

Unemployment Rate in South Sulawesi since the Global Crisis Pandemic

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Abstract:- The total workforce in August 2020 was 4,276,437 people, an increase of 21,063 people compared to August 2019. In contrast, the Labor Force Participation Rate decreased by 0.40 percentage points to 63.40 percent. In the past year, unemployment has increased by 73,038 people, in line with the Open Unemployment Rate which increased by 1.69 percentage points to 6.31 percent in August 2020. Judging from the level of education, the Open Unemployment Rate for Vocational High Schools is the highest among other education levels, which is 10.96 percent. The population in South Sulawesi who worked in August 2020 was 4,006,620 people, a decrease of 51,975 people since August 2019. The number of workers absorbed in the agricultural sector was 1,593,816 people or 39.78 percent of the total workers, while the trade sector absorbed a workforce of 715,327 people, or equal to 17.85 percent.

market (Madin, 2016). Based on the results of the National Work Unit since August 2020, the three jobs that have the most labor distribution in South Sulawesi Province are Agriculture, Forestry, and Fisheries at 39.78 percent. Wholesale and Retail Trade by 17.85 percent, and Processing Industry by 8.16 percent (Statistik. B.P. 2019).

The jobs that experienced an increase in contribution compared to August 2019 were Agriculture, Forestry, and Fisheries by 3.49 percentage points. Company services by 0.26 percentage points, and provision of accommodation and food and drink by 0.06 percentage points (Mustamin, 2015). Meanwhile, employment that experienced a decline was mainly in Government Administration, Defense and Compulsory Social Security by 0.78 percentage points, Construction by 0.73 percentage points, and Manufacturing Industry by 0.72 percentage points.

Keywords:- Unemployment Rate, South Sulawesi.

I. INTRODUCTION

A total of 2,573,172 (64.22 percent) of the population of South Sulawesi Province work in the informal sector. Over the past year (August 2019-August 2020), informal workers increased by 3.68 percentage points. There are 801,276 people affected by Covid-19 or 11.88 percent. It consists of 61,148 unemployed people due to Covid-19, not the Workforce because Covid-19 is 21,289 people. Meanwhile, there were 61,309 people who did not work because of Covid-19, and the population who were workers experienced a reduction in working hours because of Covid-19 as many as 657,530 people (BPS, 2020).

One form of absorption of the working-age population in the labor market is work, whereby working someone will earn or help obtain income, profit, and wages/salaries. The population who worked in August 2020 was 4,006.6 thousand people, a decrease compared to August 2019, which amounted to 4,058.6 thousand people (Tauri, 2017). To see the structure of the working population, its characteristics need to be considered. The characteristics of the working population will be presented based on the main occupation, main employment status, highest education attained, and the number of hours worked during the past week (Karim, A. 2020).

The composition of the working population according to the main occupation can describe the absorption of each sector of the total population working in the Indonesian labor

II. METHODOLOGY

This research uses the descriptive method, descriptive is one of the research methods by means of observation via the internet and books, which can provide actual and contextual facts. The data obtained only applies to the place, time, and conditions of the study. In conducting this research, the writer used the observation method by reading, taking notes, and seeing the situation directly or from electronic media news. Besides, the writer also got this information via the internet.

The population is all data that becomes our research within the scope and time we specify. The population can relate to data not only humans. The population taken in this study is all data reports on economic growth, unemployment, and poverty from the central statistics agency. The sample is part of a subject or object that represents the population. The sample in the study is data on both subjects and objects published by the central statistics agency by taking samples of economic growth, unemployment, and poverty data published in 2020.

III. RESULT AND DISCUSSION

A. Result

3.1. Population age and workforce

The working-age population is all people aged 15 years and over. At this age, they have the potential to enter the labor force and the labor market. The working-age population has increased from 6,669.9 thousand people in August 2019 to 6,744.9 thousand people in August 2020. The working-age population has an increasing trend in line with the increasing

population in Indonesia. Most of the working-age population, namely 63.40 percent or 4,276.4 thousand people, are in the

labor force, consisting of 4,006.6 thousand people working and 269.8 thousand unemployed.

Table 1. Population age and workforce

Employment status	August 2019 (thousand people)	August 2020 (thousand people)	Change August 2019 – August 2020 (thousand people)
Working age population	6,666.9	6,744.9	75.0
Workforce	4,255.4	4,276.4	21.1
Work	4,058.6	4,006.6	-52.0
Unemployment	196.8	269.8	73.0
Not the workforce	2,414.5	2,468.5	54.0
	Percent	Percent	Percent of points
Open unemployment rate	4.62	6.31	1.69
Urban	7.27	10.39	3.12
Rural area	2.68	3.33	0.66
Labor force participation rate	63.80	63.40	-0.40
Male	81.72	79.66	-2.06
Female	47.01	48.16	1.15

Source: Central Statistics Agency of South Sulawesi Province, 2020 (processed).

The number of the labor force in August 2020 increased by 21.1 thousand people compared to August 2019. In August 2020 the Labor Force Participation Rate decreased to 63.40 percent August 2020 compared to August 2019 which was 63.80 percent. A decrease in the participation rate of the labor force indicates that there has been a decrease in the working-age population who are active in the labor market both as working residents and as unemployed.

Based on gender, there are differences in the pattern of the August 2020 Labor Force Participation Rate. In the previous period, the increase in the Labor Force Participation Rate was more contributed by the increase in the Participation Rate of the male Labor Force. In August 2020, the increase in the Labor Force Participation Rate was contributed by an increase in the Women's Labor Force Participation Rate by 1.15 percentage points. Meanwhile, the male labor force participation rate decreased by 2.06 percentage points.

3.2. The population of South Sulawesi Province by the main occupation

Based on their main employment status, the population working as laborers and employees in August 2020 still

dominates the composition of the workforce in Indonesia, namely 32.56 percent. However, the highest decrease was 3.29 percentage points compared to August 2019. Meanwhile, the main job status that experienced the highest increase was family workers / unpaid workers who increased by 3.09 percentage points and trying to be assisted by temporary laborers increased by 1.61 percentage points.

Based on the main employment status, the working population can be categorized into formal and informal activities. Residents who work in formal activities include those who run businesses with the help of permanent workers and laborers/employees/employees, while the rest are categorized as informal activities (self-employed, trying to be assisted by temporary/unpaid laborers, casual workers, and family / unpaid workers).

In August 2020, the population working in informal activities was 2,573.2 thousand people or 64.22 percent, while those working in formal activities were 1,433.4 thousand people or 35.78 percent. The population working in informal activities in August 2020 increased by 3.67 percentage points compared to August 2019.

Table 2. Percentage of the main employment status of the population in South Sulawesi Province (August 2019 - August 2020)

Main types of work	August 2019 (%)	August 2020 (%)
Workers and employees	35.85	32.56
Go it along	22.68	21.18
Temporary workers	17.97	19.58
Family worker / unpaid	14.10	17.19
Casual labor on the farm	2.86	3.33
Permanent worker	3.60	3.21
Casual non-agricultural workers	2.62	2.95

Source: Central Statistics Agency of South Sulawesi Province, 2020 (processed).

Meanwhile, as a percentage, the main activities are divided into 2 main activities for the population of South Sulawesi Province, namely formal and informal sector activities. In the formal sector since August 2019, it was

39.45 percent and in August 2020 it was 35.78 percent. Meanwhile, the informal sector activities since August 2019 amounted to 60.55 percent and August 2020 amounted to 64.22 percent.

B. Discussion

3.1. Open unemployment rate based on gender

The Open Unemployment Rate is an indicator used to measure labor that is not absorbed by business fields in the labor market and illustrates the underutilization of the labor supply. The Open Unemployment Rate also reflects the ability of the labor market economy which has not been able to create jobs for those who want to work but do not get it.

The Open Unemployment Rate as a result of the Central Statistics Agency of South Sulawesi Province since August 2020 was 6.31 percent. This means that out of 100 people in the workforce, there are around 6 unemployed. In August 2020, the value of the Open Unemployment Rate experienced a significant increase, namely by 1.69 percentage points compared to August 2019.

Table 3. The trend of open unemployment rate in South Sulawesi Province according to gender

Gender	August 2019 (total percentage)	August 2020 (total percentage)
Male	4,56 %	6,68 %
Female	4,73 %	4,74 %

Source: Central Statistics Agency of South Sulawesi Province, 2020 (processed).

Open Unemployment Rate, men are generally higher than women. In August 2020, the men's Open Unemployment Rate was 6.68 percent, higher than the women's Open Unemployment Rate of 5.74 percent. Compared to August 2019, the men's Open Unemployment Rate increased by 2.12 percent, higher than that of women by 1.01 percent.

3.2. Global Pandemic Crisis and Employment in South Sulawesi Province

With the Global Covid-19 Pandemic Crisis, not only health problems have arisen, but all aspects of life have been affected, including the economy. The economy began to decline since the implementation of activity restrictions. This can be seen from the economic growth which continued to

decline in the third quarter of 2020. This decline also had an impact on labor dynamics in Indonesia. Not only unemployment but other working-age residents have also been affected by the Covid-19 pandemic.

The working-age population affected by Covid-19 is grouped into four components, namely a) Unemployed; b) It is not the workforce that has stopped working in February-August 2020; c) Residents who work with temporary status do not work, and d) working residents who experience reduced working hours. Conditions c) and d) are the impact of the Covid-19 pandemic felt by those who are currently still working, while conditions a) and b) are the impact of the Covid-19 pandemic for those who stop working.

Table 4. Impact of Covid-19 on Population in South Sulawesi Province working-age based on gender and area of residence since August 2020

Component	Gender		Residential area		Total (thousand people)
	Male (thousand people)	Female (thousand people)	Urban (thousand people)	Rural area (thousand people)	
Unemployment due to Covid-19	38.7	22.5	48.0	13.2	62.2
Not the workforce because of Covid-19	7.3	14.0	12.6	8.7	21.3
While not working because of Covid-19	32.8	28.5	38.4	23.0	61.3
Working residents who have experienced reduced working hours due to Covid-19	381.1	276.5	386.1	271.4	657.5
Total	459.8	341.5	485.1	316.2	801.3
Working-age population	3,2642	3,480.7	3,003.2	3,741.7	6,744.9
Percentage of the working-age population	14.09	9.81	16.15	8.45	11.88

Source: Central Statistics Agency of South Sulawesi Province, 2020 (processed).

In the table above, it can be seen that of the working-age population of 6,744.9 thousand people, there are 801.3 thousand people affected by Covid-19 or 11.9 percent. In total, the number of men affected by Covid-19 was nearly 1.3 times greater than that of women. The affected working-age population in urban areas is 16.15 percent, much higher than in rural areas, namely 8.45 percent.

IV. CONCLUSION

South Sulawesi Province recorded the total workforce in August 2020 as many as 4,276,437 people, an increase of 21,063 people compared to August 2019. In August 2020 the working population was 4,006,620 people but has decreased or decreased by 51,975 people since August 2019.

The number of workers absorbed in the agricultural sector 1,593,816 people or 39.78 percent of the total workers, while the trade sector absorbed 715,327 workers or 17.85 percent. Meanwhile, 2,573,172 or 64.22 percent of the population work in the informal sector. During the year recorded from August 2019 to August 2020, informal workers increased by 3.68 percent.

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