits. The program also includes Job Training programs for beneficiaries, job fair activities, and job market information.

INTRODUCTION

The welfare state is a social welfare development strategy that gives a more significant role to the State in organizing the Social Security System in a planned, institutionalized, and sustainable manner. State protection includes Basic Social Security, which protects citizens from the risk of loss of income due to illness, death, unemployment, work accidents, or pregnancy (Suharto, 2008). Social security is "the release of community difficulties or an effort to free the community from difficulties." Social security is a form of social protection to ensure that all people can meet the needs of a decent life. The procedure for implementing Social Security is organized by the Social Security Administration / BPJS Employment and BPJS Health (Adha et al., 2020). The Job Loss Guarantee Program is a Social Security program organized by BPJS Employment. The Job Loss Guarantee Program (JKP) by BPJS Employment in providing social security protection for workers who experience Termination of Employment (PHK) and also to determine the suitability of the implementation of JKP by BPJS Employment in providing Social Security Protection for workers who experience PHK seen from the principles and objectives of the National Social Security System (SJSN) (Silitonga et al., 2022).

Workers who experience termination of employment will experience problems with unemployment. Unemployment is a problem that can be categorized as the biggest problem for employment; the existing reality certainly supports this statement. Unemployment will undoubtedly have a negative impact, such as an increase in the number of street children and beggars and even an increase in criminal acts. One of the causes of unemployment is the termination of employment (PHK), where the company terminates employment for various reasons, including changes in company policy, restructuring, decreased profits, or decreased market demand. Various complex factors influence the unemployment problem, and solutions to overcome unemployment often require a holistic approach involving cooperation between the government, companies, and the community to create better jobs and job opportunities for workers. Therefore, the government must take serious steps to overcome these problems (Arifin, 2013).

The government seeks to provide services to the problem of unemployment based on the 1945 Constitution of the Republic of Indonesia Article 28 H paragraph (3), which mandates that "everyone has the right to social security that enables his or her full development as a dignified human being. This is reaffirmed in Government Regulation No. 37 of 2021 concerning the Job Loss Guarantee, abbreviated as JKP, namely social security provided to workers/laborers who experience termination of employment in the form of cash benefits, access to labor market information, and job training.

THEORETICAL REVIEW

This research is reviewed through previous studies to strengthen the arguments and reasons for researchers to conduct this research. The Job Creation Law in Indonesia aims to improve the protection and welfare of workers by expanding social security programs, including the Job Loss Guarantee Program (Mahendrasusila, 2021). The Job Loss Guarantee Program

(JKP) is one of the three social security programs provided by BPJS Ketenagakerjaan (Sabar et al., 2022). This means this program was created as part of social insurance (Nisa et al., 2023).

This program has conducted legal counseling activities to provide information to the community (Siregar et al., 2022). This program aims to maintain a decent standard of living (Harahap et al., 2022). The challenge of the impact of the economic crisis can be realized by implementing the JKP program to minimize the economic crisis (Ardiyantini, 2021). JKP aims to provide financial support to workers who have lost their jobs and help them find new employment opportunities (Suparto, 2023). In addition, the program provides participants who have lost their jobs access to information on employment (Risal et al., 2022). The JKP program also provides job training facilities as evidence that workers get maximum benefits (Wiryadi & Novendra, 2021).

However, the JKP program also has weaknesses during its implementation. According to research by Nuraeni (2022), job training institutions and labor market information systems must be more ready. This program should address employment problems, but it must still be corrected. In addition, the protection policy for workers affected by job termination needs to be better targeted (Widanarti et al., 2022). Until now, the JKP program has exceptions for some workers, such as resignation, total disability, retirement, and death (Alfathoni et al., 2023).

METHODOLOGY

This research uses a descriptive qualitative approach; descriptive research conducts analysis only to the level of description, namely analyzing and presenting facts systematically to be more easily understood and concluded (Creswell & Poth, 2016). Researchers determine informants with techniques through purposive sampling. Data collection techniques in this study were carried out by interview, observation, and documentation (Sugiyono, 2017). The data analysis process is carried out with several steps: data reduction, data presentation, and conclusion drawing (Miles & Huberman, 1994).

RESULTS AND DISCUSSION

From the data obtained in the field, namely from the Medan City Manpower Office, the condition of the workforce in Medan City is as follows namely Wage Receiving Workers, workers who receive wages or salaries from companies or employers in Medan City amounting to 233,257 or around 70% which dominates the condition of the workforce in Medan City, while non-wage receiving workers are 46. 287, or about 14%, are independent workers who do not have a fixed income or wage. Finally, construction workers are workers who have skills or knowledge and experience in carrying out Construction Work as evidenced by SKK Construction, or also workers who have the work of all or part of the activities related to the construction techniques, operation, maintenance, demolition, and rebuilding of a building.



Figure 1. Labor Condition in Medan City in 2023

Source: Data processed from Medan City Manpower Office in 2023

Conditions of Terminated Workers

Based on data from the Medan City Manpower Office, companies that terminate employment in Medan City are estimated to be 193 companies with various reasons for terminating employment, including violations in the company, company efficiency, resignation, and death. Of these four reasons, by the government law on the Job Loss Guarantee, points 1 and 2 can be paid, and points 3 and 4 cannot.

It is also known that in 2021 - 2023, around 1200 workers will be laid off. For data on JKP participants due to layoffs around January 2023 to December 2023, there are 36 companies. Meanwhile, the number of workers recorded as JKP program participants registered in 4 BPJS Employment programs and not PBI (Contribution Assistance Recipients), namely BPJS participants borne by the government, is 126,573 people.

Research Findings on the Job Loss Guarantee Program

Based on the interview with the Head of the Medan City Manpower Office, the Government has issued Government Regulation No. 37 of 2021 concerning the Implementation of the Job Loss Guarantee Program (JKP). This is a derivative regulation of Law No. 11 of 2020 concerning Job Creation, and BPJS Ketenagakerjaan will provide benefits that participants will receive. Job Loss Guarantee is a new scheme in Employment Security that does not reduce the benefits of various other social security and is an expansion of the national social security system program in protecting workers who lose their jobs due to layoffs. JKP is a new scheme whose membership in 2021 will provide benefits starting in 2022.

Based on the results of interviews with Mr. Haris from the Manpower Office and Mrs. Anita from BPJS Ketenagakerjaan, the loss of JKP rights for workers can occur due to ignorance of the company that registers its workers in the JKP program; besides that, the problem that often occurs is the application for JKP benefit claims which is relatively fast, namely three months from the time of layoff. Another problem in an Industrial Relations Dispute is that the 3-month claim period is considered very short.

Based on the results of interviews with BPJS Ketenagakerjaan Medan City, to obtain JKP benefits, each worker is required to have participated in the intended social security program, namely the National Health Insurance (JKN),

Work Accident Insurance (JKK), Old Age Insurance (JHT), Pension Insurance (JP), and Death Insurance (JKM). If we look at the data on workers' participation in other social programs, it still needs to be higher. Workers certainly have the right to their welfare in obtaining social security. However, the implementation to benefit from a program organized by the Government related to the position of workers in the participation of the Job Loss Guarantee Program (JKP) is very important to know and understand because it leads to justice obtained for each worker.

Based on the results of interviews with the BPJS Employment of Medan City, the Membership Data supporting the implementation of the JKP program that often arises is, for example, the identity of the NIK if the data is not by the NIK number, the data is invalid. Then, regarding email addresses and cell phones that are not the same, it does not match the supporting data of Sisnaker, so the data is invalid. So that the application system cannot accept access to worker data that will be registered in the JKP program.

Based on the interview results with the BPJS Employment of Medan City, the criteria are not JKP beneficiaries. If one of these reasons is fulfilled for the reasons mentioned above, then the beneficiary cannot get JKP benefits, for example, the worker's resignation. The results of the researcher's interview with representatives from the Gavia Group company (Mutia Garden Medan Restaurant) stated that no workers were laid off in their company. All employees were included in the BPJS Employment and BPJS Health, which automatically paid premiums accordingly. On time and in the event of layoffs, everything related to the Job Loss Guarantee would automatically be taken care of.

Based on the results of interviews with laid-off workers in Medan City at the Medan City Manpower Office, it is stated that so far, there has been a recommendation from the Medan City Manpower Office that they can smoothly take care of JKP guarantee claims, especially those related to cash to BPJS Medan City. Based on the results of the researcher's interview with the Head of the Medan City Manpower Office, it has provided recommendations to laid-off workers and included the laid-off workers in the implementation of Job Training. As for informing the Job Exchange, it is carried out by the Employment Agency of Medan City by holding Job fairs at the Sub-district level to get more response from the community because the Sub-districts better understand the conditions of people who need work and the area of activity and are not far from the community's residential areas so that they can come to them at any time during the job fair period. In addition, the SIAPKerja Application Portal always provides access to laid-off workers to provide information and online data collection and registration at any time.

Implementation of Job Loss Guarantee Program in Medan City

Based on information from the Head of the Manpower Office of Medan City, the process of obtaining the JKP program requires several JKP Program membership flows, namely employers registering their workers to BPJS Ketenagakerjaan consisting of PKWT/PKWTT workers receiving wages, the process of being registered as BPJS Ketenagakerjaan participants in the

Company by checking the eligible status of the Employer (PK) and Business Entity (BU), having a NIK, and age under 54 years.

Based on the results of discussions with the Head of the BPJS Employment Service Division of Medan City, there are steps taken in implementing the JKP Program and meeting the criteria, namely by the Job Creation Law articles 151A, 153, 154A regarding companies merging, consolidating, taking over or separating companies and workers/laborers are not willing to continue working relationships or employers are not willing to accept workers/laborers, companies making efficiency followed by company closure or not followed by company closure due to the Company experiencing losses. In addition, it is explained that the Company closes due to force majeure, the Company is in a state of postponement of debt payment obligations, the Company is bankrupt, and workers/laborers cannot perform work for six months due to being detained by the authorities due to suspected criminal activity. Employers mistreat, insult, abuse, or threaten workers/laborers, and employers persuade and order workers/laborers to commit acts that are contrary to laws and regulations.

In claiming job loss insurance, participants must meet the predetermined conditions: having a contribution period of at least 12 months in 24 months and having paid contributions to BPJS Ketenagakerjaan for at least six consecutive months before layoffs occur. After following these conditions, it is necessary to submit a JKP benefit claim in the following four stages, namely stage 1: Notification of Layoff. Employers are required to notify changes in the data of participants who experience layoffs to BPJS Ketenagakerjaan a maximum of 7 working days from the time of layoff by filling out the Layoff Report form through the Mandatory Employment Report service, which can be accessed on the <https://wajiblapor.kemnaker.go.id/> page. Participants can also complete the Lapor PHK form independently through the SIAPKerja application portal, which can be accessed on the <https://siapkerja.kemnaker.go.id/> page.

In stage 2, namely, the submission of JK Benefit Claims, which has stages such as Participants who experience layoffs can submit JKP benefit claims through the SIAPKerja application portal, which can be accessed on the <https://siapkerja.kemnaker.go.id/> page. After doing stage 2, the next stage is data verification by BPJS Ketenagakerjaan. BPJS Ketenagakerjaan verifies and validates participant data by paying attention to several things, such as employers registering their workers to BPJS Ketenagakerjaan consisting of PKWT / PKWTT workers receiving wages, to BPJS Ketenagakerjaan: The process of being registered as a BPJS Ketenagakerjaan participant, BPJS Ketenagakerjaan membership while in the Company can check the eligible Employer / PK and Business Entity / BU, Large and Medium Enterprises, at least in the JKN, JKK, JHT, and JKM programs, Small and Micro Enterprises, at least in the JKN, JKK, JHT, and JKM programs, and Email and Cellphone addresses, for participants who are already eligible for JKP, have valid email address data and cellphone numbers to support the service process and create SISNAKER accounts.

Furthermore, the last stage is the receipt of benefits. Benefit receipts can be provided in various types, namely cash benefits, benefits of access to labor market information, and job training benefits. Beneficiaries who apply for JKP benefits are entitled to cash benefits paid by BPJS Ketenagakerjaan, provided that the first-month cash is paid after the beneficiary applies for the first month of JKP benefits, followed by conducting a self-assessment/self-assessment on access to labor market information contained in SIAPKerja. Cash benefits for months 2 through 6, namely cash benefits for months 2 through 5, are submitted a maximum of 5 days after the reference date for applying for benefits, namely on the date of applying for cash benefits for month 1, while cash benefits for month six are submitted no earlier than five working days before the end of the JKP benefit period and no later than the end of month 6. Cash benefits for the 2nd to sixth months are paid provided that the beneficiary has not found a job again and is actively looking for work, as evidenced by evidence of job applications from at least five companies in 1 month or evidence of job selection test calls/interviews from at least one company in 1 month. Fulfill job training attendance in the previous month of at least 80% for beneficiaries who take advantage of job training.

In addition, beneficiaries who have conducted an assessment/self-assessment on access to labor market information can attend career counseling/job search. Those who take part in the counseling will receive career development recommendations from the job introducer/inter-work officer to look for a job or attend job training through SIAPKerja. For labor market information activities in Medan City, a Job Fair is held to support access to job information for laid-off workers, and there is also a SIDUTA application to obtain information on job vacancies.



Figure 2. Flow of Participation in the Job Loss Insurance Program
 Source: Data processed from BPJS Employment Office Medan City in 2023

Job training benefits are provided once during the JKP benefit period to beneficiaries who have yet to obtain a job and have received a recommendation from a job introducer or inter-work officer to attend job training. There are several provisions that workers must pay attention to while utilizing vocational training, namely that beneficiaries take part in vocational training according to the type and schedule of vocational training that has been selected and must complete the entire vocational training process; beneficiaries can look for work during the waiting period for vocational training to begin. However, if he/she

obtains a job during the waiting period, he/she is considered to have resigned from the vocational training. Suppose the beneficiary obtains a job during the vocational training. In that case, he/she can declare not to continue the vocational training and is entitled to receive a certificate of having carried out the vocational training. After completing the vocational training, the beneficiary can participate in the work competence certification. The Medan City Manpower Office conducts job training for laid-off workers by providing information through the SIDUTA application. Please see the following figure 2 for more details on the JKP Program process.

CONCLUSIONS AND RECOMMENDATIONS

Based on the research results, the implementation of the JKP Program on the suitability between the program and the beneficiaries is appropriate. The JKP program beneficiaries take advantage of the program if the workers are laid off by companies registered in the JKP program. BPJS Ketenagakerjaan will provide benefits that participants can receive for 24 months with a 12-month contribution period and pay consecutive contributions for three months. The regulation also stipulates that JKP participants must be registered as participants in all BPJamsostek programs, namely Work Accident Insurance (JKK), Old Age Insurance (JHT), Death Insurance (JKM), Pension Insurance (JP), and registered as participants in the National Health Insurance (JKN). Job loss insurance is a new scheme in employment insurance that does not reduce the benefits of various other social security programs and is an expansion of the national social security system program in protecting workers who lose their jobs due to layoffs.

Implementation of the Job Loss Guarantee Program by the implementing organization, namely between the Job Loss Guarantee Program and the implementing organization, which refers to the laws and regulations, namely Government Regulation Number 37 of 2021 concerning the Job Loss Guarantee Program, Law Number 40 of 2004 concerning the National Social Security System and Law Number 11 of 2020 concerning Job Creation. The Implementing Organization through the Government, namely the Medan City Government through the Manpower Office, provides recommendations to laid-off workers to get JKP Program benefits and forwards them to the BPJS Employment Office to get cash benefits.

They are implementing the JKP Program on the suitability between the beneficiary group and the beneficiary organization, namely between the laid-off workers and BPJS Ketenagakerjaan, to distribute cash according to their designation. Based on applicable laws and regulations. The City Government, through the Manpower Office, implements a Job Training program for Beneficiaries to take part in job training according to the type and schedule of job training that has been selected and must complete the entire job training process. Beneficiaries can look for work during the waiting period for the start of job training. After completing job training, beneficiaries can take part in work competency certification. In addition, the Government also provides information in the form of a Job Exchange with Job fair activities at the Kecamatan level for laid-off workers. In addition, it also adds labor market information that can be

accessed through the SIAPKerja application portal on the page <https://siapkerja.kemnaker.go.id/>

FURTHER STUDY

The focus of further research includes:

Optimizing Aid Delivery Mechanisms: Identifying opportunities to improve efficiency in aid delivery, ensure transparency, and reduce potential administrative barriers.

Local Economic Empowerment: Evaluating the extent to which the program can support local economic empowerment, with a focus on small and medium enterprises and cooperation with the private sector.

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