

**MINISTER OF MANPOWER
OF THE REPUBLIC OF INDONESIA**

May 6, 2020

To: All Governors in Indonesia

**CIRCULAR LETTER
MINISTER OF MANPOWER
OF THE REPUBLIC OF INDONESIA
NUMBER M/6/HL.00.01/V/2020**

**REGARDING
THE IMPLEMENTATION OF THE PROVISION OF RELIGIOUS HOLIDAY
ALLOWANCE FOR THE YEAR 2020 IN COMPANIES DURING THE CORONA VIRUS
DISEASE 2019 (COVID-19) PANDEMIC**

Taking into consideration the current economic condition as a result of the COVID-19 Pandemic, which affects the continuation of businesses, and taking into consideration the workers/laborers' needs of receiving Religious Holiday Allowance (THR) payment, a common understanding between entrepreneurs and workers/labors is necessary. In light of this, Governors are requested to:

1. Ensure that companies pay Religious THR to workers/laborers in accordance with the provisions of laws and regulations.
2. In the event companies are unable to pay Religious THR at the time as stipulated under the provisions of laws and regulations, the solution to such matter should be reached through a process of dialogue between the entrepreneurs and the workers/laborers. Such dialogue shall be conducted amicably and shall be based on a transparent internal financial statement of the company and good faith to reach an agreement. Through such dialogue several matters can be agreed, among others:
 - a. If the company is unable to pay the Religious THR in full at the time as stipulated under the provisions of laws and regulations, then the Religious THR may be paid in stages.
 - b. If the company is unable to make any payment of Religious THR at the time as stipulated under the provisions of laws and regulations, then the Religious THR payment may be postponed until a certain time as agreed.

- c. The timing and procedures for the imposition of fines for late payment of religious THR.
3. The agreement between entrepreneurs and workers/laborers as referred to in number 2 shall be reported by the company to the local Service Office that administers governmental matters on manpower.
4. The agreement on timing and procedures for Religious THR payment and fines does not dismiss companies' obligation to pay Religious THR and fines to workers/laborers in the amount as stipulated under the provisions of laws and regulations, and such Religious THR shall be paid in 2020.

Furthermore, for the purpose of having an effective implementation of Religious THR of 2020 payment, it is expected that:

1. Command Centers (Posko) for Religious THR of 2020 are formed in each province by taking into account the health procedures/protocols on the prevention of the transmission of the Corona Virus Disease 2019 (COVID-19);
2. This Circular Letter be conveyed to Regents/Mayors and other relevant stakeholders in your area.

In witness whereof, to be made as a guideline.

Minister of Manpower
of the Republic of Indonesia

(Signed and Stamped)

Ida Fauziyah

Forwarded to:

1. President of the Republic of Indonesia;
2. Vice President of the Republic of Indonesia;
3. Ministers in the Indonesia Maju Administration;
4. General Chairperson of National Entrepreneur Association of Indonesia Leaders Council;
5. Leaders of the Confederation of Labor Union/Labor Union.