



The Use of Non-cash Payment Methods During The National Economic Recovery

Bambang Budiarto^(✉)

University of Surabaya, Surabaya, Indonesia

bebebud2015@gmail.com

Abstract. This study aims to determine the proportion ratio between people who have more income and sufficient income when using a non-cash payment method. The division of two groups of people's income is based on The Regulation of the Minister of Manpower of the Republic of Indonesia No. 14 of 2020. People with more income have incomes above IDR 5,000,000 per month. People with sufficient income have incomes below IDR 5,000,000 per month. The government assists IDR 600,000 per month to people with sufficient income. By using $\alpha = 5\%$, based on the results of measuring proportion, it is known that Zvalue (1.64069) is smaller than Ztable (1.96) then the H_0 value cannot be rejected. This means that the proportion ratio between people with more income and sufficient income when using a non-cash payment method is the same.

Keywords: proportion · no-cash · more income · sufficient income

1 Introduction

Along with technological developments and the development of people's behavior in transactions, followed by the development of banking, payments can be made in cash and non-cash. The government continues to promote non-cash payments through banking and other media activities. People are slowly but surely starting to like non-cash payment methods [1]. At the basic concept level, there are two non-cash payment instruments; electronic card-based and paper-based. Each has different properties, functions, and benefits. In general, the benefits of using non-cash payment instruments are as follows [2]. Transactions and services can be carried out faster, both for those who pay and those who receive payments. Possess a high level of security; this fact can occur because people do not hold money in real terms. The risk of fraud is lower than in cash transactions, although a new pattern of fraud with non-cash payment methods is also emerging. The financial management model becomes better and easier. Prevent bigger losses when making transactions. Every form of expenditure, financing and transaction will always be recorded. The intensity of obtaining discounts, discounts, and promos is greater than if done with cash transactions.

Besides benefits, non-cash payment instruments have some risks. Several things that can be done to reduce the risks are as follows [3]. Avoid delayed payment and swipe

cash features. Get in the habit of making budgets before making payments with non-cash payment instruments. Think more carefully before an item/service is purchased and the transaction is paid for. Do not be easily tempted by all forms of rebates, discounts, or promo prices. Non-cash payment instruments will be beneficial if used for regular payments.

In society, some groups accept and reject cash and non-cash payment patterns. As something new, it is not easy for society to accept it until society feels the benefits. In society, groups can be divided according to ethnicity, race, religion, belief, and others. Society can also be grouped according to social status; groups of people who can afford and groups who cannot afford. It is not easy to understand these differences well. This grouping in society, although sometimes it is not official, in society usually does exist and is accurate. This sometimes requires a little maturity in accepting group status in these different societies. At the macroeconomic level, society may be divided into groups of people with high income and low income or groups with income below the City/Regency Minimum Wage (UMK) and groups with income above the City/Regency Minimum Wage or Regional Minimum Wage (UMR). Everyone has their reasons, of course. The same is true of what is happening now during the Covid-19 pandemic. The Covid-19 pandemic created an economic pandemic. In order to create a National Economic Recovery, the government ratified Peraturan Menteri Ketenagakerjaan (Permenaker) No. 14 of 2020 concerning the Provision of Assistance in the form of Salary Subsidies. Under this Permenaker, the government provides direct wage assistance to people with income below IDR 5,000,000, amounting to IDR 600,000 per month, and is given every 2 months for 4 months. Why is the assistance given to people with income below IDR 5,000,000 and not to people with the minimum wage? Of course, through the Ministry of Manpower, the government has specific reasons.

Based on the understanding of Permenaker that distinguishes people in two income groups, the purpose of this study is to conduct an analysis and to find out how far the comparison of the proportion of the use of non-cash payment methods between people with income above IDR 5,000,000 and people with income below IDR 5,000,000. Furthermore, to answer the question of this study, a survey was conducted as a medium to obtain primary data. The survey was conducted on several groups in the community by distributing questionnaires. Income is often understood as one of the essential elements in forming financial capacity or purchasing power in society. If in the management of a company, of course, it will affect the overall order of its life. If in society, income influences almost every decision-making carried out in households in that community. Income is the result of work, including business and others (Departemen Pendidikan & Kebudayaan – Kamus Besar Bahasa Indonesia [4] Income is money received and given to economic subjects based on the achievements submitted. According to Soekartawi [5], income will affect the number of goods consumed. It is often found that with an increase in income, the goods consumed increase, and the quality also increases. Soekartawi's opinion strengthens the basic understanding that consumption is strongly influenced by income. Mathematically it can be written $C = a + bY$. It seems that only income affects a person's consumption when many other variables outside the equation can influence a person's decision to consume. All of these variables can be formulated in the following consumption equation, $C = a + bY + e$. The variable e in this econometric equation is

used to accommodate the variables, not in the equation. On the other hand, there are variables whose behavior is also strongly influenced by income, namely investment (I). Investment is needed for a country that wants to progress must invest [6]. One thing that must be observed is that investment is an essential component of economic development [7]. The equation, $I = I_0 + iY$. The behavior of this investment variable can be divided into three; investment influenced by income, then investment influenced by the interest rate, $I = I_0 - ir$, and investment influenced by itself.

It is usually called investments that are not influenced by income, it can also be said that investments must be made even though the income is 0 [8].

2 Research Methods

The primary data collection process was carried out using questionnaires and interviews [9]. The data in this study were completely obtained from filling out questionnaires conducted by respondents. Respondents filled out questionnaires based on their habits in making payments when shopping; with cash or non-cash payment methods—done to people who have income below and above IDR 5,000,000 per month. Respondents were selected from 4 groups in the housing community in Sidoarjo Regency as a sample. Sugiyono [10] revealed that by paying attention to the existing data and variable patterns, research is categorized as quantitative and associative descriptive if the goal is to find out the relationship between two or more variables. According to this basic concept, the type of the variable used in this research is descriptive associative. The measurement begins with formulating a hypothesis that predicts that the proportion of the use of non-cash payment methods does not differ between groups in society with more income and sufficient income. It can be written as follows: $H_0: P_a = P_b$ and $H_1: P_a \neq P_b$ [11].

The understanding is that the choice to make payments using the non-cash method among the people is not because the person already has a significant income or not, but instead because of consideration of the need to make transactions. In order to get a conclusion on this matter, a hypothesis is prepared that will be used in measuring the estimator values through the distribution formulation as follows,

$$\hat{P}_0 = \frac{n_a P_a + n_b P_b}{n_a n_b}$$

$$P_a = \frac{X_a}{n_a}$$

$$P_b = \frac{X_b}{n_b}$$

The acquisition of the estimated values (Z) is compared with the value of the Z_{table} , whether the Z_{count} will be greater or less than the Z_{table} . Following the basic concept of econometrics that the acquisition of the calculated estimator values must meet several assumptions; unbiased, consistent, efficient, and efficient [12]. The understanding is that the estimator has complete and sufficient information about the parameters to be estimated. In other words, there is no other statistical measure as a better estimator for estimating parameters [13]. The comparative measurement of proportions using this non-cash payment method can be described in Chart 1.

The measurement was carried out based on Permenaker No. 14 of 2020 concerning Guidelines for Providing Government Assistance in the Form of Subsidies Wages for Workers in Handling the Impact of Covid-19. Assistance is given to the community in accordance with Article 3 of the Minister of Manpower. The form of assistance is an employee wage subsidy of IDR 600,000 per month given to workers who meet the following criteria: Indonesian citizen, as evidenced by a National Identification Number (NIK). Registered as an active participant in the employment social security program (BPJS Ketenagakerjaan). Workers who receive wage membership until June 2020. An active participant in the BPJS Ketenagakerjaan, as evidenced by the payment of BPJS Ketenagakerjaan contributions.

The contribution amount is calculated based on salaries below IDR 5,000,000 according to the latest salary reported by the employers to BPJS Ketenagakerjaan (Employment Social Security Program) and recorded at BPJS Ketenagakerjaan. The rationale for financing daily consumption in society makes researchers prefer to use this distribution pattern rather than the distribution with the Regional Minimum Wage (UMR) or City/Regency Minimum Wage (UMK) pattern. This is because the amount of each UMR and UMK in each region is different. Permenaker No. 14 of 2020 approach is considered more relevant in national economic recovery.

3 Results and Discussion

A non-cash payment method has several advantages and disadvantages. Several types of electronic card-based non-cash payment instruments are ATM cards, credit cards, electronic money, electronic wallets, internet banking, and mobile banking. In addition to these groupings, there is another type of non-cash payment instrument, namely script-based non-cash payment instruments: transfer receipts, cheques, transfer forms, credit notes, debit notes, and book-entry notes. Permenaker No. 14 of 2020 was issued to serve as a legal umbrella for the provision of Cash Direct Assistance to the community as part of the government's efforts to strengthen and accelerate the National Economic Recovery during the Covid-19 pandemic.

Under this Permenaker, the government provides direct wage assistance to the community amounting to IDR 600,000 per month, and the assistance is given every 2 months for 4 months. People in the income group above IDR 5,000,000 are referred to as the high-income group. People with income below IDR 5,000,000 are referred to as the moderate-income group. From the results of the questionnaire distribution, it is known that 80 out of 120 people with income above IDR 5,000,000 per month prefer to use the non-cash payment method. Meanwhile, 50 out of 90 people who earn less than IDR 5,000,000 prefer to make payments using the non-cash method. Considering these findings, it can be resolved with the following equation $P_0 = (naPa + nb + Pb)/(nanb)$ [14].

The settlement of this case is done manually by dividing the community groups; P_a is a group of people with more income (above IDR 5,000,000) and P_b is a group of people with sufficient income (below IDR 5,000,000). The hypothesis' composition is; $H_0: P_a = P_b$ and $H_1: P_a \neq P_b$. Taking into account the acquisition of the questionnaire, th. Acquisition of estimator values is as follows, $P_a = 80/120 = 0.6667$ and $P_b = 50/90$

$= 0.5556$ According to the measurement results in the proportion formulation, the value of $P_0 = 0,619085$ and $Z_{count} = 1.64069$. With table Z value is $Z_{\alpha/2} = Z_{0.05/2} = 1.96$, then at 5%, the value of Z_{count} (1.64069) is smaller than Z_{table} (1.96), then H_0 cannot be rejected. This means that the proportion of people with more income and those with sufficient income are the same. They both like the use of non-cash payment methods in transactions. That is, to like and get used to transacting using non-cash payments is not influenced by the total value of income or economic capacity but is caused by the hope of getting convenience to transact more efficiently.

Furthermore, what needs to be noted is that although this study concludes that there is no difference in the proportions between the two groups of people with different income classes, this is not or is not generally accepted. If testing is carried out for other regions with more diverse populations, it will not necessarily produce the same results. This situation is understandable because of the community's dynamics and income and expenditure patterns diversity.

Another obstacle is that not every public transaction can be carried out using the non-cash method. There are still many situations that force people to continue to make transactions by cash. Understanding this situation, it is understandable that even though people are comfortable and prefer to transact with non-cash, the problem is that in some places, people are still unable to make transactions with non-cash. All need processes and require stages according to an initial understanding of the stages of growth in society. This is where the cooperation of all parties is needed. Even though the government, banking, and related institutions continue to campaign for non-cash transactions, and several groups in society have chosen and enjoyed it, some situations still require people to make transactions by cash.

4 Conclusion

Permenaker No. 14 of 2020 was ratified in the context of national economic recovery. This policy was issued to provide Wage Subsidy Assistance, which divides the community into two groups: people with more income (above IDR 5,000,000) and people with sufficient income (below IDR 5,000,000). Based on the primary data from the questionnaire distribution and according to the measurement results, it is known that the proportion of people with more income and those with sufficient income are the same—no difference concerning the use of non-cash payment. At $\alpha = 5\%$, the value of Z_{count} (1.64069) is smaller than Z_{table} (1.96), which means that H_0 cannot be rejected; this implies that the proportion of people with more income and the proportion of people with moderate income are the same. This understanding implies that liking and getting used to transacting using non-payments is not influenced by how much income or the person's financial ability, but rather is caused by the hope of getting convenience in transacting more efficiently.

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