

**MINISTER OF MANPOWER  
REPUBLIC OF INDONESIA**

To **Governors  
Throughout Indonesia**

**May 6<sup>th</sup>, 2020**

**CIRCULAR LETTER OF  
MINISTER OF MANPOWER OF THE REPUBLIC OF INDONESIA  
NUMBER M/6/HL.00.01/V/2020  
CONCERNING  
IMPLEMENTATION ON PROVIDING THE RELIGIOUS FESTIVITY  
ALLOWANCE YEAR 2020 IN THE COMPANY DURING CORONA VIRUS  
DISEASE 2019 (COVID-19) PANDEMIC**

Considering the current economic conditions as a result of the Covid-19 Pandemic which has an impact on business continuity and considering the needs of employees/workers on payment of Religious Festivity Allowance (“**THR**”), then it is required a common understanding between the employers and employees/workers.

In this regard, the Governors are required to:

1. Ensuring the companies to pay THR to employees/workers in accordance with the applicable law and provisions.
2. In case the company is unable to pay THR at the time which specified in accordance with the applicable law and provisions, the solution for such problem should be obtained through a dialogue process between the employer and employees/workers. The dialogue process is carried on a family basis, based on transparent internal company financial statements and good faith to reach a consensus. The dialogue can agree on several things, including:
  - a. If the company is unable to fully pay THR at the time which specified in accordance with applicable law and provisions, THR payment can be done gradually.
  - b. If the company is totally unable to pay THR at time which specified in accordance with the applicable law and provisions, then the payment of THR can be delayed until a certain agreed period.
  - c. Time and method on the fine’s imposition on payment delay of THR.

3. The consensus between the employer and the employees/workers as referred to in number 2 is reported by the company to the local Government Office Agency which held manpower affairs.
4. The consensus regarding the time and method of payment of THR and fines, does not eliminate the obligation of the employers to pay THR and fines to employees/workers in the amount in accordance with applicable law and regulations, and also paid in 2020.

Furthermore, to streamline the implementation of THR in 2020, it is expected:

1. Establish a THR Command Centre (2020) in each province by considering the health procedures/protocols for preventing transmission of Covid-19;
2. Deliver this circular to the Regent/Mayor and related stakeholders in your area.

Thus this Circular Letter, to be used as a guideline.

Minister of Manpower  
Republic of Indonesia,

**Ida Fauziah**

Cc:

1. President of the Republic of Indonesia;
2. Vice President of the Republic of Indonesia;
3. The Ministers of Cabinet of Indonesia Maju;
4. Chairman of the National Leadership Council of the Indonesian Employers' Association;
5. Chairman of the Confederation of Workers Unions/Labourers Unions.