ANALYSIS OF THE IMPACT OF COVID-19 ON INCREASING LABOR INCOME IN EAST JAWA

Kukuh Arisetyawan1, M. Pudjihardjo2, Lifya Fillahi Attaqi3, Natasya Aditya Putri4, Rina Dwi Maharatni5

1 Universitas Negeri Surabaya, Surabaya, Jawa Timur, Indonesia
2 Universitas Brawijaya, Malang, Jawa Timur, Indonesia
3 Universitas Brawijaya, Malang, Jawa Timur, Indonesia
4 Universitas Brawijaya, Malang, Jawa Timur, Indonesia
5 Badan Perencanaan Pembangunan, Penelitian, dan Pengembangan Daerah Kab. Pasuruan, Indonesia

ABSTRACT

The Covid-19 pandemic has forced the Government to set a large-scale social restriction policy. This policy impacts all areas of life, including economic growth and employment in East Java, especially income sustainability. This study aimed to identify the influence of sociodemography on the increase in worker income during the Covid-19 period in East Java. The data from this study is secondary data from the results of SAKERNAS 2020 obtained from BPS. The data were analyzed using the Multiple Regression Analysis methods. The results of this study indicate that the dependent variable, Covid, Gender, Age, Working Hours, Work From Home, Internet, Promotion, Formal Sector, and transactions significantly affect workers' income during the pandemic. In contrast, the dependent variable communication does not substantially affect workers' pay during the pandemic.

Keywords: Covid - 19, Income, Labor, Formal Sector, Work From Home
INTRODUCTION

The Covid-19 pandemic has forced the Government to issue a policy regarding restrictions on community activities in several areas called Large-Scale Social Restrictions (PSBB). This policy has a significant impact on some people’s lives which causes community activities that are usually carried out outside the home to be forced to do at home (Work From Home), both social activities to economic activities, in addition to restrictions on cultural and religious events, restrictions on transportation mode activities, events on the spot. Open and close the workplace and other activities. Furthermore, due to the Covid-19 pandemic, many companies have inevitably decided to take extreme steps to survive in the business sector to streamline losses due to the pandemic, such as facilitating the number of workers and causing layoffs for workers. This condition certainly has a comprehensive impact, especially on the socio-economic conditions of the workers, the continuation of their work, and the decline in their income.

In this regard, Covid-19 was the cause in 2020. Around 25 million jobs in the world have been lost, which has been predicted by the International Labor Organization (ILO) (ILO, 2020a). Furthermore, in the second quarter of 2020, the ILO estimates that all workers worldwide have a decrease in working hours of 10.5%, equivalent to 305 million full-time workers assuming 48 hours of work in one week (ILO, 2020c). Therefore, the LIPI Population Research Center, in collaboration with the Demographic Institute of the University of Indonesia (LD-UI) and the Research and Development Agency of the Ministry of Manpower, conducted an online survey on the effects of the Covid-19 pandemic on workers, which was carried out in April and May 2020. The sample of the workforce who participated in the survey was 1,112 office and private workers (Meilianna & Purba, 2020).
Tabel I Layoffs and Changes in Labor/Employee/Employee Income by Gender, Age, and Employment in Indonesia, April-May 2020

<table>
<thead>
<tr>
<th>Kategori</th>
<th>PHK (%)</th>
<th>Perubahan pendapatan (%)</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Tanpa pesangon</td>
<td>Dengan pesangon</td>
</tr>
<tr>
<td>Total</td>
<td>15.6</td>
<td>13.8</td>
<td>1.8</td>
</tr>
<tr>
<td>Jenis Kelamin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Laki-laki</td>
<td>16.7</td>
<td>2.8</td>
<td>13.9</td>
</tr>
<tr>
<td>Perempuan</td>
<td>14.2</td>
<td>0.6</td>
<td>13.6</td>
</tr>
<tr>
<td>Usia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15-24</td>
<td>34.5</td>
<td>1.1</td>
<td>33.5</td>
</tr>
<tr>
<td>25-34</td>
<td>13.8</td>
<td>2.1</td>
<td>11.7</td>
</tr>
<tr>
<td>35-44</td>
<td>13.7</td>
<td>2.1</td>
<td>11.7</td>
</tr>
<tr>
<td>45-54</td>
<td>16.2</td>
<td>0.9</td>
<td>15.3</td>
</tr>
<tr>
<td>55-64</td>
<td>7.4</td>
<td>2.9</td>
<td>4.5</td>
</tr>
<tr>
<td>65+</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Jenis jenak/pekerjaan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kepemimpinan dan ketatalaksanaan</td>
<td>10.3</td>
<td>2.8</td>
<td>7.5</td>
</tr>
<tr>
<td>Profesional, teknisi dan yang sejenis</td>
<td>7.9</td>
<td>2.7</td>
<td>16.8</td>
</tr>
<tr>
<td>Produsen, operator alat angkutan dan pekerja kasar</td>
<td>19.5</td>
<td>1.1</td>
<td>6.8</td>
</tr>
<tr>
<td>Tata usaha dan yang sejenis</td>
<td>15.6</td>
<td>0.4</td>
<td>15.2</td>
</tr>
<tr>
<td>Usaha jasa</td>
<td>28.3</td>
<td>2.7</td>
<td>25.5</td>
</tr>
<tr>
<td>Usaha penjualan</td>
<td>26.4</td>
<td>2.9</td>
<td>23.5</td>
</tr>
<tr>
<td>Usaha pertanian, kelautan, pertanian, dan perikanan</td>
<td>9</td>
<td>0</td>
<td>9</td>
</tr>
</tbody>
</table>

Sourced: Meilianna & Purba, 2020

Based on the results of the survey in Table 1 above, it can be seen that there was a wave-current in Termination of Employment as well as declining income from written workers that occurred during the PSBB policy. This shows the impact of Covid-19, in which the sudden economic disruption not only destroys socio-economic life but also has a significant effect because it creates fluctuations in supply and demand in almost all business sectors. But, on the other hand, the Covid-19 pandemic also substantially impacts the decline in the income of workers who are not laid off (Ozili & Arun, 2020).

The business sectors and workers affected by Covid-19 have different levels of impact. (Dcode, 2020) in (Meilianna & Purba, 2020) predicts the potential for several sectors to lose and become winners in the short term due to the Covid-19 pandemic. Sectors that have the potential to win, such as medical services, food production and trade, e-commerce, and information and communication technology, are the impact of government policies that require the public to be faced with various new activity patterns to carry out all their activities at home, resulting in a drastic increase in the need for internet in Indonesia. Homes will use digital technology.
The policies that have been made by the Government, of course, each company has a variety of responses. However, many companies do not want the additional losses that can arise if the company does not decide to WFH (Work From Home). On the other hand, the company experienced a drastic increase in operational costs because it had to incur additional expenses in providing infrastructure to lay off all employees so that its operating activities continued to run perfectly. This also automatically impacted the communication side of employees who had to undergo WFH. At least for meeting activities, weekly meetings and reporting on target achievements are carried out online or online with the help of the Zoom/Google Meeting application. This pandemic condition forces many sectors of life to adjust and adapt to their new activities when government policies require people to carry out all their activities from home or WFH.

Implementing the WFH policy has several advantages and disadvantages that can be seen from three fields: the economic, the technology, and the social. Where in the financial area, workers get many benefits such as not being fixated on working hours or having free working hours, efficiency in terms of transportation such as saving on fuel costs; avoiding traffic jams when going to the office; saving travel time, then other benefits such as preventing office politics so that it adds a sense of enthusiasm, commitment, and satisfaction at work. Then in the technology field, workers get benefits such as easy exchange of information between workers across offices and easy access to information that can be used as work support facilities that come from various points of view with a broader range of course.

However, the implementation of the WFH policy also poses challenges for workers, especially in terms of technology. For example, the internet network owned by each worker at home does not have to be the same. Sometimes several residential areas have minimal internet network quality, supporting facilities, minimal work, insecure company data, the occurrence of work results that are less than optimal because they cannot meet face to face with the parties concerned, and the emergence of the urban sprawl phenomenon.

This makes an organization's information system change. The most obvious challenge from the act of virtual communication is the challenge in the stability of the internet signal that is owned. If viewed more broadly then from the supporting communication system, namely the internet, it is very much needed at this moment of a pandemic. Not a few of the employees are constrained by this internet signal. Both in terms of spending more to get the quota package and the stability factor of the internet itself. It is known that the internet reaches not all parts of the region in Indonesia with a stable network.

On the other hand, many employees have to get used to communicating virtually. It has been mentioned above that virtual communication also has many obstacles. An organization's information system, which is usually carried out directly, must turn into a virtual communication pattern, bringing its challenges that are still looking for the best solution.
Technology is one of the main supports during the Covid-19 pandemic for the company's operational activities to run smoothly. The model of working using communication technology or commonly referred to as Teleworking or Telecommuting, is used by the company in the interest of granting permission for all its workers who have a stake in accessing company data which can be done outside the company office. This activity certainly has a goal, namely in maintaining the workforce’s security, safety, and health so that they remain productive and can complete their respective jobs even though they are not working in the office area. This working model forces workers to change their work.

WFH's policy that utilizes Telecommuting has proven to provide more time for workers, which can be used for refreshing, for example enjoying time with family, saving on work completion, and doing other activities that can increase income. (Magnusson, 2019) it is different when the workforce works in the office. Of course, they cannot take advantage of the free time for refreshing. Research (Efni, 2015) (Cahya, Rahayu, & Prasastiningrum, 2021) shows that working hours have a positive and significant influence on labor productivity and concludes that the higher the working hours a worker has, the higher the working hours. The productivity of the workforce, and vice versa. Because during WFH, working hours tend to be efficient and sometimes even more efficient because we only do our work at home, and gradually the workforce will adapt and follow the WFH lifestyle, which tends to be more productive than before in the office.

Based on the description above, the Covid-19 pandemic that has attacked the world has had a relatively significant impact, especially in every field of life, including economic and labor growth in East Java, especially on income sustainability. So it is necessary to know the socio-demographic influence on the increase in workers' income during Covid-19 in East Java.

**RESEARCH METHOD**

This study uses a quantitative approach with secondary data support. The data used is the result of National Labor Force Survey (SAKERNAS) 2020 obtained from Central Bureau Of Statistics (BPS). This study analyzes the impact of Covid-19 on increasing labor income in Indonesia using the Multiple Regression Analysis methods.

Multiple regression analysis is a statistical analysis that connects two or more independent variables with the dependent variable Y. The results of calculations in various linear regression will produce answers to the hypothesis statement and see the magnitude of the influence value of all independent variables on the dependent variable (Digdowiseiso, 2017).
Tabel II Definision Operational Variable

<table>
<thead>
<tr>
<th>Variable Type</th>
<th>Variable Name</th>
<th>Measurement Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent Variable</td>
<td>LN_Pendapatan</td>
<td>Natural Logarithm of Income</td>
</tr>
<tr>
<td></td>
<td>WFH</td>
<td>1 = WFH 0 = WFO</td>
</tr>
<tr>
<td></td>
<td>Covid-19</td>
<td>1 = Affected by Covid – 19 0 = Not Affected by Covid - 19</td>
</tr>
<tr>
<td></td>
<td>Formal</td>
<td>1 = Formal Sector Jobs 0 = Informal Sector Jobs</td>
</tr>
<tr>
<td></td>
<td>Promotion</td>
<td>1 = Use of internet for promotion 0 = No</td>
</tr>
<tr>
<td></td>
<td>Transaction</td>
<td>1 = use of internet for transaction 0 = No</td>
</tr>
<tr>
<td></td>
<td>Communication</td>
<td>1 = Yes There is Communication 0 = No</td>
</tr>
<tr>
<td></td>
<td>Working Hours</td>
<td>Based on Labor Hours</td>
</tr>
<tr>
<td></td>
<td>Internet</td>
<td>1 = Work Using The Internet 0 = No</td>
</tr>
<tr>
<td></td>
<td>Age</td>
<td>Based on The Age of The Labor</td>
</tr>
<tr>
<td></td>
<td>Sex</td>
<td>1 = Man 0 = Woman</td>
</tr>
</tbody>
</table>

Sourced: Author (2022)

In general, the multiple regression model is as follows:

\[ Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + b_5 X_5 + b_6 X_6 + b_7 X_7 + b_8 X_8 + b_9 X_9 + b_{10} X_{10} + e \]

Keterangan:
- \( Y \) = Dependent
- \( a \) = Constant value
- \( X_1 \) = WFH
- \( X_2 \) = Covid-19
- \( X_3 \) = Formal
- \( X_4 \) = Promotion
- \( X_5 \) = Transaction
- \( X_6 \) = Communication
- \( X_7 \) = Office Hours
- \( X_8 \) = Internet
- \( X_9 \) = Age
- \( X_{10} \) = Gender
- \( b_n \) = Regression coefficient value
- \( e \) = error
RESULT AND DISCUSSION

Based on the calculation results of Multiple Linear Regression Analysis, the following results are obtained:

Tabel 3.2 Multiple Linear Regression Results

<table>
<thead>
<tr>
<th></th>
<th>Coef.</th>
<th>St.Err.</th>
<th>t-value</th>
<th>p-value</th>
<th>[95% Conf Interval]</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Covid</td>
<td>-.08</td>
<td>.016</td>
<td>-4.85</td>
<td>0</td>
<td>-.112</td>
<td>-.048</td>
</tr>
<tr>
<td>Gender</td>
<td>.427</td>
<td>.009</td>
<td>45.62</td>
<td>0</td>
<td>.408</td>
<td>.445</td>
</tr>
<tr>
<td>Age</td>
<td>.003</td>
<td>0</td>
<td>9.84</td>
<td>0</td>
<td>.003</td>
<td>.004</td>
</tr>
<tr>
<td>Working hours</td>
<td>.014</td>
<td>0</td>
<td>54.63</td>
<td>0</td>
<td>.013</td>
<td>.014</td>
</tr>
<tr>
<td>Work From Home</td>
<td>.205</td>
<td>.017</td>
<td>12.11</td>
<td>0</td>
<td>.172</td>
<td>.238</td>
</tr>
<tr>
<td>Internet</td>
<td>.325</td>
<td>.061</td>
<td>5.37</td>
<td>0</td>
<td>.207</td>
<td>.444</td>
</tr>
<tr>
<td>Promotion</td>
<td>-.092</td>
<td>.019</td>
<td>-4.90</td>
<td>0</td>
<td>-.129</td>
<td>-.055</td>
</tr>
<tr>
<td>formal</td>
<td>.377</td>
<td>.01</td>
<td>38.12</td>
<td>0</td>
<td>.357</td>
<td>.396</td>
</tr>
<tr>
<td>Transaction</td>
<td>.204</td>
<td>.019</td>
<td>10.52</td>
<td>0</td>
<td>.166</td>
<td>.243</td>
</tr>
<tr>
<td>Communication</td>
<td>.052</td>
<td>.06</td>
<td>0.86</td>
<td>.39</td>
<td>-.066</td>
<td>.17</td>
</tr>
<tr>
<td>Constant</td>
<td>12.757</td>
<td>.022</td>
<td>572.7</td>
<td>0</td>
<td>12.714</td>
<td>12.801</td>
</tr>
</tbody>
</table>

Mean dependent var 14.088  SD dependent var 0.912
R-squared 0.270  Number of obs 30554
F-test 1127.491  Prob > F 0.000
Akaike crit. (AIC) 71525.999  Bayesian crit. (BIC) 71617.599

*** p<.01, ** p<.05, * p<.1
Sumber: Penulis (2022)

Based on the test results using multiple linear regression analysis shown in the table above. So it can be concluded that almost all independent variables are significant to the dependent variable. Furthermore, it can be seen that variables such as covid, gender, age, working hours, WFH, internet, promotion, formal, and transactions simultaneously have a probability value below 0.05. So it can be concluded that the nine independent variables are significant to the individual income level. At the same time, the independent variable communication is not substantial to income because it has a probability value of 0.86 or greater than the significance value of 0.05. So the
relationship between communication and income variables still requires further research.

More clearly, the analysis of the independent relationship to the dependent variable is explained in more detail as follows:

1. Individuals Affected by Covid-19

The test results show that individuals affected by Covid-19 have a 0.08% reduction in income than individuals who are not affected by Covid-19. The pandemic causes shocks to the health sector and directly impacts the economy. There is a strategy of social distancing (social distancing), which is the only strategy to reduce the number of virus spreads. This policy impacts the economic crisis, which is indicated by the fact that Indonesia’s economic growth rate in 2020 experienced a significant decline compared to the previous year (Central Bureau of Statistics, 2020).

The decline in economic growth was due to limited economic activities such as transactions and distribution of goods. The limitations of carrying out economic activities have caused many companies to suffer losses due to the decline in people's purchasing power. So that many companies affected by the pandemic have been forced to maintain a balance in their balance sheets by carrying out Termination of Employment (PHK) to several employees who are considered to be able to replace their energy with machines (Fiscal Policy Agency, 2021). So that the pandemic began to have an impact on the labor market, causing a decrease in income which triggered an increase in poverty, this condition is aimed at data showing an increase in the poverty rate due to the pandemic in East Java Province in 2020 from the previous year to 11.46% (BPS East Java, 2021).

The above thinking can be the basis of the test results showing that the pandemic can impact decreasing income due to covid 19. This could have happened because most of the study's respondents were vulnerable to the impact of the pandemic, such as small traders, daily workers, and workers in the industrial sector. Informal. So that during the pandemic, they became temporarily unemployed, turned to looking for other jobs, and did not have life insurance (Maleh, Saluz, & Setiawan, 2021; Mulyanti & Vionesta).

2. Gender on Increasing Labor Income

The test results show that male individuals have an impact on increasing income by 0.43% more than female individuals. These results can be related to the theory of gender inequality. The gap here is the difference in conditions between men and women, which can be seen from the difference in their ability to participate in political, legal, economic, socio-cultural, educational, and defense activities, as well as similarities in enjoying the results of development (Hubies & Vitayala, 2010). This inequality can be seen from differences in many possible dimensions, including worker education, experience, and occupation (Ortiz-Ospina & Roser, 2019).

Gender inequality still occurs in all aspects of life in Indonesia, and there are still gaps in achieving the benefits of development outcomes for women against men related to basic human needs for work, education, and health (Sitorus, 2016). Male individuals are considered as individuals who are more capable of being responsible for meeting economic needs than female individuals. Several studies have shown that men are more productive, have higher abilities, and work longer hours than women (Ministry of Women's Empowerment and Child Protection, 2016). The same study shows that women are more threatened by the impact of the COVID-19 pandemic, such as losing...
their jobs and income, compared to men. The study results show significant results that perhaps most of the respondents are female individuals who primarily work in sectors most affected by the COVID-19 pandemic, such as the accommodation sector, the food industry, and retail (Azizah, 2022).

3. The Effect of Age on Increasing Labor Income

The increasing age of the individual will increase income by 0.003%. Age is one of the factors that affect pay. Individuals will reach productive ages ranging from 15-64 years, which is the ideal age for workers. In general, as you get older, your income will increase. But it all depends on the type of work being done. This is related to advancing age, the stronger a person's physical strength in carrying out activities, until the individual passes the productive period, the physical strength and productivity will decrease, followed by a decrease in income (Putri & Setiawina, 2013).

Increasing age is also related to the increasing knowledge and skills of individuals. Where work skills can increase production or carry out a job with good quality in a fast time. Skills are usually closely related to the individual's length of time to practice or study (Viani, 2019). This means that individuals of mature or productive age tend to have high productivity and expertise. The Human Capital Quality Theory says that productivity is seen from the capacity of knowledge, skills, and abilities possessed by a person, both innate talent and educational outcomes (Ridha, 2017).

Based on the results and theory and significant results indicate that age affects increasing income. These results can occur because individuals who are of a productive age tend to be able to survive to adjust to conditions during the pandemic. Skills and skills are one factor that become capital for individuals to remain productive during the pandemic (Widjaja, Ashadi, & Cornellia, 2021).

4. The Effect of Working Hours on Increasing Labor Income

The more individual hours worked will increase the income by 0.014%. Working hours are related to a person's ability to complete his work. Dewi and Saskara (2020) stated in their research that individuals who can complete work quickly would tend to have more time for other work, and more income will be obtained. Meanwhile, Sumarsono (2009) said that the more time used for employment, the more productivity would increase, which will increase revenue.

The COVID-19 pandemic has impacted changes in the work environment, including changes in working hours. Due to reduced production, companies tend to reduce employee working hours during the pandemic. However, the study results show that working hours have the effect of increasing income during the pandemic. This can happen because individuals spend much of their time working formally to find other income through freelance work or daily work and selling online to keep earning income or increase revenue during the pandemic (Gustika, Suharmiyati, & Corrina, 2021).

5. The Effect of Work From Home on Increasing Labor Income

Individuals who apply for WFH work, their income increases by 0.205% compared to those who do not work WFH. Working at home or Work From Home is one of the appeals given by the Government to the community in line with steps to reduce
the spread of Covid-19 Work carried out by WFH can increase income because workers with WFH can reduce operational costs for both employees and companies. For example, employees do not need to pay for eating out or going to the office. Meanwhile, companies can save workers costs such as electricity, internet, and lunch costs. Working with WFH can also increase productivity so that a work-life balance is achieved, which is a balance in allocating time to carry out daily activities and time to work.

WFH has become a new habit of doing office work online using voice calls, chat or text messenger media, and audio/video conference calls that can be done anywhere and anytime. This means that the working hours of employees become more flexible. The study results show that WFH increases income more than when individuals work in offices. This can happen because, with WFH, individuals can carry out other activities, including looking for additional income outside of office work. Further research also shows that working at home tends not to experience many obstacles when compared to working in the office so that individuals can maintain their productivity at work (Widjaja, Ashadi, & Cornellia, 2021).

6. The Effect of Internet Access on Increasing Labor Income

Individuals whose jobs use the internet have an increase of 0.325% compared to individuals whose jobs do not use the internet. Covid-19 has had a significant impact on all of our lives. There are positive impacts as well as negative impacts. Because the spread of this virus is straightforward and does not feel because when we do activities without realizing it, we may catch the virus and get infected. The Government also carried out social restrictions to reduce the surge in positive cases of Covid-19. All people carried out activities at home, from work to shopping. Due to social restrictions, people start shopping using and using the internet to reduce physical contact with sellers. Of course, there will be many impacts on the community and sellers on social media (Hasanudin, 2021). During the implementation, the limitation of outdoor community activities has become a condition that has proven to have a major is significant work force’s income force. Strict outdoor activities restrictions are why people turn to digital activities such as selling and promoting through social media platforms, transactions, communication, and normal work.

Individuals who use the internet to carry out promotional activities will experience a decrease in income by 0.092% than those who do not use the internet. Due to the pandemic, most of the activities are done online. This is related to the conditions that force most individuals to carry out online activities, including buying and selling an item. Many sellers are promoting goods through various social media using the internet to increase their income. However, research results show that the pandemic presents difficulties, including obtaining internet access. Not all households have access to the internet, and most of these families are low-income families or are vulnerable to the impact of the Covid-19 pandemic. Research shows that the internet is a barrier because it is too expensive for low-income residents or households. So promotion through the internet is not a solution to overcome the decline in income due to the pandemic (Swenson & Ghertner, 2020). Buying and selling activities that are carried out directly on the spot have to be carried out through electronic media due to government policies amid the Covid-19 pandemic. This inevitably makes people have to increase their knowledge about digital literacy and make the internet the main facility in supporting selling activities. This habit makes people, especially the lower middle class, become
restless and experience cultural shock. It also affects MSME actors who sell offline. Of course, they experience losses because buyers are reluctant to leave the house for fear of being infected with the Coronavirus and prefer to shop online (Ramadan Indrawari). , Ridwan, 2021).

Individuals who use the internet for transaction activities increase their income by 0.204% more than individuals who do not use the internet for transaction activity Ah a pandemic like t it has changed the pattern of people's lives in transactions using non-cash internet payments to avoid the spread of COVID-19. Currently, non-cash payments price some a trend in urban and rural areas. This digital wallet payment is expected to minimize the risk of contracting the virus in cash, credit cards, and human hands, both the recipient and the giver of the currency. The various benefits that electronic money offers can attract people's interest join using electronic money. E-money is considered more practical and easy to use than cash. By offering multiple facilities that the community feels, the public's interest in using electronic money is increasing. The conveniences provided by e-money are very much like, easy to carry and not complicated when used. The features offered in e-money greatly facilitate users in daily transaction activities. These various facilities will later be considered for people to switch from paper money to electronic money (Rohmah & Tristiarini, 2021).

7. The Influence of the Employment Sector on Increasing Labor Income

Individuals who have jobs in the formal sector have an increased income of 0.77% than individuals who work in the informal sector. As a capital-intensive sector, the legal industry supports the Indonesian economy, where its contribution to economic growth is more significant than the informal sector. In addition, the formal sector is also relatively safe or not vulnerable to closure due to the substantial capital owned. legalormal sector is a business organized, registered, and protected by the Government, or there is an evident working bond between the owner and the workforce.

Good business management and a competent workforce in the formal sector lead to higher business productivity in the formal sector than in the informal sector. The formal sector is also synonymous with medium and large-scale enterprises, as well as the informal sector which is identified with micro and small-scale enterprises. (Dewi, Magdalena, Ariska, Setiyawati, & Rumboirusi, 2020). In contrast to informal workers whose income is uncertain, formal sector workers have guaranteed wages, especially during the Covid-19 pandemic.

CONCLUSION AND RECOMMENDATIONS

1. Conclusion

All variables in this study affect the level of labor income, except for the communication variable. there is something interesting here, namely the use of the internet for promotional activities has resulted in a decrease in income. this is due to the limited information and digital literacy they have. The limitations of information and digital literacy make it not focus on the market that will be targeted to sell its products. And those who are usually like that are new players who are venturing into digital, especially because of the COVID-19 pandemic case which does not allow direct contact. Workers who have been affected by COVID-19 also feel that the income they receive has decreased. The change in work patterns from previously working from the office to
working from home opens up opportunities to increase working hours outside office hours and opens opportunities to find other income to increase basic income from the wages he receives at the office.

2. Recommendations

Recommendations that can be given to the results of this research are that in the short term the government as a policy maker must provide compensation in the form of additional income and food consumption assistance to informal workers and workers who have been laid off due to the COVID-19 pandemic so that the resilience of their families is maintained. In addition, it can be used as capital to find new jobs that are relevant to the conditions of the covid-19 pandemic. In the long term, informal workers and laid-off workers are given certain skills training and provided distribution of workers who have been given certain skills training to companies in need. Thus, the role of the Government is to become a bridge over the availability of job opportunities in the job market.

The next suggestion is to accelerate digitalization in all aspects, including workers and MSMEs who are not yet technology literate, including digital literacy and digital skills. Because of the covid pandemic. - 19 This teaches us that to avoid direct face-to-face access, the intermediary is a digital application that can connect individuals in need.

REFERENCES


