

RAPID ASSESSMENT REPORT

Maintaining and Expanding Membership as an Effort to Ensure the Sustainability of the Social Insurance for Employment Program

Dyah Larasati | Resmi Setia Milawati | Dhanie Nugroho





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Table of Contents

Table of Contents	i-ii
List of Box	iii
List of Figures	iii-v
List of Photos	vi
List of Tables	vii-viii
Foreword	ix
Acknowledgements	x-xi
Executive Summary	1-15
Abbreviations and Acronyms	16-18
1. Introduction	19-27
1.1 Background	20-22
1.2 Objectives	22-23
1.3 Main Questions	23
1.4 Methodology	23-27
1.4.1 Data Collection Technique	23-24
1.4.2 Site Selection	24-25
1.4.3 Category and Number of Informants/Respondents	25-27
2. General Overview of Employment and Membership in Social Insurance for Employment	29-42
2.1 The Employment Condition Before and During the COVID-19 Pandemic	30-32
2.2 The Membership Condition in Social Insurance for Employment Program Before and During the COVID-19 Pandemic	32-42
3. Challenges and Strategies for Maintaining and Expanding Social Insurance for Employment Program Membership from Various Perspectives	43-124
3.1 Perspective of Policy Stakeholders and Implementers	44-63
3.2 Perspective of Perisai	63-95

3.3	Perspective of PPU and PBPU	96-114
3.4	Perspective of PPUs who Exited and Withdrew JHT	114-124
4.	Conclusions and Recommendations	125-132
4.1	Conclusions	126-128
4.2	Recommendations	128-132
	Appendix	133-136
	References	137-142

List of **Box**

Box 3.1

A Collection of Experiences of Joining Perisai	81-83
--	-------

List of **Figures**

Figure 2.1

Composition of Labour Force in Indonesia (2019-2020)	30
--	----

Figure 2.2

Wage Range of Active BPJS <i>Ketenagakerjaan</i> Members in DKI Jakarta and Bali (2020)	39
--	----

Figure 2.3

Average Length of BPJS <i>Ketenagakerjaan</i> Membership (National Level, DKI Jakarta, and Bali) (2018-2020)	40
---	----

Figure 2.4

Reasons for JHT Claims by PUs (National Level) (2018-2020)	42
--	----

Figure 2.5

Reasons for JHT Claims by BPU (National Level) (2018-2020)	42
--	----

Figure 3.1

Increasing Trend of Active Perisai Agents by Gender (2017-2021)	72
---	----

Figure 3.2

Increasing Trend of Inactive Perisai Agents by Gender (2017-2021)	72
---	----

Figure 3.3	
Trend of Perisai Members Acquisition	74
Figure 3.4	
Trend of Contributions Growth of Members Acquired by Perisai	75
Figure 3.5	
Social Insurance for Employment Program Membership by Gender	96
Figure 3.6	
Membership Segment by Education Level	97
Figure 3.7	
Education Level by Gender	97
Figure 3.8	
Membership Segment Based on Employment Status	98
Figure 3.9	
Members' Employment Status by Gender	98
Figure 3.10	
Members' Segment by Length of Employment	99
Figure 3.11	
Job Change Experience in the Last 10 Years	99
Figure 3.12	
Number of Family Dependents by Gender	100
Figure 3.13	
Reasons for Participating in JHT and JP Programs	104
Figure 3.14	
Sources of Information by Membership Segment	107

Figure 3.15	
Knowledge of the Benefits of the JKK Program by Membership Segment	109
Figure 3.16	
Knowledge of the Benefits of the JKm Program by Membership Segment	109
Figure 3.17	
Knowledge of PPU's About JHT Program	110
Figure 3.18	
Knowledge of PPU's About the JP Program	110
Figure 3.19	
Respondent Satisfaction Towards Program Benefits	113
Figure 3.20	
Respondent Satisfaction Towards Contribution Amount	113
Figure 3.21	
Age Range of PPU's Who Withdrew JHT Before the COVID-19 Pandemic	115
Figure 3.22	
Reasons of PPU's for Making JHT Withdrawals Before the COVID-19 Pandemic	115
Figure 3.23	
JHT Claim Method Before the COVID-19 Pandemic	116
Figure 3.24	
Processing Time by Claim Method Before the COVID-19 Pandemic	116
Figure 3.25	
JHT Withdrawal Challenges	116
Figure 3.26	
Conformity of JHT Funds Received vs Expected	121

List of *Photos*

Cover	Unsplash/Adismara Putri Pradiri (left photo), Valiant Made (right photo)	
Photo 1	123RF/project1photography	1
Photo 2	Unsplash/Artem Beliaikin	19
Photo 3	Unsplash/Josue Isai Ramos Figueroa	29
Photo 4	Unsplash/Nilotpai Kalita	43
Photo 5	Unsplash/Szymon Fischer	125
Photo 6	Unsplash/Farhan Abas	133
Photo 7	Unsplash/Julian Christian Anderson	137

List of **Tables**

Table 1.1

Categories of Informants at National and Provincial Levels	25-26
--	-------

Table 1.2

Categories and Number of Perisai Agents and Member Informants in DKI Jakarta and Bali	26-27
---	-------

Table 1.3

Number of Respondents by Membership Category and Gender in DKI Jakarta and Bali	27
---	----

Table 2.1

Employment Condition in DKI Jakarta and Bali (2019-2020)	31
--	----

Table 2.2

BPJS <i>Ketenagakerjaan</i> Membership Data at National Level (2018-2020)	33-34
---	-------

Table 2.3

Number of BPJS <i>Ketenagakerjaan</i> Members With Wages Below Rp 5 million (National Level) (2018-2020)	34-35
--	-------

Table 2.4

Composition of BPJS <i>Ketenagakerjaan</i> Premium Contributions by Program and Membership Segment (Billions of Rp)	36
---	----

Table 2.5

Number of BPJS <i>Ketenagakerjaan</i> Members With Wages Below Rp 5 million (DKI Jakarta and Bali) (2018-2020)	37
--	----

Table 2.6

Wage Range of Active BPJS <i>Ketenagakerjaan</i> Members at National Level (2018-2019)	38
--	----

Table 2.7	
Number of JHT Claims by PPU and PBPU With Wages Below Rp 5 million (National Level, DKI Jakarta, and Bali) (2018-2020)	41
Table 3.1	
Latest Regulatory Developments on Social Insurance for Employment	46
Table 3.2	
Strategies to Maintain and Expand Social Insurance for Employment Membership	57-60
Table 3.3	
Definitions, Tasks, Requirements of Perisai Offices and Agents	64-66
Table 3.4	
Number of Active and Inactive Perisai Agents by Gender in DKI Jakarta and Bali (2017-2021)	73
Table 3.5	
Perisai Informant Profile	78-79
Table 3.6	
Membership Segment by Program Type	96
Table 3.7	
PPU Informant Profile	101
Table 3.8	
PBPU Informant Profile	103
Table 3.9	
Profile of Informants in DKI Jakarta and Bali Who Withdrew JHT During the COVID-19 Pandemic	117-118

Foreword

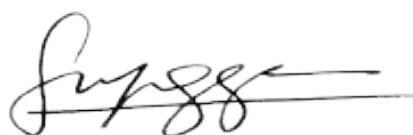
Since 2018, TNP2K has consistently recommended that the Government of Indonesia reform its social protection system, including by expanding membership in the social insurance for employment program as part of the social protection system for workers in both the formal and informal sectors. Social insurance for employment program membership outreach to workers in the informal sector is important given their consistent and ongoing low level of membership compared to workers in the formal sector. In addition to expanding membership, TNP2K also sees the importance of retaining currently registered members in the social insurance for employment program. During the COVID-19 pandemic, there has been a decline in membership, especially in the formal worker or wage earner segment (*Penerima Upah*: PU).

TNP2K continues to proactively conduct various studies and analyses on social insurance for employment policies and programs and present the results through various consultations and discussions with stakeholders and policy implementers to seek further input and encourage improvements in its design and implementation. Activities that have been carried out include studies and analyses of social insurance for employment regulations and policies, the state of the informal economy and access to social insurance for employment, and actuarial calculations aimed at finding alternative financing and contribution options that can serve as incentives to promote membership in the social insurance for employment program. These various activities are expected to strengthen and support the argument about the importance of comprehensive social protection for all Indonesians—especially vulnerable workers—through membership in the social insurance for employment program.

This rapid assessment entitled “Maintaining and Expanding Membership as an Effort to Ensure the Sustainability of the Social Insurance for Employment Program” is an important part of establishing, improving, and developing a comprehensive Indonesian social protection system. Indonesia’s social protection system is expected to be able to protect all groups in society in the future, including building a social insurance system that can provide benefits to workers in both the formal and informal sectors.

In particular, I express my gratitude and appreciation to the Social Protection Policy Team of the TNP2K Secretariat, the Social Security Agency for Employment (BPJS *Ketenagakerjaan*), the Australian Government through the Department of Foreign Affairs and Trade (DFAT), and MAHKOTA (*Menuju Masyarakat Indonesia yang Kokoh dan Sejahtera*: Towards a Strong and Prosperous Indonesian Society) Program for their support for this study. May it be useful.

Jakarta, March 2022



Dr. Suprayoga Hadi

Deputy for Human Development Policy Support and Development Equity as Executive Secretary of TNP2K

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*Executive
Summary*

Background

The number of memberships in the social insurance for employment program (*Program Jaminan Sosial Ketenagakerjaan*)¹ continues to increase every year, although it is still below the government's target-especially for the BPU (*Bukan Penerima Upah*) or informal worker segment.² By 2020, the number of active members in the PU (*Penerima Upah*) or formal workers segment was 19.6 million members, while in the BPU segment the number was only 2.5 million. The total number of active members in all segments reached around 30 million, while inactive members totaled 20.7 million (BPJS *Ketenagakerjaan* 2020). The high number of inactive members indicates a challenge in maintaining membership in the Social Insurance for Employment program in Indonesia.

The dominance of the PU segment (mostly engage in the formal sector) in the social insurance for employment program membership is inversely proportional to the participation rate in the Indonesian workforce which is still dominated by informal workers. In 2020, 60 per cent of the workforce participated in the informal sector, an increase of 4 percentage points from the previous year (BPS 2020b). This highlights the importance of expanding membership to the informal sector.

Several strategies and innovations have been developed, particularly by BPJS Ketenagakerjaan to maintain and expand membership in the social insurance for employment program. One example is the Perisai Program which specifically targets the BPU and PU segments at the small and micro enterprises (SMEs) level. So far, this segment has not been reached optimally. This assessment, therefore, also aims to discuss the implementation and effectiveness of the Perisai Program in promoting membership.

¹ The Social Insurance for Employment program as stated in Law No. 40/2004 consists of four programs, namely JKK (*Jaminan Kecelakaan Kerja*: Work Accident Compensation Insurance), JKm (*Jaminan Kematian*: Survivor's Benefit Insurance), JHT (*Jaminan Hari Tua*: Old Age Savings), and JP (*Jaminan Pensiun*: Pension Insurance). Based on Law No. 11/2020 there is one additional social insurance for employment program, namely the Unemployment Benefit (*Jaminan Kehilangan Pekerjaan*: JKP).

² Not all informal workers are considered BPU. Some informal workers also receive wage. However, in this study the term of BPU and informal worker are used interchangeably.

Prior to the COVID-19 pandemic, Indonesia had made progress in its efforts to institutionalise a better social protection system, however, the pandemic has presented a lot of challenges to the current system. This opened up opportunities to accelerate reform of the social protection system, particularly in social insurance for employment programs. During the pandemic, many workers were laid off or resigned which may, for example, have had an impact on the withdrawal rate of JHT benefits. To obtain a more complete picture of the social insurance for employment condition, the analysis of this assessment will be placed in the context of the COVID-19 pandemic, in accordance with the study period.

Objectives

In general, this rapid assessment aims to provide an overview and input for the government on the efforts to maintain and expand social insurance for employment membership from various perspectives-both at national and local levels. Specifically, this study attempts to:

- (1) Identify and analyse the level of membership in the PU and BPU segments as well as the various factors that influence it.
- (2) Identify and analyse strategies to maintain and expand membership in the social insurance for employment program that has been, is being, and will be, carried out by the government and BPJS *Ketenagakerjaan*.
- (3) Map and analyse the views and strategies of various stakeholders on mitigating the impact of the COVID-19 pandemic, especially concerning the trend of JHT withdrawals.
- (4) Provide input on membership outreach strategies, especially through the Perisai agents initiated by BPJS *Ketenagakerjaan*.

Methodology

This rapid assessment was conducted during February-March 2021 with a focus on the provinces of DKI Jakarta and Bali. The assessment applied a qualitative and quantitative approach through in-depth interviews with 73 informants from various categories at the national and provincial levels, such as representatives of

stakeholders and policy implementers, private and non-governmental organisations, Perisai agents, PPU and PBPU, and PPU who exited and withdrew their JHT benefits. In addition, a survey was conducted among 201 PPU and PBPU respondents in DKI Jakarta and Bali provinces. The respondents were selected randomly with a balance of genders. To provide a comprehensive and in-depth picture, this assessment also analyses membership data in the social insurance for employment program at national level and in two study areas as well as the Perisai agents.

Main Findings

Topic	Findings
General overview of employment and membership in social insurance for employment	
Employment condition	<p>During the COVID-19 pandemic there had been an increase in unemployment and the number of informal workers, both at the national level as well as in DKI Jakarta and Bali. The increase in the number of unemployed also occurred among workers with disability (BPS 2020; 2020b). The increase in DKI Jakarta and Bali was higher than at the national level. This is an indication of the magnitude of the impact of the COVID-19 pandemic on employment conditions in the two regions.</p>
Membership condition by active/inactive status, gender and wage range	<p>In 2019-2020 (before and during the pandemic) there was a decrease in the number of active members across all segments—from 34.2 million members to around 30 million members (approximately around 23 per cent of the total 128,5 million workforce in the formal and informal sector). The biggest decline occurred in the construction services segment (BPJS <i>Ketenagakerjaan</i> 2020).</p> <p>The number of inactive members³ at the national level is quite high, especially in the PU segment which exceeds the number of active PU members.</p>

³ Inactive members are workers who are still registered as members in BPJS *Ketenagakerjaan* but do not pay contributions regularly or do not/have not disbursed JHT benefits. Active members are workers who have not been reported as exiting their employment by the employer or who are still in the grace period.

Topic	Findings
General overview of employment and membership in social insurance for employment	
<p>Membership condition by active/inactive status, gender and wage range</p>	<p>A similar trend also occurred in DKI Jakarta, while in Bali the number of inactive members in the PU segment is slightly lower than its active members. In 2020, or during the pandemic, the number of inactive PPUs at the national level was 20.2 million, compared to active PPUs at 19.6 million (BPJS <i>Ketenagakerjaan 2020</i>).</p> <p>Social insurance for employment membership is dominated by men (65 per cent or 14.6 million members in 2020) (BPJS <i>Ketenagakerjaan 2020</i>). Inequality of women's access to social insurance for employment is related, among other things, to the low participation rate of women in the labour market (BPS 2020a).</p> <p>The number of active social insurance for employment members registered whose wages are below Rp 5 million per month reached 16.4 million PPUs and 2.46 million PBPU in 2020. When compared with the data of all members, the majority of members were registered with wages below 5 million-83.6 per cent of PPUs and 98.9 per cent of PBPU. Within this wage range, men also dominate membership at 65 per cent (12.5 million) compared with 35 per cent for women in 2020 (BPJS <i>Ketenagakerjaan 2020a</i>).</p>
<p>Membership condition by wage range</p>	<p>In 2020, data on the active members with wages below Rp 5 million at the national level, was dominated by those with wages ranging between Rp 1-2 million (31 per cent). In the same year, in Bali the wage range of Rp 2-3 million was dominant in the PU and BPU segments (47.2 per cent), while in DKI Jakarta, it was dominated by members with a wage range of Rp 4-5 million (45.6 per cent).</p> <p>Although DKI Jakarta is dominated by workers with a wage range of Rp 4-5 million (in accordance with the minimum wage standard (<i>Upah Minimum: UM</i>)) in the region, the large number</p>

Topic	Findings
General overview of employment and membership in social insurance for employment	
	<p>of members with a wage range of Rp 1-2 million and Rp 2-3 million needs further attention because it can indicate non-compliance (PDS-Wage). Likewise, with Bali, the number of members with wages of Rp 1-2 million- below the minimum wage standard in the region-ranks second highest.</p>
<p>JHT claims increase</p>	<p>In 2019-2020, the number of JHT claims by the PU segment increased, both at the national level and in DKI Jakarta and Bali while in the BPU segment, JHT claims declined in 2019-2020. The two main reasons for claiming JHT at the national level during this period were resignations and work terminations. In 2020, however, the use of resignation as grounds decreased, while the work termination reason increased from the previous year (BPJS <i>Ketenagakerjaan</i> 2020a). The finding on increasing number of JHT withdrawals claiming work termination as reason during the pandemic is an indication of the impact of the COVID-19 pandemic on the state of employment which then impacts membership in the social insurance for employment program, especially the JHT program. Early withdrawals of JHT on the grounds of layoffs and resignations are made possible by Regulation of the Minister of Manpower No. 19/2015.⁴</p>
Challenges and strategies for maintaining and expanding membership in the social insurance for employment program	
<p>Perspective of policy makers and policy</p>	<p>Identification results of the main challenges and efforts to overcome them:</p> <ul style="list-style-type: none"> • Regulatory and institutional challenges. To this day, there are still inconsistencies and overlaps in regulations and lack of coordination and cooperation between policy makers and policy implementers to provide social protection for the whole society. To overcome these regulatory challenges, proposals have emerged to improve regulations

⁴Regulation of the Minister of Manpower No. 19/2015 concerning Procedures and Terms of Payment of Old Age Saving Benefits.

Topic	Findings
Challenges and strategies for maintaining and expanding membership in the social insurance for employment program	
<p>Perspective of policy makers and policy implementers</p>	<p>and encourage harmonisation of existing regulations. In addition, a number of regulations have been drafted and issued which are expected to improve the implementation of the social insurance for employment program and expand membership. Meanwhile, to address institutional challenges, the government sees the importance of coordination and cooperation of various parties and making clearer guidelines for institutional governance.</p> <ul style="list-style-type: none"> <p>Challenges related to employment and membership data. The employment data system is still not comprehensive and membership data is not yet integrated. The current employment data system is not yet able to capture the full state of employment, so it cannot be used for diverse needs, including for efforts to expand membership. Meanwhile, it is necessary to have an integrated data on social insurance membership, especially data on National Health Insurance (<i>Jaminan Kesehatan Nasional: JKN</i>), Work Accident Compensation Insurance (<i>Jaminan Kecelakaan Kerja: JKK</i>), and Survivor's Benefit Insurance (<i>Jaminan Kematian: JKm</i>). To address these challenges, policy makers and policy implementers are currently encouraging the development of comprehensive and integrated data systems.</p> <p>Employment and membership data still have gender bias, as well as bias toward formal workers and entrepreneurs. Improvements therefore need to be made for a more inclusive data system. The data needs to be segregated by and include gender (female-male), working status (formal-informal workers), and people with disability.</p> <p>Challenges related to compliance. There are findings of employers/companies that are still non-compliant</p>

Topic	Findings
<p>Challenges and strategies for maintaining and expanding membership in the social insurance for employment program</p>	
<p>Perspective of policy makers and policy</p>	<p>in enrolling their workers into the social insurance for employment program according to their real wages and designated programs. In addition to intensive and massive dissemination of information and education, having adequate labour inspectors, both in terms of quality and quantity, is also important to increase compliance levels. Implementation of supervision or enforcement of compliance is also important considering characteristics of the segment of members being monitored.</p> <p>Identification results of strategies and innovations to maintain and expand membership in the social insurance for employment program include:</p> <ul style="list-style-type: none"> • Perisai Program launched in 2018. This agency program specifically targets the BPU and PU segments in SMEs. • National Movement for the Protection of Vulnerable Workers (GN Lingkaran) program, launched in 2016. This program facilitates donations from the public and businesses to help PBPU pay BPJS <i>Ketenagakerjaan</i> membership contributions within a certain period of time. • Paritrana Award to local governments that have good performance and innovations in the implementation of social insurance for employment programs. • Awareness Movement about Social Insurance for Employment carried out through the establishment of “Desa Sadar” (“Aware Villages”) and “Wisata Akuisisi” (“Acquisition Tours”) to markets and malls. • “Win back” Program to reach out to PPU who have exited and re-registered as PBPU. <p>In addition to the various strategies above, there are several proposals from the study informants that are intended to increase membership in the social insurance for employment programs, including:</p>

Topic	Findings
<p>Challenges and strategies for maintaining and expanding membership in the social insurance for employment program</p>	
<p>Perspective of policy makers and policy</p>	<ul style="list-style-type: none"> • Improvement of the contribution concept using the approach of paying ability instead of wage amounts, especially for the BPU segment. • Involvement of various parties at the national and local levels in conducting data collection, dissemination and education. • Promoting synergy between BPJS <i>Ketenagakerjaan</i> and BPJS <i>Kesehatan</i> in regard to data collection, agency systems, benefit claims (JKN and JKK). • Develop an outreach strategy that is tailored to the characteristics of target members and their sociocultural condition. • Increase and expand cooperation with local governments and the private sector to provide protection-especially for PBPU or informal workers and other vulnerable workers. • Encouraging the expansion of the Perisai agency system by firstly evaluating the program. <p>The membership condition and the effectiveness of the Wage Subsidy (<i>Bantuan Subsidi Upah: BSU</i>) and Contribution Relaxation programs during the COVID-19 pandemic:</p> <ul style="list-style-type: none"> • During the pandemic, there has been an increase in JHT and JKm claims and a decrease in membership contributions. The increase in JHT claims cannot, however, be isolated from regulations that allow early withdrawal of JHT benefits. • Implementation of BSU and Contribution Relaxation programs to reduce the impact of COVID-19 pandemic on employers and workers. These two programs are also expected to maintain and increase membership and ensure employer compliance, however, the effectiveness of the programs needs to be evaluated. Additionally, each policy or program needs to be reviewed in terms of its impact on other programs. For example, the Contribution Relaxation program could actually reduce the amount of contribution incentives received by Perisai agents.

Topic	Findings
<p>Challenges and strategies for maintaining and expanding membership in the social insurance for employment program</p>	
<p>Perspective of Perisai</p>	<p>Perisai Agency Trend</p> <p>Identification results of challenges in membership outreach:</p> <ul style="list-style-type: none"> • Challenges in building trust. • Challenges in gaining access from local authorities. • Challenges related to limited knowledge of prospective members. • Challenges in accessing low-risk groups of workers. • Challenges in accessing workers in the upper-middle-economic class. <p>Identification results of membership outreach strategy:</p> <ul style="list-style-type: none"> • Individual-based outreach strategy. • Individual and group-based outreach strategy (combined). • Group-based outreach strategy. <p>Awareness-raising strategy developed by Perisai needs to consider economic, social, and cultural factors to be more acceptable to the public. Awareness-raising materials, therefore, need to be adapted to local conditions and characteristics.</p> <p>Identification and analysis results of design and implementation of the Perisai program:</p> <ul style="list-style-type: none"> • Perisai agency system has great potential to expand membership amongst PU in the SME sector and BPU, but its performance is still not optimal. One of the indicators is the low number of members acquired in the last 3-4 years, lack of continuity of membership/contributions, and high turnover of Perisai agents. • Perisai program design (especially in terms of limiting the contribution accumulation value and incentive schemes) needs to be assessed further to reduce turnover and improve Perisai performance.

Topic	Findings
<p>Challenges and strategies for maintaining and expanding membership in the social insurance for employment program</p>	
<p>Perspective of Perisai</p>	<ul style="list-style-type: none"> • The broad scope of work of Perisai agents is not commensurate with the incentive amounts set by BPJS <i>Ketenagakerjaan</i>. • Selection and training of agents is not well-structured and not standardised, resulting in inconsistent practice that can potentially affect Perisai's performance in the future. • Irregularities persist in membership acquisition by Perisai. This highlights the importance of monitoring and improving the guidelines for Perisai program implementation to make it clearer, more complete, and easily accessible by various parties. • Limited support for automatic contribution payment reminder system for the BPU segment, which continues to burden Perisai agents. • Lack of support for Perisai agents in carrying out their duties to disseminate and conduct membership acquisition activities. • Perisai outreach strategy and BPJS <i>Ketenagakerjaan</i> administrative data system have not fully accommodated vulnerable workers, such as workers with disability and female-headed households. This is important to make the social insurance for employment program more inclusive for all workers.
<p>Perspective of PPU and PBPU</p>	<p>Identification and analysis results of membership experience:</p> <ul style="list-style-type: none"> • Reasons for membership. These include: (i) membership is seen as an obligation that is commonly found in the PU segment; and (ii) membership is seen as a necessity that arises from awareness or a desire to have protection (voluntary). This is commonly found in the BPU segment. • The PU and BPU segments get their information regarding social insurance for employment program from quite different sources. The majority of PPU informants/respondents get their information on the social insurance for employment programs from companies when they are registered as members, while PBPU informants/respondents received information from a variety of sources.

Topic	Findings
<p>Challenges and strategies for maintaining and expanding membership in the social insurance for employment program</p>	
<p>Perspective of PPU and PBPU</p>	<ul style="list-style-type: none"> • Level of understanding of PPU informants/respondents on JKK and JKm programs is still limited. The majority of PPU informants/respondents did not know the benefits of the JKK and JKm programs, while some even claimed not knowing that they were registered. The understanding of PBPU informants/respondents about the JKK and JKm programs is relatively better. This difference in level of understanding is thought to be related to contribution sources. In the PU segment, the JKK and JKm contributions are fully borne by the employer, while in the BPU segment, the contributions are borne by the member. This seems to encourage a sense of ownership and a desire to know and understand the program they are participating in. • The level of understanding of PPU and PBPU informants/respondents on the JHT program is quite good. The JHT contribution in the PU segment comes from employers and workers. This appears to encourage workers' sense of ownership and understanding of the JHT program.
<p>Perspective of PPU that exited and withdrew JHT</p>	<p>Identification results of experience of PPU withdrawing JHT benefits:</p> <ul style="list-style-type: none"> • The reason for JHT withdrawal from before to during the pandemic changed. Before the pandemic, withdrawals due to resignation were more dominant than that of work terminations, while during the pandemic, work terminations were the more dominant reason. • There was a change in the method of submitting JHT claims before and during the pandemic. Before the pandemic, the majority of respondents filed JHT claims offline, while during the pandemic the use of online and offline methods is more balanced. This appears to be because the use of online systems was encouraged to reduce physical contact during the pandemic.

Topic	Findings
<i>Challenges and strategies for maintaining and expanding membership in the social insurance for employment program</i>	
<p>Perspective of PPU that exited and withdrew JHT</p>	<ul style="list-style-type: none"> • A small number of informants/respondents admitted that they experienced problems in submitting JHT claims, mainly related to unclear document requirements and claim procedures. • The length of time required to process JHT claims is varied. Some informants/respondents stated that it took less than a week, the rest stated that it took 1-3 weeks, and some even had to wait more than three weeks. • The majority of informants/respondents were satisfied with the value of the JHT funds received, but several informants expressed objections to the progressive tax imposed on their JHT funds. • The majority of informants who made JHT withdrawals during the pandemic stated that they used JHT funds for daily needs and business capital. Most of them did not or could not yet return to work in the formal sector and, while they work in the informal sector, none of them have registered themselves as BPU members. One of the reasons is due to their unawareness that they can register as BPU.

Main Recommendations

Short- to medium-term recommendations	
Membership	<ul style="list-style-type: none"> • Search for, and outreach to, inactive members. • Reach out to the PPU's who exited so they can enter and register as PBPU's. • Develop a payment reminder system for the PBPU's. • Expand registration and payment channels and simplify claim procedures (both online and offline). • Encourage involvement of regional governments in maintaining and expanding the social insurance for employment membership. • Increase capacity and optimise the role of Perisai agents in conducting membership outreach. • Encourage membership of women workers through development of a social insurance for employment benefits scheme that is attractive for women workers for example, by the addition of benefits related to female reproductive rights, namely maternity leave compensation. • Review JHT Program conception so that it is not seen as a receivable (such as JKK and JKm), but as savings that can be managed flexibly according to the contribution ability of members.
Awareness raising and education	<ul style="list-style-type: none"> • Conduct a national campaign on the importance of Social Insurance for Employment Programs, as well as periodic and comprehensive awareness raising and education, not only to prospective members, but also to existing members and employers/companies. • Apply multi-level (national-local) and multi-actor (formal-informal) approaches in education and awareness-raising activities. • Adjust awareness-raising and educational materials according to the local economic, social, and cultural context. • Ensure ease of claims processing to build trust of members and the public.

Short- to medium-term recommendations	
Monitoring and evaluation	<ul style="list-style-type: none"> • Monitoring and evaluation need to be done periodically and transparently. • Conduct monitoring and evaluation of Perisai program so that it plays a greater role in reaching membership. Topics that can be reviewed include: <ul style="list-style-type: none"> • Recruitment, selection, and training process; • Incentive schemes and scope of work; • Limitation on accumulation of membership contributions; and • Membership acquisition strategy.
Medium- to long-term recommendations	
Regulatory and institutional	<ul style="list-style-type: none"> • Encourage revision and harmonisation of a number of regulations and policies related to social insurance for employment. • Encourage control, coordination, and supervision of implementation of various regulations and policies related to the social insurance for employment in a more structured, periodic, and sustainable manner. Implementation of the supervision needs to involve various sectors and relevant institutions/organisations.
Employment and membership data	<ul style="list-style-type: none"> • Encourage development of a comprehensive, integrative, and real-time employment and membership data system that is a crucial part of the effort to encourage membership expansion. • Current data on employment and membership of social insurance for employment needs to be improved in terms of quality and inclusiveness, for instance through adding data variables and segregating administrative data by gender, disability status and age group.

Abbreviations and Acronyms

APBD	<i>Anggaran Pendapatan dan Belanja Daerah</i> (Regional Revenue and Expenditure Budget)
APBN	<i>Anggaran Pendapatan dan Belanja Negara</i> (State Revenue and Expenditure Budget)
ARK	<i>Account Representative Khusus</i> (Special Account Representative)
ASPPUK	<i>Asosiasi Pendamping Perempuan Usaha Kecil</i> (Association for Women in Small Business Assistance)
BANUSPA	Bali, Nusa Tenggara, and Papua
Bappenas	<i>Badan Perencanaan Pembangunan Nasional</i> (National Development Planning Agency)
BJB	<i>Bank Jawa Barat</i> (West Java Regional Bank)
BKF	<i>Badan Kebijakan Fiskal</i> (Fiscal Policy Agency)
BNSP	<i>Badan Nasional Sertifikasi Profesi</i> (National Professional Certification Agency)
BPJS	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Security Implementation Agency)
BPR	<i>Bank Perkreditan Rakyat</i> (Indonesia's People's Credit Bank/Local/Rural Bank)
BPS	<i>Badan Pusat Statistik</i> (Statistics Indonesia)
BSU	<i>Bantuan Subsidi Upah</i> (Wage Subsidy)
CAPI	Computer-Assisted Personal Interviewing
COVID-19	Coronavirus Disease 2019
Disnaker	<i>Dinas Tenaga Kerja</i> (Local Manpower Office)
DJSN	<i>Dewan Jaminan Sosial Nasional</i> (National Social Security Council)
DKI	<i>Daerah Khusus Ibukota</i> (Special Capital Region)
DPLK	<i>Dana Pensiun Lembaga Keuangan</i> (Financial Institution Pension Fund)
FSPMI	<i>Federasi Serikat Pekerja Metal Indonesia</i> (Federation of Indonesian Metal Workers Unions)

FSPN	<i>Federasi Serikat Pekerja Nasional</i> (Federation of National Labour Unions)
GN Lingkaran	<i>Gerakan Nasional Peduli Perlindungan Pekerja Rentan</i> (National Movement for the Protection of Vulnerable Workers)
ILO	International Labour Organization
Jateng	<i>Jawa Tengah</i> (Central Java)
JHT	<i>Jaminan Hari Tua</i> (Old Age Savings)
JKK	<i>Jaminan Kecelakaan Kerja</i> (Work Accident Compensation Insurance)
JKm	<i>Jaminan Kematian</i> (Survivor's Benefit Insurance)
JKN	<i>Jaminan Kesehatan Nasional</i> (National Health Insurance)
JKP	<i>Jaminan Kehilangan Pekerjaan</i> (Unemployment Benefit)
JP	<i>Jaminan Pensiun</i> (Pension Insurance)
Kemenaker	<i>Kementerian Ketenagakerjaan</i> (Ministry of Manpower: MoM)
Kemenkeu	<i>Kementerian Keuangan</i> (Ministry of Finance: MoF)
Kemenko PMK	<i>Kementerian Koordinator Bidang Pembangunan Manusia dan Kebudayaan</i> (Coordinating Ministry for Human Development and Culture)
KMGI	<i>Komunitas Mitra Grab Indonesia</i> (Indonesia's Grab Partnership Community)
KTP	<i>Kartu Tanda Penduduk</i> (Population Identification Card)
K3	<i>Kesehatan Keselamatan Kerja</i> (Occupational Health and Safety-OHS)
Lapak Asik	<i>Layanan Tanpa Kontak Fisik</i> (Non-Physical Contact Service)
LMIS	Labour Market Information System
LSP	<i>Lembaga Sertifikasi Profesi</i> (Professional Certification Institution)
NIK	<i>Nomor Induk Kependudukan</i> (Population Identification Number)
OPD	<i>Organisasi Perangkat Daerah</i> (Local Government Organisation)
PBI	<i>Penerima Bantuan Iuran</i> (Fully Subsidised Beneficiary)
PBPU/BPU	<i>Peserta Bukan Penerima Upah</i> (Non-Wage Earner Member)/ <i>Bukan Penerima Upah</i> (Non-Wage Earner)
PDS	<i>Perusahaan Daftar Sebagian</i> (Partially Registered Company)
PEKKA	<i>Pemberdayaan Perempuan Kepala Keluarga</i> (Female-Headed Household Empowerment, a foundation)

Perisai	<i>Penggerak Jaminan Sosial Indonesia</i> (Indonesian Social Insurance for Employment Agent)
PHK	<i>Pemutusan Hubungan Kerja</i> (Work Termination)
PKB	<i>Paguyuban Kelompok Bang Jali</i> (Bang Jali's Solidarity Group)
PMI	<i>Pekerja Migran Indonesia</i> (Indonesian Migrant Worker)
PMK	<i>Pembangunan Manusia dan Kebudayaan</i> (Human Development and Culture)
PP	<i>Peraturan Pemerintah</i> (Government Regulation)
PPU/PU	<i>Peserta Penerima Upah Peserta Penerima Upah</i> (Wage Earner Member)/ <i>Penerima Upah</i> (Wage Earner)
PRS	Payment Reminder System
RPJMN	<i>Rencana Pembangunan Jangka Menengah Nasional</i> (National Medium-term Development Plan)
Sakernas	<i>Survei Angkatan Kerja Nasional</i> (National Labour Force Survey)
Sisnaker	<i>Sistem Informasi Ketenagakerjaan</i> (Employment Information System)
SIUP	<i>Surat Ijin Usaha Perdagangan</i> (Trading Business License)
SJSN	<i>Sistem Jaminan Sosial Nasional</i> (Trading Business License)
SKU	<i>Surat Keterangan Usaha</i> (Business Certificate)
SME	Small and Micro Enterprise
SP/SB	<i>Serikat Pekerja/Serikat Buruh</i> (Trade Union/Labour Union)
Susenas	<i>Survei Sosial Ekonomi Nasional</i> (National Socioeconomic Survey)
TNP2K	<i>Tim Nasional Percepatan Penanggulangan Kemiskinan</i> (National Team for the Acceleration of Poverty Reduction)
UMP	<i>Upah Minimum Provinsi</i> (Provincial Monthly Minimum Wage)
UU	<i>Undang-Undang</i> (Law)
WLKP	<i>Wajib Laporkan Ketenagakerjaan Perusahaan</i> (Mandatory Employment Reporting Company)



1

Introduction

1.1. Background

The COVID-19 pandemic has resulted in a decrease in Gross Domestic Product (GDP) growth and an increase in poverty and unemployment in Indonesia. Consecutive quarters of negative growth—minus 5.32 per cent in the second quarter of 2020 and minus 3.49 per cent in the third quarter of 2020 compared to the same periods in 2019—pushed Indonesia into a recession. As a result of the decline in GDP, the poverty rate in 2020 increased by about 0.37 percentage points or 1.28 million new poor people (Sumarto 2020), while the unemployment rate also increased from 5 per cent (2019) to 7 per cent (2020) (BPS 2020a). During the pandemic, the number of layoffs also increased. By the end of July 2020, *Kemenaker* recorded that more than 3.5 million workers had been laid off or furloughed (Karunia 2020). This can have an impact on social insurance for employment programs, particularly on the JHT program. Under the Minister of Manpower Regulation No. 19/2015, workers who are laid off or resign may withdraw their JHT. It means the increase of work terminations during the pandemic can affect the JHT withdrawal trend.

Every year the number of social insurance for employment program members in Indonesia continues to increase, although it is still below the government's target especially in the informal sector. According to Sakernas, the National Labour Force Survey, (February 2020), around 21.1 million (37.1 per cent) workers in the formal sector and 83,332 (0.1 per cent) workers in the informal sector are enrolled in the social insurance for employment program managed by BPJS *Ketenagakerjaan*. In the National Medium-Term Development Plan 2020-2024 (*Rencana Pembangunan Jangka Menengah Nasional: RPJMN*), the government has set a membership target for workers in the formal sector at above 40 per cent and for workers in the informal sector at above 30 per cent (Bappenas 2020). This means that future membership expansion efforts need to pay more attention to informal workers whose membership numbers are still far below the government's target.

Membership data for the social insurance for employment program from the National Labour Force Survey, especially for the informal sector, is much lower than the administrative membership data from BPJS *Ketenagakerjaan*. Based on a BPJS *Ketenagakerjaan* Report (2020), there are around 19.6 million active members

of the social insurance for employment program in the PU or formal worker segment, around 2.5 million in the BPU or informal worker segment, around 7.5 million workers in the construction service sector, and less than 400,000 members among Indonesian migrant workers (*Pekerja Migran Indonesia: PMI*). The total number of active members is around 30 million people, while the total number of inactive members is up to 20.7 million (*BPJS Ketenagakerjaan 2020*). The discrepancy between the National Labour Force Survey and *BPJS Ketenagakerjaan* data is a common issue when comparing the survey data and the administrative data. Survey data tends to result in a lower figure compared to the administrative data.

The dominance of workers in the formal sector in social insurance for employment membership is inversely proportional to their share of the labour force which is still dominated by workers in the informal sector. In August 2020, the size of Indonesia's labour force was 138.2 million people, with around 93 per cent or 128.5 million people employed. Although the proportion of workers in the informal sector has fallen since 2018, as many as 60 per cent of the workforce still works in the informal sector while the rest is in the formal sector (*BPS 2020a*). Since the onset of the COVID-19 pandemic in Indonesia, the percentage of workers in the informal sector has increased again.

Informal workers generally have irregular employment and wage that can prevent them from contributing to the social security schemes (ILO 2017). Most informal workers are involved in small or micro-scale economic activities that are not legal entities and, therefore, are not well documented (*BPS 2014*). It is important to understand, however, that not all workers in the informal sector are classified as poor (*Chen 2007*). In terms of wages, informal entrepreneurs generally have the highest wages followed by their workers, independent workers, and casual workers, while family workers do not receive wages.

There is also wage and gender segmentation in the informal sector. Men generally occupy the top wage segment as entrepreneurs in the informal sector, while women dominate unpaid family workers (*Chen 2007*). Employment relations in the informal sector also do not follow labour regulations (*ILO 2003*). This condition seems to contribute to the limited social security access for informal workers although Article 99, Paragraph (1) of Law No. 13/2003 on Labour stipulates rights of workers and their families to obtain social insurance for employment.

To increase membership in the social insurance for employment program, BPJS Ketenagakerjaan has carried out a number of initiatives and innovations. These include the Perisai Program which collaborates with social insurance for employment agents to reach the BPU and PU segments in SMEs. In 2020, the number of active Perisai agents reached 4,666 people and they have recruited 530,000 workers (BPJS *Ketenagakerjaan* 2020a). When compared with potential membership of the BPU and PU in SMEs, this number is certainly still low. Nevertheless, this initiative can be a strategic alternative to reach potential members in this segment, especially with some improvements to increase the level of membership more significantly.

Prior to the COVID-19 pandemic, Indonesia had made progress in its efforts to reduce poverty and institutionalise a better social protection system, for instance BPJS *Kesehatan* as the administrator of social insurance for health program and BPJS *Ketenagakerjaan* as the administrator of social insurance for employment program. The pandemic has highlighted gaps in the existing social protection system and, at the same time, opened up opportunities to accelerate reform of the existing system. This highlights the importance of placing this analysis in the context of the COVID-19 pandemic to get a more complete picture of the condition of social insurance for employment in Indonesia. Furthermore, with increasing numbers in the productive age population working in low-wage sectors and the informal sector, the existence of contributory social protection scheme such as JHT or JP is important, especially for the next 25 to 30 years when Indonesia's population becomes an aging population.

1.2. Objectives

In general, this rapid assessment aims to give an overview and provide input for the government regarding efforts to maintain and expand social insurance program membership from the national to local level.

Specifically, this rapid assessment has the following objectives:

1. **Identify and analyse the level of membership of PU and BPU** (formal/informal workers), along with the various influencing factors.
2. **Identify and analyse various strategies to maintain and expand membership in social insurance for employment programs** that have been, are being, and will be carried out by the government and BPJS *Ketenagakerjaan*.

3. **Map and analyse the views of various stakeholders and their strategies on mitigating the impact of the COVID-19 pandemic**, especially related to the trend of JHT withdrawals.
4. **Provide input on membership outreach strategies, especially through the Perisai Program developed by BPJS Ketenagakerjaan.**

1.3. Main Questions

The four main questions that this rapid assessment attempts to answer are as follows:

1. **What are the factors that may potentially encourage or hinder wage earner members (*Peserta Penerima Upah: PPU*) and non-wage earner members (*Peserta Bukan Penerima Upah: PBPU*) from continuing their membership or joining the social insurance for employment program?**
2. **What are the strategies that have been and will be developed by the government and BPJS Ketenagakerjaan to maintain and expand membership** and how effective are these strategies, particularly to expand membership in the informal sector?
3. **What are the reasons for the increase in withdrawal of funds from the JHT program**, especially during the COVID-19 pandemic, and who is making these JHT withdrawals?
4. **What are the stakeholders' views regarding the increasing number of JHT withdrawals** and what are the strategies that have been and will be developed to address this situation?

1.4. Methodology

1.4.1. Data Collection Technique

This rapid assessment was done online and by telephone during the period February-March 2021 and utilised both a qualitative and quantitative approach.

Data collection techniques applied are as follows:

1. Secondary data collection by using and analysing BPJS Ketenagakerjaan membership administrative data, statistical data, study/research results, and other related documents.
2. Primary data collection through qualitative and quantitative approaches:

- Qualitative approach, by conducting individual and/or group interviews through the Zoom application or telephone calls with 73 informants/respondents from various categories-ranging from relevant stakeholders at national and provincial levels to Perisai agents, PPU, PBPUs, as well as PPU who exited the program. Interviews lasted approximately 30 to 180 minutes.
- Quantitative approach, by conducting telephone surveys that lasted about 20-40 minutes with 201 respondents who are BPJS *Ketenagakerjaan* participants, both PPU and PBPUs, in DKI Jakarta and Bali provinces. Each province is represented by around 100 respondents. The sample was established using Slovin formula with a margin of error of 10 per cent.⁵

The use of qualitative and quantitative approaches is expected to provide more comprehensive data, especially regarding the level of membership in social insurance for employment and the factors that can influence it. To maintain data quality, the research team applied data triangulation using various datasets, such as documents or reports as well as interviews with various parties deemed to have knowledge and/or experience regarding the topic at hand.

1.4.2. Site Selection

This rapid assessment focuses on two provinces, namely DKI Jakarta and Bali, with the following considerations:

1. **Both locations have been heavily affected by the COVID-19 pandemic.** In the second quarter of 2020, economic growth in DKI Jakarta was minus 8.32 per cent (Nababan 2020) and in Bali minus 12.28 per cent in the third quarter of 2020 (Fadil 2020).
2. **Compared to other sectors, the service sector is one of the most affected by the COVID-19 pandemic.** A World Bank survey (2020)⁶ shows that the steepest

⁵ Details of sampling can be seen in the appendix.

⁶ The World Bank is administering a high-frequency monitoring of the socioeconomic impacts of COVID-19 on households (HiFy) in 27 provinces.

decline in income occurred in the service sector. The services sector constitutes a fairly large share of the economies of both provinces-54 per cent in DKI Jakarta and 26 per cent in Bali.⁷

3. **A high proportion of women work in the service sector and the trade, hotel, and restaurant sector.** The participation rate for women in these sectors in DKI Jakarta reached 74 per cent and 49 per cent for men and in Bali 53 per cent for women and 44 per cent for men.⁸

1.4.3. Category and Number of Informants/Respondents

In collecting qualitative data, 59 in-depth interviews⁹ were conducted consisting of 18 interviews at national level, four interviews at provincial level, and 37 interviews with Perisai agents and members in the two study areas. Details on categories of informants at the national and provincial levels of DKI Jakarta and Bali are presented in Table 1.1.

Table 1.1: Categories of Informants at National and Provincial Levels

Representatives of Ministries/Institutions, DPLK, SP/SB, Non-Governmental Institutions, and Provincial OPD	
Ministry of National Development Planning/National Development Planning Agency (<i>KemenPPN/Bappenas</i>)	BPJS <i>Ketenagakerjaan</i> National Headquarters and Regional Offices (<i>Kantor Wilayah: Kanwil</i>). BPJS <i>Ketenagakerjaan</i> in DKI Jakarta Province and BANUSPA (Bali, Nusa Tenggara, and Papua)
Coordinating Ministry for Human Development and Culture (<i>Kemenko Pembangunan Manusia dan Kebudayaan: PMK</i>)	Financial Institution Pension Fund Association (<i>Dana Pensiun Lembaga Keuangan: DPLK</i>): DPLK Association, DPLK of Bank Negara Indonesia, DPLK of Bank Rakyat Indonesia, DPLK of Bank Jawa Tengah (Central Java), and DPLK of Bank Jawa Barat (West Java) (BJB).

⁷ BPS 2020, calculated by TNP2K.

⁸ BPS 2020, calculated by TNP2K.

⁹ Of 59 in-depth interviews, 50 were one-on-one interviews.

Representatives of Ministries/Institutions, DPLK, SP/SB, Non-Governmental Institutions, and Provincial OPD	
Fiscal Policy Agency (<i>Badan Kebijakan Fiskal</i> : BKF), Ministry of Finance (<i>Kementerian Keuangan</i> : <i>Kemenkeu</i>)	Trade Unions/Labour Unions (<i>Serikat Pekerja</i> : SP/ <i>Serikat Buruh</i> : SB): National Federation of Trade Unions (<i>Federasi Serikat Pekerja Nasional</i> : FSPN) and Federation of Indonesian Metal Workers Unions (<i>Federasi Serikat Pekerja Metal Nasional</i> : FSPMI).
<ul style="list-style-type: none"> Ministry of Manpower (<i>Kementerian Ketenagakerjaan</i>: <i>Kemnaker</i>) and Local Government Organisation (<i>Organisasi Perangkat Daerah</i>: OPD): Manpower Offices (<i>Dinas Tenaga Kerja</i>: <i>Disnaker</i>) in DKI Jakarta and Bali Provinces National Social Security Council (<i>Dewan Jaminan Sosial Nasional</i>: DJSN) 	Non-Governmental Organisations: Association for Women in Small Business Assistance (<i>Asosiasi Pendamping Perempuan Usaha Kecil</i> : ASPPUK) and Female-Headed Household Empowerment (<i>Pemberdayaan Perempuan Kepala Keluarga</i> : PEKKA).

Interviews in the provinces of DKI Jakarta and Bali were conducted with four informant categories-namely Perisai agents, PPU, PBPU, and PPU who exited the program and withdrew JHT. A total of 37 people were interviewed with a balance of genders (Table 1.2).

Table 1.2. Categories and Number of Perisai Agents and Member Informants in DKI Jakarta and Bali

Gender	Category	DKI Jakarta	Bali	Total
Male	Perisai	3	3	6
	PPU	2	2	4
	PBPU	3	2	5
	PPUs who exited the program and withdrew JHT	2	2	4

Gender	Category	DKI Jakarta	Bali	Total
Female	Perisai	3	3	6
	PPU	2	2	4
	PBPU	2	2	4
	PPUs who exited the program and withdrew JHT	2	2	4
Total		19	18	37

In collecting quantitative data, the team conducted a survey of 201 respondents—99 member respondents in DKI Jakarta and 102 in Bali. Of the 201 respondents, 180 respondents (90 per cent) are in the PU segment while the other 21 are in the BPU segment. Details of respondents based on gender and membership segment are presented in Table 1.3.

Table 1.3: Number of Respondents by Membership Category and Gender in DKI Jakarta and Bali

Gender	Membership category	DKI Jakarta	Bali	
			City	District
Male	PPU	43	24	21
	PBPU	5	1	5
Female	PPU	46	22	24
	PBPU	5	2	3
Total		99	49	53

Note: n=201 respondents.

The sample of quantitative survey respondents was quite balanced by gender with a composition of 51 per cent female (102 females), and 49 per cent male (99 males). Sampling stratification of survey respondents was carried out by considering representation of urban and rural areas (proxy to cities and districts), membership segment, and gender.

2

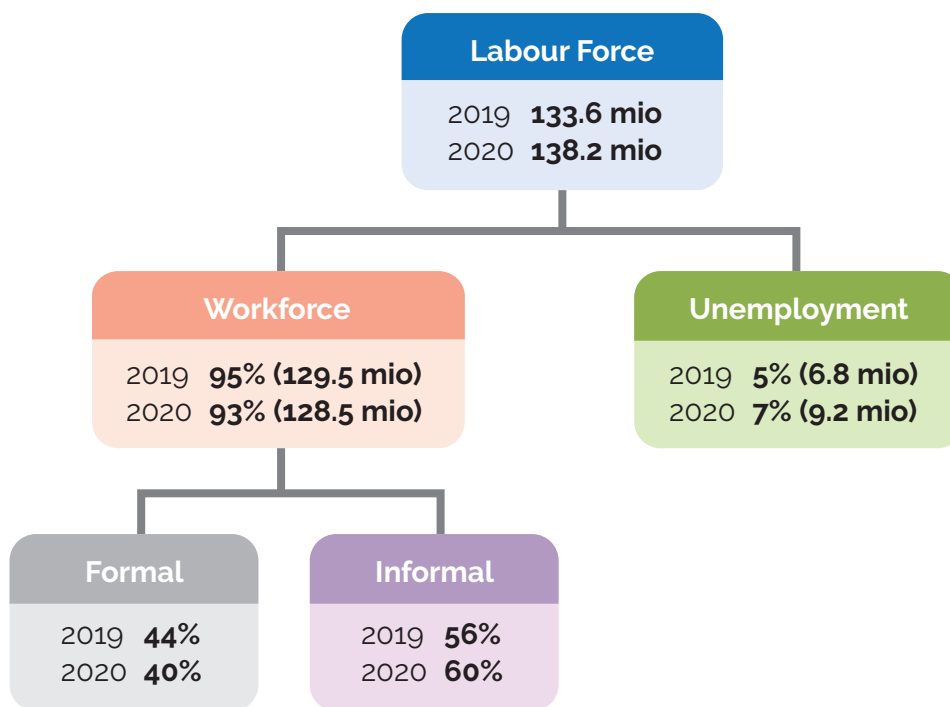
General Overview of Employment and Membership in Social Insurance for Employment



2.1. The Employment Condition Before and During the COVID-19 Pandemic

Indonesia experienced an increase in the size of its labour force from around 134 million people in 2019 (prior to the outbreak of the pandemic) to 138 million people in 2020 (Figure 2.1). By gender, there was an increase in the number of working women from 48.7 million people to 50.7 million people. The number of informal workers increased from 56 per cent to 60 per cent. Meanwhile, the number of people in the labour force with disability and workers with disability each experienced a decrease of around 1 per cent.

Figure 2.1: Composition of Labour Force in Indonesia (2019-2020)



Source: BPS 2019 and 2020a, calculated by TNP2K 2021.

While there was an increase in the size of the labour force, the overall unemployment rate also increased-by 2 percentage points-while the unemployment rate for people with disability increased from 2.5 per cent (2019) to 4 per cent (2020). By business sector, most workers with disability worked in the informal sector-with the number increasing from 75 per cent (2019) to 79 per cent (2020). Although male workers with disability still dominate both the formal and informal sectors, there was an increase in the number of female workers with disability by about 2 percentage points (BPS 2019 and 2020a).

The two study areas-DKI Jakarta and Bali-each experienced an increase in the unemployment rate and participation rate in the informal sector that exceeded the national level. Between 2019 and 2020 (or before and during the pandemic), the unemployment rate in DKI Jakarta increased by 5 percentage points (from 6 per cent to 11 per cent), while in Bali it increased by 4 percentage points (from 2 per cent to 6 per cent) (Table 2.1). In the same period in DKI Jakarta there was also an increase in the share of workers in the informal sector from 32 per cent to 38 per cent, while in Bali it increased from 50 per cent to 57 per cent.

Unlike the case at the national level, the share of workers in the formal sector in DKI Jakarta, both before and during the pandemic, remained higher than that of workers in the informal sector, although the share fell from 68 per cent in 2019 to 62 per cent in 2020. The share of formal and informal workers in Bali before the pandemic was balanced at 50 per cent, however, the proportion of formal workers decreased to 43 per cent during the pandemic. This increase in unemployment and share of informal workers in the two regions, which is far above the increase at the national level, seems to be one indication of the magnitude of impact of the COVID-19 pandemic on the employment condition in the two study areas.

Table 2.1: Employment Condition in DKI Jakarta and Bali (2019-2020)

Employment	DKI Jakarta				Bali			
	2019		2020		2019		2020	
	Total	%	Total	%	Total	%	Total	%
Labour Force	5,157,878		5,232,031		2,466,230		2,567,919	
Workforce	4,836,977		4,659,251		2,428,679		2,423,419	
WORKERS BY BUSINESS STATUS								
Informal	1,526,041	32	1,780,827	38	1,209,382	50	1,373,929	57
Formal	3,310,936	68	2,878,424	62	1,219,297	50	1,049,490	43
Total	4,836,977	100	4,659,251	100	2,428,679	100	2,423,419	100
WORKERS BY GENDER								
Male	3,035,993	63	2,904,501	62	1,343,802	55	1,304,692	54
Female	1,800,984	37	1,754,750	38	1,084,877	45	1,118,727	46
Total	4,836,977	100	4,659,251	100	2,428,679	100	2,423,419	100
Open unemployment	320,901	6	572,780	11	37,551	2	144,500	6

Source: BPS 2019 and 2020a, calculated by TNP2K 2021.

The impact of Covid-19 pandemic on workers with disability in DKI Jakarta and Bali is similar to the impact on the overall workforce. In the 2019-2020 period, the number of people with disability in DKI Jakarta who participated in the labour force increased from 34 per cent to 37 per cent, whereas in Bali there has been a decrease from 48 per cent to 47 per cent. The unemployment rate for persons with disability in both regions also increased. In DKI Jakarta, the unemployment rate for persons with disability increased from 4 per cent (2019) to 9 per cent (2020), while in Bali from 1 per cent (2019) to 2 per cent (2020). Most people with disability in both regions work in the informal sector. In DKI Jakarta the number was around 56 per cent, both in 2019 and 2020, while in Bali it increased from 75 per cent (2019) to 86 per cent (2020) (BPS 2020 and 2020a).

2.2. The Membership Condition in Social Insurance for Employment Program Before and During the COVID-19 Pandemic

This sub-chapter presents data on membership in the social insurance for employment program in 2018-2020, or before and during the COVID-19 pandemic. The first section describes membership data at the national level for the entire wage range, followed by membership data at the national level and the two study areas for workers earning a wage below Rp 5 million per month. The focus on this cohort of members is because the average minimum wage of all provinces is below Rp 5 million per month and they represent the dominant members of the social insurance for employment programs. For the purposes of this study, we consider this group to be vulnerable workers. The membership data is grouped by membership segment, gender, program type, wage range, and length of membership. The final part of the sub-chapter presents data on trends in JHT withdrawals.

2.2.1. The membership condition at the national level in 2018-2020

Membership in the social insurance for employment program has increased over the three years to a total of 50.7 million active and inactive members in 2020. The total proportion of the PU segment increased from 76.6 per cent (2018) to 78.4 per cent (2020) while the BPU segment saw a slight increase from 5.5 per cent (2018) to 6 per cent (2020). Data 2019-2020 has shown a decrease in active membership in all segments from 34.2 million members to around 30 million members, and the largest decline occurred in the construction services segment.

In terms of gender, social insurance for employment membership outside the construction services segment is dominated by men at 65 per cent (14.6 million members) in 2020 (Table 2.2). The inequalities in women's access to social insurance for employment is related to, among other things, the low participation rate of women in the labour market, both in the formal and informal sector (53 per cent). In the informal sector, women also dominate as unpaid family workers (73.1 per cent) (BPS 2020), thereby contributing to their low membership numbers in social insurance for employment program. This situation needs to be contemplated more deeply as part of efforts to provide protection to all categories of workers, including unpaid workers.

Table 2.2: BPJS Ketenagakerjaan Membership Data at National Level (2018-2020)

Membership	2018		2019		2020	
	Total	%	Total	%	Total	%
ACTIVE MEMBERS						
PU	19,061,488	62.6	19,629,972	57.5	19,587,095	65.3
BPU	2,393,022	7.9	2,712,031	7.9	2,494,994	8.3
Indonesian migrant workers	365,662	1.2	544,500	1.6	376,601	1.3
Construction services	8,639,900	28.4	11,279,754	33.0	7,521,392	25.1
Total	30,460,072	100	34,166,257	100	29,980,082	100
INACTIVE MEMBERS						
PU	19,578,530	98.1	20,431,445	98.2	20,172,390	97.4
BPU	377,885	1.9	369,756	1.8	544,113	2.6
Indonesian migrant workers	0	0	0	0	14	..
Construction services	0	0	0	0	0	0
Total	19,956,415	100	20,801,201	100	20,716,517	100

Membership	2018		2019		2020	
	Total	%	Total	%	Total	%
ACTIVE MEMBERS BY GENDER (EXCLUDING CONSTRUCTION SERVICES)						
Male	14,319,513	66	14,873,162	65	14,633,917	65
Female	7,500,659	34	8,013,341	35	7,824,773	35
Total	21,820,172	100	22,886,503	100	22,458,690	100

Source: BPJS Ketenagakerjaan 2019, 2019a, and 2020, consolidated by TNP2K 2021.

Note: Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

Membership data shows a high number of inactive members-especially in the PU segment where there are more inactive than active members. In 2020, or during the pandemic, the number of inactive PPU was nearly 20.2 million, compared to the number of active PPU at only 19.6 million. These findings indicate challenges in maintaining membership sustainability in the social insurance for employment program. The efforts to expand membership that are currently being promoted also need to be accompanied by efforts to maintain membership to ensure sustainability of the social insurance for employment program in Indonesia.

Meanwhile, the number of active members registered in the social insurance for employment program with wages below Rp 5 million reached 16.4 million PPUs and 2.46 million BPUs in 2020 (Table 2.3). When compared with the data of all active members, most members are registered with wages below Rp 5 million, namely 83.6 per cent of PPUs and 98.9 per cent of BPUs. In this wage range, men also dominate membership by 65 per cent (12.5 million) compared with 35 per cent for women.

Table 2.3: Number of BPJS Ketenagakerjaan Members With Wages Below Rp 5 million (National Level) (2018-2020)

Membership ¹⁰	2018		2019		2020	
	Total	%	Total	%	Total	%
ACTIVE MEMBERS						
PU	16,347,346	85.8	16,448,398	86.2	16,383,182	85.2
BPU	2,352,581	12.3	2,087,843	10.9	2,465,727	12.8
Indonesian migrant workers	365,662	1.9	544,500	2.9	376,601	2.0
Total	19,065,589	100	19,080,741	100	19,225,510	100

Membership ¹⁰	2018		2019		2020	
	Total	%	Total	%	Total	%
INACTIVE MEMBERS						
PU	12,177,509	97.5	11,707,130	96.1	9,893,389	95.1
BPU	314,614	2.5	477,322	3.9	513,984	4.9
Indonesian migrant workers	0	0	0	0	14	..
Total	12,492,123	100	12,184,452	100	10,407,387	100
ACTIVE MEMBERS BASED ON GENDER						
Male	12,487,453	65.5	12,438,097	65.2	12,467,921	64.9
Female	6,578,136	34.5	6,642,644	34.8	6,757,589	35.1
Total	19,065,589	100	19,080,741	100	19,225,510	100

Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

The largest premium contribution in the PU segment with wages below Rp 5 million was to the JHT and JP programs—at 65 per cent and 28 per cent of total premium respectively in 2020 (Table 2.4). Nevertheless, JHT revenue decreased marginally by 0.1 per cent, while JP increased by 0.8 per cent between 2019 and 2020. A decline in contribution revenues also occurred in the JKK and JKm programs, by 37.9 per cent and 35.8 per cent, respectively. Unlike the composition of contributions in the PU segment, in the BPU segment the contributions for the JKK and JKm programs dominate the share of contributions in 2020 (55.3 per cent and 34.4 per cent), while the JHT contribution is only 10.3 per cent. Contributions to all programs received from BPU experienced a fall between 2019 and 2020. The largest decline occurred in the JHT program which was 39.5 per cent lower in 2020 compared to 2019, while JKK and JKm decreased by 12.1 per cent and 9.4 per cent (Table 2.4).

¹⁰ Data on the construction service segment is unavailable.

Table 2.4: Composition of BPJS Ketenagakerjaan Premium Contributions by Program and Membership Segment (Billions of Rp)

Program	Contribution Composition		
	2018	2019	2020
PPU			
1. JKK	2,881	3,156	1,959
2. JKm	1,441	1,608	1,032
3. JHT	25,640	27,932	27,893
4. JP	10,538	11,927	12,018
PBPU			
1. JKK	145	141	124
2. JKm	79	85	77
3. JHT	63	38	23

Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

2.2.2. Membership Condition in DKI Jakarta and Bali in 2018-2020

As is the case with membership at the national level, PPU with wages below Rp 5 million dominate membership in the two study provinces in 2020 (90.1 per cent in DKI Jakarta and 79.6 per cent in Bali). In 2020 the number of active members (PPU and PBPU) in DKI Jakarta was 3.6 million members and in Bali it was 443,000 members. In 2020, all active membership segments in the two regions decreased-between 5 per cent and 46 per cent-except for BPU in Bali which increased by 321 per cent from 2019. In addition, the number of inactive PPUs decreased by 17 per cent in DKI Jakarta but rose in every other category in 2020-6 per cent in Bali for PPUs and for PBPU by 7 per cent in DKI Jakarta and 28 percent in Bali (Table 2.5).

Table 2.5: Number of BPJS Ketenagakerjaan Members With Wages Below Rp 5 million (DKI Jakarta and Bali) (2018-2020)

Program	DKI Jakarta			Bali		
	2018	2019	2020	2018	2019	2020
MEMBERSHIP BY GENDER						
Male	2,736,803	2,716,112	2,480,327	256,886	245,065	277,147
Female	1,175,475	1,167,279	1,089,928	155,895	148,980	165,622
Total	3,912,278	3,883,391	3,570,255	412,781	394,045	442,769
ACTIVE MEMBERS						
PU	3,300,040	3,291,967	3,045,454	359,809	363,157	319,367
BPU	486,763	389,303	369,754	50,667	29,057	122,407
Indonesian migrant workers	125,475	202,121	155,047	977	1,831	995
Total	3,912,278	3,883,391	3,570,255	411,453	394,045	442,769
INACTIVE MEMBERS						
PU	3,672,792	3,395,192	2,816,977	177,811	179,417	189,728
BPU	62,861	110,695	118,793	3,018	5,448	6,983
Indonesian migrant workers	-	-	13	-	-	-
Total	3,735,653	3,505,887	2,935,783	180,829	184,865	196,711

Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

2.2.3. Composition of Social Insurance for Employment Membership Based on Wage Range

Based on the data of active members with wages below Rp 5 million, most wage earners reported or registered in 2020 were earning between Rp 1-2 million (31 per cent). For DKI Jakarta and Bali, this wage range is below the provincial

minimum wage standard (*Upah Minimum Provinsi*: UMP).¹¹ The next largest segment is in the wage range of Rp 2–3 million (25.9 per cent). The proportion of members with a wage range of Rp 4–5 million experienced a significant increase between 2018 and 2020 of 13.3 percentage points (Table 2.6).

Table 2.6: Wage Range of Active BPJS Ketenagakerjaan Members at National Level (2018-2019)

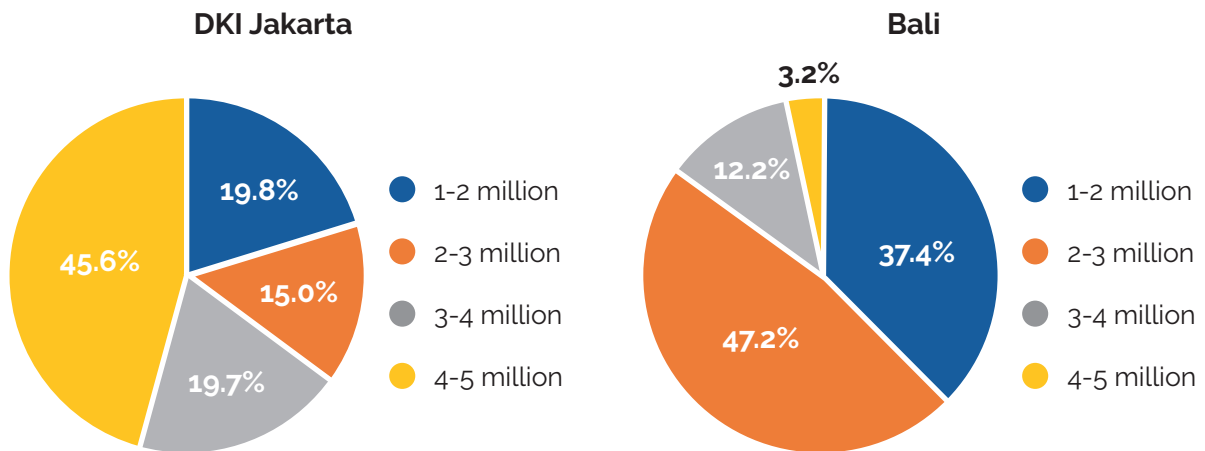
Wage Range (Rp)	2018		2019		2020	
	Total	%	Total	%	Total	%
1-2 million	7,120,624	37.3	5,936,497	31.1	6,012,020	31.3
2-3 million	5,687,277	29.8	6,189,290	32.4	4,982,738	25.9
3-4 million	4,780,216	25.1	4,788,547	25.1	4,163,985	21.7
4-5 million	1,477,472	7.8	2,166,407	11.4	4,066,767	21.1
Total	19,065,589	100	19,080,741	100	19,225,510	100

Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

In 2020, the wage range of Rp 2-3 million dominates the PU and BPU segments in Bali (47.2 per cent), while in DKI Jakarta it is dominated by members with a wage range of Rp 4-5 million (45.6 per cent) (Figure 2.2). Although the dominant wage range of Rp 4-5 million in DKI Jakarta aligns with the UMP, the large number of members with a wage range of Rp 1-2 million and Rp 2-3 million needs further attention because it can indicate non-compliance (*Perusahaan Daftar Sebagian*: PDS) with the regulated wage standard. Likewise, in Bali, a significant number of members (37.4 per cent) earn Rp 1-2 million which is also below the UMP.

¹¹ The Provincial Minimum Wage Standard (*Upah Minimum Provinsi*: UMP) of 2020 in DKI Jakarta is Rp 4,276,349 and for Bali is Rp 2,493,523 (<https://finance.detik.com/infografis/d-4750365/naik-851-ini-daftar-lengkap-ump-2020>).

Figure 2.2: Wage Range of Active BPJS Ketenagakerjaan Members in DKI Jakarta and Bali (2020)



Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

According to BPJS Ketenagakerjaan, one possible cause of the rise in wage PDS numbers is due to the limited access of BPJS Ketenagakerjaan to the actual wage amounts that workers receive in some companies. Companies or business entities often do not always disclose the true information related to the wages of their workers. This is especially the case for workers who are paid wages below the minimum wage standard and company, or employer policy related to provision of wages to their employees/workers. To address this issue, BPJS Ketenagakerjaan encourages workers to actively self-report regarding their wages, and other related labour data through an online application called BPJSTKU.

BPJS Ketenagakerjaan classifies three types of PDS: (i) workforce PDS; (ii) program PDS; and (iii) wages PDS. Workforce PDS is a category of company that only registers some of their workers. The second is program PDS, which is a category of company that only registers their workers in some of the social insurance for employment programs, and the last is wage PDS, which is a category of company that reports lower wages than the amount that should be received (BPJS Ketenagakerjaan 2018).

BPJS Ketenagakerjaan state that program PDS and wage PDS are the most common forms of non-compliance by companies/employers, even for large and medium-sized companies. The 2019 annual report of BPJS Ketenagakerjaan recorded 1.71 million members in large- and medium-scale businesses who were listed in the program PDS

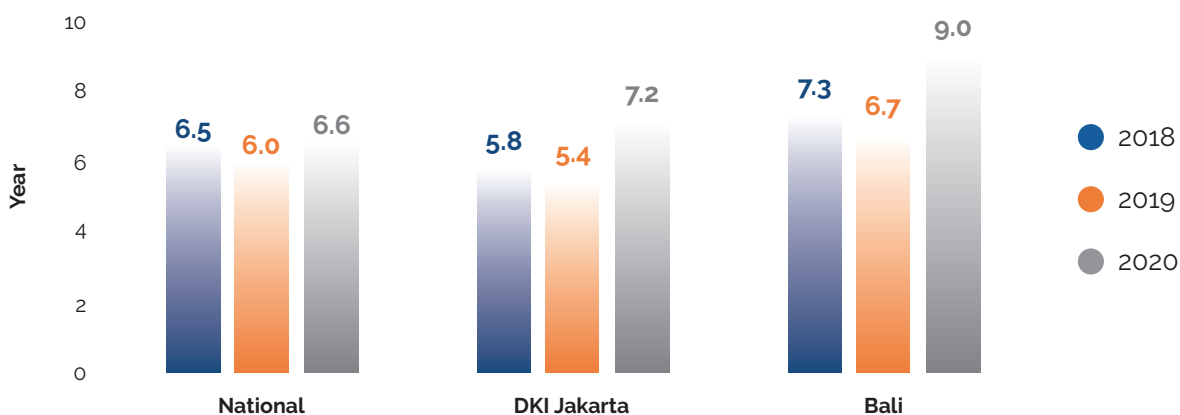
category. In addition, as many as 80 per cent of PDS were resolved and 126 employers have been sanctioned.

The various forms of non-compliance constitute a violation of Law No. 40/2004 on the National Social Security System (Sistem Jaminan Sosial Nasional: SJSN) and its derivative regulations. Employers are obliged to register themselves and their workers as members with BPJS in accordance with the social security programs they are participating in. For the social insurance for employment program, medium- and large-scale employers are required to register themselves and their workers into four programs, namely JKK, JKm, JHT, and JP. In addition, the contribution amounts for PUs shall be determined based on a percentage of wages and each employer is required to collect contributions from their employees, add the mandatory employer contribution and then remit this amount to BPJS *Ketenagakerjaan*.

2.2.4. Length of membership in social insurance for employment program

During 2018-2020 the average length of membership in the social insurance for employment program for members with wages below Rp 5 million at the national level and in the two study areas increased. The average length of membership at the national level increased from 6.5 years (2018) to 6.6 years (2020). Likewise, in DKI Jakarta, it increased from 5.8 years (2018) to 7.2 years (2020), and in Bali from 7.3 years (2018) to 9.0 years (2020).

Figure 2.3: Average Length of BPJS Ketenagakerjaan Membership for Members With Wages Below Rp 5 million (National Level, DKI Jakarta, and Bali) (2018-2020)



Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

2.2.5. Withdrawal/Claim of JHT benefits

In 2018-2020, the number of JHT claims by the PU segment with wages below Rp 5 million-both at national level and in the two study areas-continued to increase, while JHT claims in the BPU segment have fallen in the 2019-2020 period. At the national level, the increase in JHT claims in the PU segment in the period of 2018-2020 reached 29 per cent. Even in Bali, there was a spike in JHT claims by the PU segment of up to 125 per cent in 2019-2020 (Table 2.7).

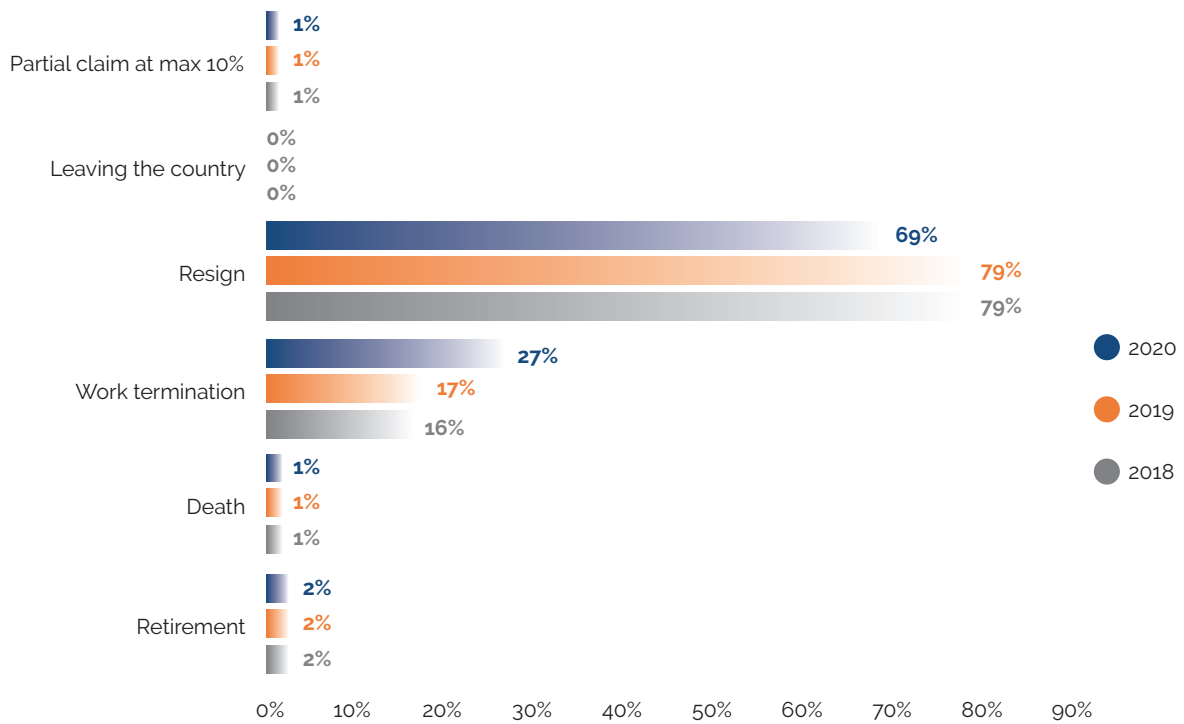
Table 2.7: Number of JHT Claims by PPU and PBPU With Wages Below Rp 5 million (National Level, DKI Jakarta, and Bali) (2018-2020)

JHT Claims	2018	2019	2020
JHT CLAIMS BY PPU			
National	1,583,667	1,807,508	2,042,307
DKI Jakarta	396,440	427,257	477,036
Bali	21,436	24,868	56,046
JHT CLAIMS BY PBPU			
National	2,408	3,228	2,516
DKI Jakarta	301	472	403
Bali	15	50	32

Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

The two main reasons for JHT claims by PPU and PBPU at the national level during the 2018-2020 period were resignations and work terminations. The proportion of claims citing resignation declined between 2019 and 2020-from 79 per cent to 69 per cent for PPUs (Figure 2.4) and from 84 per cent to 76 per cent for PBPU (Figure 2.5). Work terminations experienced a significant increase-from 17 per cent (2019) to 27 per cent (2020) for the PU segment and from 7 per cent (2019) to 12 per cent (2020) for the BPU segment. The increase in JHT claims citing work termination as the reason during the pandemic is an indication of the impact of the COVID-19 pandemic on employment. This had a knock-on impact on membership numbers in the social insurance for employment program-especially in the JHT program.

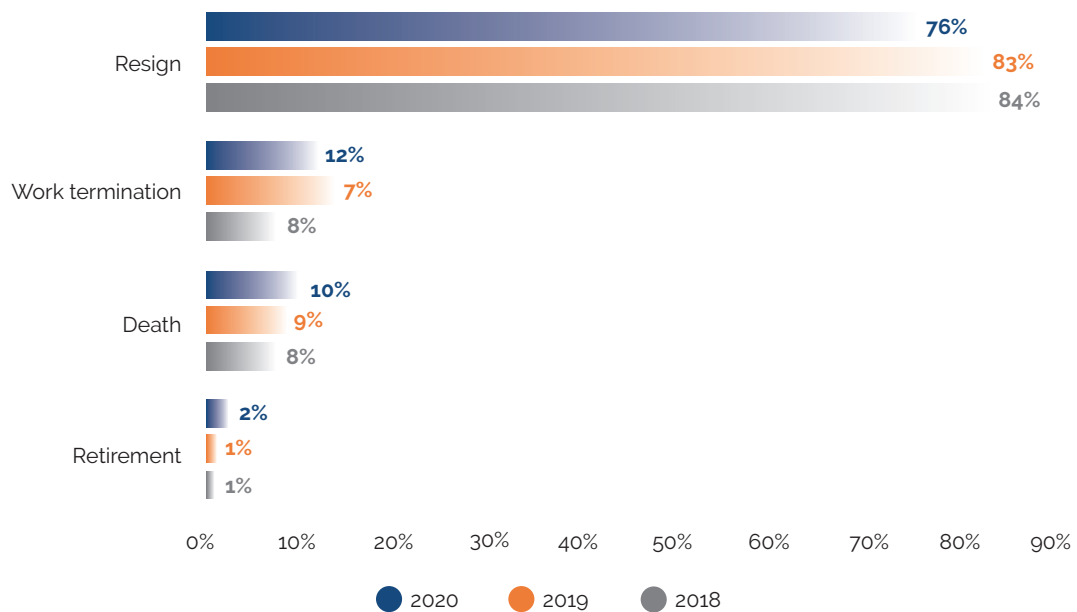
Figure 2.4: Reasons for JHT Claims by PPU (National Level) (2018-2020)



Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

Note: Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

Figure 2.5: Reasons for JHT Claims by PBPU (National Level) (2018-2020)



Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

Note: Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.



3

Challenges and Strategies for Maintaining and Expanding Social Insurance for Employment Program Membership from Various Perspectives

This chapter describes and analyses several challenges and strategies for maintaining and expanding social insurance for employment program membership from the perspectives of four groups of informants/respondents. The four groups are: (i) stakeholders and policy implementers at national and provincial levels in the two study areas; (ii) Perisai agents; (iii) PPU and PBPU; and (iv) PPU who exited social insurance for employment membership and have withdrawn JHT. The perspectives of these various groups are expected to provide a comprehensive understanding and help formulate recommendations to support efforts to maintain and expand membership in the social insurance for employment program.

3.1. Perspective of Policy Stakeholders and Implementers

Interviews with policy stakeholders and implementers as well as private actors and non-governmental organisations at various levels indicate the main challenges in maintaining and expanding the social insurance for employment program membership. These challenges include those related to: (i) regulations and institutions; (ii) data; and (iii) compliance. This study also identifies various strategies that have been developed-especially by policy implementers-to increase social insurance for employment membership. In the context of a pandemic, this study briefly discusses two social insurance for employment programs aimed at mitigating the impact of the COVID-19 pandemic for workers and employers and the extent to which these two programs have affected membership rates.

3.1.1. Challenges and Proposals Related to Regulations and Institutions

Regulatory and institutional issues are still considered factors that hinder efforts to maintain and expand membership in the social insurance for employment program. A number of informants said that regulatory inconsistencies and overlaps and institutional problems still hinder implementation of the national social security system-especially the social insurance for employment program. This is consistent with the results of regulatory and institutional mapping that TNP2K carried out in 2020.¹²

¹² TNP2K's presentation, August 2020, entitled, "*Pemetaan Regulasi dan Kelembagaan Sistem Jaminan Sosial Nasional: Jaminan Sosial Ketenagakerjaan.*" ("Regulatory and Institutional Mapping of the National Social Security System: Social Insurance for Employment.")

To address these regulatory and institutional issues, DJSN proposed a revision to Law No. 40/2004 on SJSN and Law No. 24/2011 on BPJS, and encouraging the institutional strengthening of DJSN including by clarifying its functions, duties, and authorities.¹³ Bappenas and Kemenko PMK also stressed the importance of harmonising and improving a number of regulations.¹⁴ One of the regulations that need improving is Minister of Manpower Regulation No. 19/2015 on Procedures and Requirements for Payment of Old Age Saving Benefits which allows early withdrawals of JHT benefits. Early withdrawals undermine the integrity of the JHT program whose purpose is to provide income security through “future saving and future safety”.¹⁵ To promote membership in social insurance for employment in the informal sector, BPJS *Ketenagakerjaan* also sees the need for regulations that can provide easier access to becoming a member and taking advantage of the program's benefits.¹⁶

From the institutional perspective, *Kemenaker* and BPJS *Ketenagakerjaan* asserted the importance of better coordination and cooperation between ministries and agencies as policy makers and BPJS *Ketenagakerjaan* as the policy implementer to provide social protection.¹⁷ In addition, *Kemenaker* proposed the drafting of standard operating procedures to improve institutional governance, including promoting integration of service aspects at BPJS *Ketenagakerjaan* with programs at *Kemenaker* for example, in terms of job training and access to job market information.¹⁸ BPJS *Ketenagakerjaan* also sees the importance of internal bureaucratic reform to provide services that are easier to access, faster, and more accurate.¹⁹

In response, the government has and is currently preparing various regulations that are expected to improve implementation of the social insurance for employment program and expand its membership (Table 3.1).

¹³ TNP2K interview with DJSN, 17 February 2021.

¹⁴ TNP2K interview with Bappenas, 5 February 2021 and *Kemenko* PMK, 23 February 2021.

¹⁵ TNP2K interview with *Kemenko* PMK, 23 February 2021.

¹⁶ TNP2K interview with BPJS *Ketenagakerjaan*, 16 February 2021.

¹⁷ TNP2K interview with *Kemenaker*, 23 February 2021 and BPJS *Ketenagakerjaan*, 15 February 2021.

¹⁸ TNP2K interview with *Kemenaker*, 23 February 2021.

¹⁹ TNP2K interview with BPJS *Ketenagakerjaan*, 15 February 2021.

Table 3.1: Latest Regulatory Developments on Social Insurance for Employment

Regulations related to implementation of the social insurance for employment program	Regulations related to expansion of membership in the social insurance for employment program
<ul style="list-style-type: none"> • Government Regulation No. 82/2019 on Amendments to PP No. 44/2015 on Implementation of JKK and JKm. • Minister of Manpower Regulation No. 5/2021 on Procedures for Implementation of JKK, JKm, and JHT. • Government Regulation No. 37/2021 on Implementation of Unemployment Benefit Program as part of the mandate of Law No. 11/2020 on Job Creation. 	<ul style="list-style-type: none"> • DJSN Regulation No. 2/2020 on Social Insurance Membership Expansion Professional (<i>Ahli Penggerak Profesional Jaminan Sosial</i>). • Presidential Instruction No. 2/2021 on Optimising Social Insurance for Employment Membership. • Draft Government Regulation for Fully Subsidised Beneficiaries (PBI) for the Social Insurance for Employment Program (current status: pending academic review from DJSN).
<p>Bill regarding Development and Strengthening of Financial Sector (RUU P2SK-Pension Cluster) which revises Articles 36 and 37 concerning JHT in Law No. 40/2004 on SJSN.</p>	

3.1.2. Challenges and proposals related to employment and membership data

The existing data on employment and membership in social insurance for employment are still not developed comprehensively and have not been integrated. This is considered to be one of the inhibiting factors in efforts to expand membership and policy interventions related to social insurance for employment.²⁰ One of the efforts

²⁰ TNP2K interview with Bappenas, Kemenaker, and Kemenkeu, February-March 2021.

made to address the issue of employment data is the development of the Employment Information System (*Sistem Informasi Ketenagakerjaan: Sisnaker*)²¹ launched by *Kemenaker* in 2019. Every company is required to have a *Sisnaker* account before carrying out the Mandatory Company Employment Report (*Wajib Laporan Ketenagakerjaan Perusahaan: WLKP*). Unfortunately, this reporting obligation has not been fully complied with by companies. For example, companies have not updated the status of workers (workers who have been laid off or recruited) on a regular and ongoing basis. *Kemenaker* has tried to conduct information dissemination and education to employers/companies to solve this problem but the results, to date, have not been optimal.²²

Given that *Sisnaker* has been unable to comprehensively capture the state of employment, Bappenas sees the need for a reform of the Labour Market Information System (LMIS).²³ According to Bappenas, LMIS can serve as an employment database that can be used for various purposes, including as a basis for policy interventions. For example, the lack of an LMIS has hindered the government from obtaining data that can be used as a basis for formulating policy interventions in handling the impact of the COVID-19 pandemic, as illustrated in the excerpt below.

Furloughing is actually not recorded and that is our weakness. The government didn't have any suitable data to be used as basis for policy intervention. So, when COVID hit, the economy stopped, then companies had to cope with this problem. We (the government) do not have a good enough basis to cover all of those who suddenly lost their jobs or had reduced income. Probably only the data in BPJS Ketenagakerjaan of people who withdrew JHT. Even that, in my opinion, cannot purely indicate layoffs. They could be just being temporary laid off, withdraw (JHT), but actually they already want to work elsewhere.

(Bappenas, 10 February 2021)

²¹ *Sisnaker* is a digital ecosystem that is a platform for all types of public services and employment activities, both at central and regional levels (<https://kemnaker.go.id>).

²² TNP2K interview with *Kemenaker*, 23 February 2021.

²³ TNP2K interview with Bappenas, 10 February 2021.

In addition to improving the employment data system, integration of social insurance membership data is also deemed necessary. The social insurance data in question is data of National Health Insurance (*Jaminan Kesehatan Nasional*: JKN) members managed by BPJS Kesehatan and data of the social insurance for employment members managed by BPJS Ketenagakerjaan. As of 2020, around 222 million JKN members and around 51 million social insurance for employment members have been registered.²⁴ DJSN stated that it was proposing an integration of JKK, JKm, and JKN data to be linked through the Population Identification Number (*Nomor Induk Kependudukan*: NIK).

Indeed, between BPJS Kesehatan and BPJS Ketenagakerjaan, the data is still not integrated. Actually, from the results of monitoring and evaluation, the difference is apparent... So, they use one NIK, right? Now everything is linked.

(DJSN, 17 February 2021)

Informants from women's organisations and trade unions/labour unions consider that employment and membership data are still biased toward formal workers, entrepreneurs, and by gender. ASPPUK stated that data collection is often gender biased, for example, only male-headed households are listed, whereas, in fact, there are many women who are the heads of their family.²⁵

They think that head of the family could only be a man, don't they? This bias extends to the village level. It is rarely written, unless there are local community groups who suggest it. Many poor females headed households are not recorded because they do not have identification. Rp 200,000 would be better to buy rice than to buy paper.

(ASPPUK, 19 February 2021)

PEKKA stated that, from the experiences of its members, the names recorded are the names of husbands as heads of families, even though their status is divorced. This condition causes these women to be unrecorded and their access to government assistance is hindered.²⁶ Meanwhile, FSPMI highlights the issue of employment data

²⁴ Membership administrative data information from BPJS Kesehatan and BPJS Ketenagakerjaan in 2020.

²⁵ TNP2K interview with ASPPUK, 19 February 2021.

²⁶ TNP2K interview with PEKKA, 1 March 2021.

that is still biased towards formal workers and entrepreneurs which then affects the targets of assistance provision. For example, the Wage Subsidy Assistance (*Bantuan Subsidi Upah*: BSU) program is only intended for formal workers who are registered as social insurance for employment members, whereas, in fact, there are still many formal workers who are not registered by employers and this category of workers has not received government attention.²⁷

3.1.3. Challenges and efforts to improve compliance

The non-compliance of employers/companies to provide social protection through the social insurance for employment schemes to their workers is still one of the challenges in implementing the social insurance for employment program.

As previously stated, there are three forms of non-compliance by the companies: companies that partially report their workers (worker PDS), programs (program PDS), and wages (wage PDS). Informants from FSPMI stated that there were still companies that do not register all of their workers into the social insurance for employment program, especially workers who are under the outsourcing system.²⁸ An informant from FSPN also added that companies generally delay registering their workers into the social insurance for employment program and do not report actual wage levels.²⁹ To encourage compliance, BPJS *Ketenagakerjaan* states the need for cooperation and data disclosure from all parties—for example, through disclosure of tax data to match wages reported to the tax office and to BPJS *Ketenagakerjaan*.

...to overcome wage PDS, (data) transparency between institutions is needed. How can we (BPJS Ketenagakerjaan) know that the wages (which are reported to) the BPJS are the same as wages (which are subject to be) taxed.

(BPJS Ketenagakerjaan, 15 February 2021)

²⁷ TNP2K interview with FSPMI, 26 February 2021.

²⁸ TNP2K interview with FSPMI, 26 February 2021.

²⁹ TNP2K interview with FSPN, 4 March 2021.

Given the different characteristics of the two, some informants also spoke of the need to differentiate enforcement methods for compliance between the PU and BPU segments. In the BPU segment, compliance enforcement efforts are carried out directly vis-à-vis members, while in the PU segment it is generally done through the employer. It would be more appropriate, therefore, to enforce compliance in the BPU segment through massive and intensive information dissemination and education involving Perisai.³⁰ In addition, the compliance enforcement element would also differ because social insurance for employment membership in the BPU segment has been more voluntary to date, while in the PU segment it is mandatory.

If we look at the law, is PU and BPU (membership) mandatory or not? We must match it first. If we handle (BPU) by means of PU, they will surely scream. So, the only way is to strengthen their education (BPU). What BPJS has done for the past five years is strengthening through education.

(BPJS Ketenagakerjaan, 19 February 2021)

Labour inspectors play an important role in ensuring compliance of employers/ companies, however, issues remain-such as those related to limited quality and number of inspectors.³¹ Since decentralisation of the inspection function to regions, it has been found that many inspectors do not have a background in labour inspection, resulting in a less than optimal implementation of inspection of employers/ companies, especially as the scope of work of labour inspectors is not only to ensure implementation of the social insurance for employment program, but also includes overall employment norms, such as Occupational Health and Safety (*Kesehatan Keselamatan Kerja: K3*), industrial relations, and protection of workers.³² This means that labour inspectors need to have an adequate background in supervision and knowledge of employment norms.

³⁰ TNP2K interview with *Kemenaker*, BPJS *Ketenagakerjaan*, and *Disnaker* of DKI Jakarta and Bali Province, representatives of trade/labour union, February-March 2021.

³¹ TNP2K interview with *Kemenaker*, *Disnaker* DKI Jakarta and Bali Provinces, February-March 2021.

³² TNP2K interview with *Kemenaker* 15 March 2021.

There is a gap between the number of inspectors and the number of workers and companies being inspected. *Kemnaker* has only 1,547 inspectors, whereas based on WLKP data there are around 252,880 companies with a total workforce of 13,138,048 (Karunia 2020a). According to regulations, a labour inspector is required to inspect at least five companies every month or 60 companies a year.³³ With the current number of inspectors, they are able to inspect fewer than 100,000 companies in one year, or about 37 per cent of all companies registered in the WLKP. Based on worker data in the WLKP, the ratio may still be adequate but, when compared to the total number of formal workers (estimated to be around 51.4 million (BPS 2020a), the inspector-to-worker ratio becomes inordinate-with each inspector having to inspect around 33,200 workers each year. The ideal standard according to ILO, for countries that fall into the category of countries in economic transition such as Indonesia, the ratio should be one inspector for 20,000 workers (ILO 2006).

The government has regulated procedures for labour inspection in the Minister of Manpower Regulation No. 33/2016 and Minister of Manpower Regulation No. 1/2020.³⁴ In the regulation, implementation of labour inspection shall be carried out through three stages, namely: (i) preventive educational stage in the form of guidance to prevent violations of labour norms; (ii) non-judicial repressive stages in the form of non-court enforcement; and (iii) judicial repression stage in the form of judicial enforcement through courts.

Apart from labour inspection, various efforts to improve employer compliance continue to be carried out-for example, through tripartite collaboration in supervision efforts. Collaborating agencies include relevant ministries/agencies, including Ministry of Manpower, the police, Attorney General's Office, and BPJS *Ketenagakerjaan*, representatives of trade/labour unions, and representatives of employers/entrepreneurs. Other efforts are through implementation of education, on-the-job training, coaching and regular meetings between senior and junior inspectors aimed at providing useful input and information to improve the skills of

³³ Minister of Manpower Regulation No. 1/2020 on Amendment to Minister of Manpower Regulation No. 33/2016 on Procedures for Labour Inspection.

³⁴ Minister of Manpower Regulation No. 1/2020 on Amendment to Minister of Manpower Regulation No. 33/2016 on Procedures for Labour Inspection.

labour inspectors. These various efforts can have a good impact on employer compliance if carried out regularly in a more structured and sustainable manner.³⁵

3.1.4. The condition of social insurance for employment program during the COVID-19 pandemic

Interview results show that the COVID-19 pandemic has resulted in an increase in the number of JHT and JKm claims. The increase in JHT claims is due to regulations that allow members who resign from work or are laid off to apply for JHT. The increase in JKm claims is due to the high death rate of members during the pandemic. BPJS *Ketenagakerjaan* explained that, before the pandemic, the highest JKm claim ratio reached around 30 per cent of all claims lodged with BPJS *Ketenagakerjaan*. By the end of 2020, the claim ratio increased to around 75 per cent. Even in the BPU segment, the claim ratio already exceeded 100 per cent by December 2020.³⁶ The increase in the JKm claims needs attention, especially when there are other factors that can potentially affect the resilience of JKm funds, such as: (i) the enactment of Government Regulation No. 82/2019 on Increasing the JKK and JKm Benefits, especially the addition of scholarship benefits; (ii) the implementation of a Contribution Relaxation Program for JKK and JKm; and (iii) a plan to reallocate part of the members' contribution in the JKK and JKm programs to fund the JKP program. Nevertheless, BPJS *Ketenagakerjaan* remains optimistic that the reallocation will not jeopardise the sustainability of the JKK and JKm funds because there is still a room for evaluation after two years of JKP implementation and other programs.³⁷

The crisis caused by the COVID-19 pandemic also had a fluctuating impact on member contributions. In the early days of the pandemic (March-July 2020), BPJS *Ketenagakerjaan* identified a fall in members' contributions, however, in August 2020

³⁵ TNP2K interview with *Kemenaker*, BPJS *Ketenagakerjaan*, and Provincial Manpower Office of DKI Jakarta and Bali, February-March 2021.

³⁶ It means that the fund spent by BPJS *Ketenagakerjaan* to pay claims exceeds the total amount of member contribution in a year.

³⁷ TNP2K interview with BPJS *Ketenagakerjaan*, 16 February 2021.

the value of members contributions increased again. According to BPJS Ketenagakerjaan, the increase in contributions is related to an increase in the wages of some members and the addition of new members, as illustrated in the following interview excerpt.

Actually, for 2020, we managed to maintain the amount of contributions that we earned in 2019. So (members) whose wages went up compensated for those who lost their jobs, whose wages went to zero. So in 2019 (total contributions was) Rp 73.1 trillion, and now Rp 73.2 trillion (in 2020)... More workers exited this year, but after three months of vacancies, in August we saw an addition of workers (members). Now, the number entering and exiting is almost the same.

(BPJS Ketenagakerjaan, 15 February 2021)

The various claims and membership issues during the COVID-19 pandemic highlights the importance of a social insurance for employment scheme that is more resilient to crisis shocks. Additionally, the various policymaking processes and preparation of regulations need to be considered comprehensively by taking into account various factors, including times of crisis, so that the resulting policies and regulations will not undermine the sustainability of the program.

3.1.5. Effectiveness of Contribution Relaxation and BSU Programs During the COVID-19 Pandemic

As one of the efforts to respond to, and mitigate the impact of, the COVID-19 pandemic, especially on workers, the government launched the BSU Program and Social Insurance for Employment Contribution Relaxation Program. The BSU Program is regulated in Ministry of Manpower Regulation No. 14/2020 on Guidelines for Providing Government Assistance in the Form of Salary/Wage Subsidies for Workers in Handling the Impact of Corona Virus Disease 2019 (COVID-19). The BSU Program aims to protect, maintain, and improve the economic capacity of workers in mitigating the impact of COVID-19. This program is given to PPU with wages below Rp 5 million/month in the form of a payment of Rp 600,000/month for four months. The Social Insurance for Employment Contribution Relaxation Program is regulated in Government Regulation No. 49/2020 on Adjustment to the Social Insurance for Employment

Program Contributions During the Spread of Non-Natural Disaster of Corona Virus Disease 2019 (COVID-19). The contribution adjustment is in the form of a relaxed payment deadline for JKK, JKm, JHT, and JP contributions, relief of JKK and JKm contributions (by 99 per cent) and postponement of payment as part of JP contributions. The Contribution Relaxation Program ran for six months (August 2020 to January 2021).

There are different views on the effectiveness of these two initiatives on company membership and compliance. *Kemenko* PMK stated that effectiveness of the Contribution Relaxation Program to maintain and expand membership still needs to be evaluated because, judging from the level of membership in 2020, there was a decrease compared to the previous year.³⁸ In other words, the Contribution Relaxation Program has not been able to encourage or maintain the level of membership.

A representative from BPJS Ketenagakerjaan claims that the Contribution Relaxation Program had no significant effect on company compliance, especially on companies experiencing financial problems which are still in arrears on their contributions.³⁹ This means that the Contribution Relaxation Program has not really helped the company's condition, especially when the reduction in contributions only applies to the JKK and JKm programs that have a lower level of contributions than JHT and JP. Furthermore, a trade/labour union representative is concerned about the impact of the Contribution Relaxation Program on the level of employer compliance.⁴⁰ When the program ends, the informant suspects that there will be requests from companies to postpone contribution payments on the grounds of inability to pay. This, of course, will have an impact on protection of workers.

Another aspect that was highlighted by several informants was the effect of the Contribution Relaxation Program on reducing incentives for Perisai agents.⁴¹ Reduction of JKK and JKm contributions resulted in reduced contribution incentives received by Perisai agents. The calculation of the incentives is based on

³⁸ TNP2K interview with *Kemenko* PMK, 23 February 2021.

³⁹ TNP2K interview with BPJS *Ketenagakerjaan*, 16 February 2021.

⁴⁰ TNP2K interview with FSPN, 4 March 2021.

⁴¹ TNP2K interview with BPJS *Ketenagakerjaan* BANUSPA Regional Office and DKI Jakarta, 9 and 23 March 2021.

the accumulated contribution value of members successfully recruited by Perisai agents. If the contributions decrease, the incentives will also decrease. Moreover, the majority of members that Perisai agents recruit only participate in the JKK and JKm programs. Nevertheless, the informants also said that BPJS *Ketenagakerjaan* provided a subsidy for Perisai to address the decrease in incentives.

For the BSU program, there are concerns about the emergence of resentment among the BPU segment who cannot access this program.⁴² As mentioned, the BSU program is only provided for the PU segment with wages below Rp 5 million/month. Representatives of trade/labour unions also believe that the government needs to pay attention to wage-earning workers who have not been registered by their employers in the social insurance for employment program as there are more unregistered than registered workers.⁴³ Regarding the effectiveness of the BSU program on the level of membership, *Kemenko* PMK stated that it could not yet be assessed as it is yet to be evaluated.⁴⁴

Other informants claim that the two initiatives-especially the BSU program-assisted in maintaining membership levels and increasing public curiosity and understanding of the social insurance for employment program. A representative from BPJS *Ketenagakerjaan* said that the BSU program shows the government's support for social insurance members.⁴⁵ This program is also seen as being able to build members' loyalty to the program they are participating in. Another informant added that the BSU program has increased the popularity of the social insurance for employment program which was not previously very well known to the public. Since the BSU program was launched, the public's curiosity and understanding of the social insurance program managed by BPJS *Ketenagakerjaan* seems to have increased:

⁴² TNP2K interview with BPJS *Ketenagakerjaan*, 16 February 2021.

⁴³ TNP2K interview with FSPMI, 26 February 2021.

⁴⁴ TNP2K interview with *Kemenko* PMK, 23 February 2021.

⁴⁵ TNP2K interview with BPJS *Ketenagakerjaan*, 15 February 2021.

BPJS Ketenagakerjaan has been overshadowed by BPJS Kesehatan... but with BSU, it has gradually increased, meaning that there is public awareness that BPJS Ketenagakerjaan members also receive attention from the government... they (workers) are happy and their company is happy. The local government is happy because (the BSU program) mitigated signs of social unrest.

(BPJS Ketenagakerjaan BANUSPA Regional Office, 9 March 2021).

There are two BPJS right? People are more familiar with BPJS Kesehatan. That's how less popular we were. But with BSU, we finally became popular too. People who previously had limited (knowledge of) the substance of BPJS Ketenagakerjaan were finally moved [to find out more], what is BPJS Ketenagakerjaan?

(BPJS Ketenagakerjaan DKI Jakarta Regional Office, 23 March 2021).

The above informant also said that, although the BPU segment did not receive the BSU program, based on field monitoring many workers registered themselves as members in the social insurance for employment program. In addition, according to him, the Contribution Relaxation Program received a very positive response from companies. There are even companies that paid the dues all at once until the end of the relaxation period in January 2021.

3.1.6. Strategies to maintain and expand social insurance for employment membership

This section presents the strategies and innovations that have been carried out by various parties-especially BPJS *Ketenagakerjaan* as social insurance program administrator (Table 3.2). These strategies and innovations are part of efforts to maintain and expand membership, both in the formal and informal sectors.

Table 3.2: Strategies to Maintain and Expand Social Insurance for Employment Membership

Strategy to Maintain Membership	Strategy to Expand Participaton
<p>The Perisai Program was launched by BPJS <i>Ketenagakerjaan</i> on 5 February 2018. This program targets the BPU segment and the PU segment working in SMEs. By 2020, there were around 4,600 active Perisai agents who successfully acquired 530,000 members and the collection of around Rp 206 billion in contributions.⁴⁶</p>	
	<p>The BPJSTKU application to expand coverage and improve membership services. This application was launched on 11 March 2018. Through this application, members can register, check their JHT balance, simulate JHT calculations, file reports and complaints, report work accidents, get program information, and get a digital card. Additionally, there is the <i>Lapak Asik</i> application (No Physical Contact Service) designed to facilitate online claims. This service is deemed useful, especially during the COVID-19 pandemic.</p>
<p>“Win-back” program to accommodate the switch of PPU to PBPU category. This program is offered to PPUs who exited the program to switch to PBPU. This program is deemed to have not addressed the portability issue of the social insurance for employment membership.⁴⁷</p>	<p>GN <i>Lingkaran</i> program is one of the initiatives to expand social insurance for employment membership and has been managed by BPJS <i>Ketenagakerjaan</i> since 2016. This program facilitates donations from the public and business entities to help PBPU pay membership contributions to BPJS <i>Ketenagakerjaan</i> for a certain period. In 2019, there were 40 donors to the GN <i>Lingkaran</i> Program, with a donation value of around Rp 16 billion. The largest share of donors and donations came from the DKI Jakarta area, at 27.50 per cent and 28.77 per cent respectively.</p>

⁴⁶ BPJS *Ketenagakerjaan* 2020a, calculated by TNP2K 2021.

⁴⁷ TNP2K interview with BPJS *Ketenagakerjaan*, 19 February 2021.

Strategy to Maintain Membership	Strategy to Expand Participaton
	<p>The number of PBPUs who received membership contribution donations in 2019 reached around 313,000 people. Based on employment sector, the largest number receiving contribution donations are workers in the trade sector, accounting for 43.00 per cent of the total (BPJS <i>Ketenagakerjaan</i> 2019).</p>
<p>“Empathy Call” program to inquire about condition of companies and build a better relationship between BPJS <i>Ketenagakerjaan</i> and employers/ companies. In DKI Jakarta, <i>“Sapa Pelanggan”</i> (“Greeting the Customers”) strategy is implemented. Inspectors and audit officers were also involved, especially for companies in arrears.⁴⁸</p>	<p>Social Insurance for Employment Awareness Movement carried out through establishment of “Desa Sadar” (“Aware Villages”) and “Wisata Akuisisi” (“Acquisition Tours”) to markets and malls. By 2019, 198 villages, 11 markets and 5 malls were made aware of the social insurance for employment program (BPJS <i>Ketenagakerjaan</i> 2019). LIPI’s study (2020) showed the potential of “Desa Sadar”, however its sustainability still needs to be maintained.</p>
<p>Increased membership retention ratio. In 2019 membership retention was 3:1, meaning from three registered members, one becomes an active member (BPJS <i>Ketenagakerjaan</i> 2019).</p>	<p>Increased membership of non-state civil servants. In 2019, BPJS <i>Ketenagakerjaan</i> (2019) collaborated with 59 ministries/ agencies.</p>

⁴⁸ TNP2K interview with BPJS *Ketenagakerjaan* DKI Jakarta *Kanwil*, 23 March 2021.

Strategy to Maintain Membership	Strategy to Expand Participaton
<p>Presenting <i>Paritrana Award</i> to local governments with good performance and innovation in implementation of the social insurance for employment program.</p>	<p>Strengthen collaboration with local governments and the private sector. BPJS <i>Ketenagakerjaan</i> encouraged several local governments to allocate their regional budget (APBD) to pay the social insurance for employment contributions for non-civil servants, traditional leaders, tour guides, and religious leaders. Examples: Bali (cultural leaders, religious leaders, and tour guides) and NTB (West Lombok provides contribution assistance for religious leaders). In the private sector, BPJS <i>Ketenagakerjaan</i> collaborates with Gojek to provide protection for drivers and Indonesia's Local Bank/Rural Bank (<i>Bank Perkreditan Rakyat: BPR</i>) to help reach BPU and PU segments in the SMEs.⁴⁹</p>
	<p>Strengthen collaboration with the Ministry of Foreign Affairs (MoFA) to reach Indonesian Migrant Workers through <i>Portal Peduli PMI</i> (Indonesian Migrant Worker Care Portal). Indonesian Migrant Workers as part of the PU segment have the right to receive social insurance for employment protection as mandated by Law No. 18/2017 on Protection of Indonesian Migrant Workers.⁵⁰</p>

⁴⁹ TNP2K interview with BPJS *Ketenagakerjaan* BANUSPA and DKI Jakarta Regional Office, 9 and 23 March 2021.

⁵⁰ TNP2K interview with BPJS *Ketenagakerjaan*, 16 February 2021.

Strategy to Maintain Membership	Strategy to Expand Participaton
	<p>Plan for Provision of PBI JKK and JKm for workers meeting the criteria of poor and underprivileged, financed by the APBN.</p>
<p>Information dissemination and education based on age groups and utilising e-commerce technology and platforms. At the same time, to improve digital literacy and strengthen information technology and communication infrastructure, especially in remote areas.</p>	
<p>Outreach and economic empowerment for informal workers to ensure contribution sustainability and develop flexible contribution payment schemes. For example: Bank Jabar (BJB) provides assistance to farmers to process livestock manure waste to be used as fertiliser, the proceeds of which can be used to pay DPLK contributions. Bank Jateng developed a proactive strategy to reach market traders, fishers, and farmers. Payment of contributions at BJB and Bank Jateng is made flexible to make it easier for members and the payments use various online and offline payment channels.⁵¹</p>	

Source: Compilation of interviews and BPJS Ketenagakerjaan 2020.

In addition to identifying strategies that have been carried out, this assessment also presents a number of proposed strategies suggested by informants to maintain and expand social insurance for employment membership:

- Expand membership using the approach of contributions based on capacity-to-pay rather than wage amount-especially in the BPU segment.** In addition, changing the perception of JHT contributions as savings rather than receivables. In this way, when members experience economic difficulties, they may stop paying JHT contributions and resume when their economic conditions improve. In the meantime, they are still encouraged to pay JKK and JKm contributions to remain protected.

⁵¹ TNP2K interview with DPLK Association, 23 February 2021.

- Collaborate with the Directorate General (DG) of Taxation to expand BPU membership and provide tax incentives for pension fund members-both in BPJS *Ketenagakerjaan* and DPLK.
- Collaborate in information dissemination and education regarding old age/pension insurance together with DPLK.
- Improve transparency of managed funds, payments, contribution rates, registration, and investments that are more flexible and more diversified.
- BPJS *Ketenagakerjaan* to form a Social Insurance for Employment Compliance Task Force.
- Promote the expansion of Perisai agents by first evaluating the Perisai program.
- Involve various parties-such as local governments, community leaders, religious leaders, communities, and universities in data collection as well as information dissemination and education.
- Synergise BPJS *Ketenagakerjaan* and BPJS *Kesehatan* in terms of data integration, agency systems, and management of members claims, especially for JKK and JKN.
- Develop an outreach approach or strategy tailored to the characteristics of target members and their sociocultural condition. For example, outreach to women small and micro entrepreneurs can be through a product development approach. For areas with strong cultural traditions-such as Bali-the approach could include cultural elements by linking benefits of JKm to reductions in the cost of a *Ngaben* (cremation) ceremony.
- Involve, strengthen, and mentor women cadres to assist in information dissemination and education on the social insurance for employment program and emphasise the importance of protection for women workers who are heads of families.
- Increase and expand cooperation with local governments and the private sector to provide protection-especially for PBPU or informal workers and other vulnerable workers.
- Encourage local governments to issue regulations/policies to maintain and increase social insurance for employment membership.
- Encourage the making of regulations and budget allocations to support implementation of the social insurance for employment program by governors and mayors/*bupati* as stipulated in Presidential Instruction No. 2/2021 on Optimising the Social Insurance for Employment Membership.

3.1.7. Conclusions

- a. **The government is aware of overlaps and inconsistencies in regulations related to the implementation of social insurance for employment** and is trying to address them via revisions and harmonisation of a number of laws/regulations as well as drafting and enacting laws/regulations aimed at reducing these problems.
- b. **Policy makers and implementers see the importance of improving the social insurance for employment data and membership.** They are also pushing for efforts to create a comprehensive and integrated data collection system. The database and data collection process being developed needs to take into account gender and economic sector aspects, because the current employment database is still biased toward the formal sector.
- c. **The COVID-19 pandemic has contributed to a decrease in member numbers and contributions as well as an increase in JHT and JKm claims.** The trend of increasing JHT claims is seen to be the result of the Minister of Manpower Regulation No. 19/2015 which opens the opportunity for early withdrawal (TNP2K 2020).
- d. **The Contribution Relaxation Program and BSU are viewed by some informants as not contributing much to the efforts of maintaining membership.** The BSU program is, however, considered to have played a significant role in increasing the popularity of BPJS *Ketenagakerjaan* and helping to increase public curiosity about the social insurance for employment program.
- e. **Compliance of employers/companies with their obligation to provide social protection for their workers still needs to be improved.** To address this, continuous collaboration with various parties is needed as well as intensive information dissemination and education, and by increasing the number and quality of labour inspectors to carry out their duties optimally.
- f. **Various parties, especially BPJS *Ketenagakerjaan*, have implemented various strategies and innovations to maintain and expand membership, but their effectiveness still needs to be monitored and evaluated regularly.** The results of this evaluation should be used to inform future improvements.
- g. **Cooperation between BPJS *Ketenagakerjaan* and ministries/agencies, local governments, the private sector, and non-governmental organisations needs**

to be continuously encouraged and supported to strengthen and sustain membership expansion efforts.

3.2. Perspective of Perisai

3.2.1. Overview of Perisai program

Perisai is an innovation from BPJS Ketenagakerjaan to expand membership coverage and social insurance for employment protection through an agency system. It was officially launched on 5 February 2018.⁵² One of the underlying reasons for devising this system is the limited human resources of BPJS Ketenagakerjaan to carry out the membership outreach, especially in the PU segment in small- and micro-scale businesses, as well as the BPU segment. As stated by a representative from BPJS Ketenagakerjaan in the Department on Membership of Construction Services and Corporate and Institutional Governance,

“...micro-small [enterprises] is like informal [sector], so it really needs face-to-face contact. While we [BPJS Ketenagakerjaan] have 6,000 employees, maybe only about 2,000 manage membership. It will never be enough to do [face-to-face meetings] you see. If [members outreach] is informal, we have to enter communities, like markets. That person must know the environment very well, so that's [the reason] we use Perisai agents.”

(TNP2K interview, 15 February 2021)

Perisai tried to adopt the agency system used in Japan, namely the Sharoushi and Jimmikumiai.⁵³ Wardhana, et al. (2020) stated in their study that these two systems are not very suitable for Indonesia because Japan has a different social security system,

⁵² The implementation of Perisai program refers to BPJS Ketenagakerjaan Board of Directors Regulation No. 15/2018 on Indonesian Social Insurance Activators (Perisai) and the BPJS Ketenagakerjaan Board of Directors Decree No. 48/2019 on Incentives of Perisai Agency System and BPJS Ketenagakerjaan.

⁵³ According to Wardhana et al. 2020 Sharoushi is an independent profession (a kind of employment expert) whose job is to deal with industrial relations issues, especially between workers and employers. Sharoushi does not conduct participant recruitment and collection of contributions. Meanwhile, Jimmikumiai is a regional industry association that manages participant recruitment, collection of contributions, and services.

institutions, regulations, and sociocultural context.⁵⁴ Additionally, it was also deemed that there are few similarities between the working systems of Perisai and Sharoushi and Jimmikumiai and Perisai's work system has more in common with insurance agents.⁵⁵

Within the Perisai agency system, there are two important elements, namely Perisai offices and Perisai agents as described in detail in Table 3.3.

Table 3.3: Definitions, Tasks, Requirements of Perisai Offices and Agents

Aspect	Perisai office	Perisai agent
Definition	Organisations that are legal entities or non-legal entities that function to support the implementation of the social insurance for employment program.	Persons/individuals who are members of Perisai and are tasked with conducting information dissemination and acquisitions as well as assisting in membership administration in the social insurance for employment program.
Task	<ol style="list-style-type: none"> 1. Recruit and nominate Perisai candidates to BPJS <i>Ketenagakerjaan</i>; 2. Receive and follow up on potential membership data from BPJS <i>Ketenagakerjaan</i> and/or from other sources; 3. Facilitate and support improvement of Perisai capabilities; and 	<ol style="list-style-type: none"> 1. Disseminate information on the social insurance for employment program; 2. Carry out members acquisition activities; 3. Perform membership data management activities; 4. Submit proof of payment of contributions to members under their scope;

⁵⁴ Wardhana et al. 2020 does not explain in more detail the differences in regulatory and sociocultural aspects. For the social security system, it was stated that Japan does not have a social security organisation such as BPJS *Ketenagakerjaan*.

⁵⁵ Level of similarity is assessed from 10 indicators, namely: (i) recruiting members; (ii) getting commission/incentive; (iii) have a job in the field of law and conflict resolution; (iv) individual based; (v) has a limited work area; (vi) work with or on behalf of entrepreneur/employer; (vii) regulated by law; (viii) have a network/organisation at the national level; (ix) take shelter in an office; and (x) have a certificate as a base to operate (Wardhana, et.al. 2020).

Aspect	Perisai office	Perisai agent
Task	<ol style="list-style-type: none"> 4. Monitor and evaluate performance of Perisai and report to Branch Office. 	<ol style="list-style-type: none"> 5. Inform proof of membership to the members; 6. Inform BPJS <i>Ketenagakerjaan</i> in the event of an insurance benefits claim.
Administrative requirements	<ol style="list-style-type: none"> 1. Legal entity or not a legal entity; 2. Have an organisational structure or management structure; 3. Offices and administrators of Perisai Offices are registered as members in BPJS <i>Ketenagakerjaan</i> for PU segment; 4. Have a minimum of 3 people who meet requirements as a Perisai agent; 5. Have a domicile letter; and 6. Have a savings account in the name of Perisai office organisation at a BPJS <i>Ketenagakerjaan</i> partner bank and be willing to auto-debit the account every month for payment of members' contributions at BPJS <i>Ketenagakerjaan</i>. 	<ol style="list-style-type: none"> 1. Registered as a member of Perisai office; 2. Not an active employee of BPJS <i>Ketenagakerjaan</i>; 3. Registered as a member in the BPJS <i>Ketenagakerjaan</i> BPU segment. 4. Have electronic devices that can be connected to the internet and Perisai office information system; 5. Minimum education is high school equivalent; 6. Have a savings account in the name of Perisai at a BPJS <i>Ketenagakerjaan</i> partner bank and willing to auto-debit the account every month for payment of members' contributions at BPJS <i>Ketenagakerjaan</i>; and 7. Have attended Perisai training certification and passed the exam.

Aspek	Kantor Perisai	Agen Perisai
Document requirements	<ol style="list-style-type: none"> 1. Photocopy of management structure; 2. Photocopy of certificate (domicile and Trade Business Permit (<i>Surat Ijin Usaha Perdagangan</i>: SIUP)/ Deed of Establishment) from local government; and 3. Photocopy of management ID card. 	<ol style="list-style-type: none"> 1. Photocopy of Identity Card (<i>Kartu Tanda Penduduk</i>: KTP) of Perisai candidate; 2. Photocopy of Perisai candidate's diploma; and 3. 3x4 identification photograph in colour.

Source: Presentation entitled BPJS *Ketenagakerjaan* of Perisai Agency System (n.d.).

The table above shows a fairly broad scope of Perisai agents' duties, ranging from information dissemination and members acquisition activities to assisting with payment of contributions and claims of members. In some cases, when there is a problem, a Perisai agent would be asked to assist in handling work accident and death claims:

I once took care of a person from Grab (ride-hailing online service) who had a concussion. The claim was up to Rp 200 million. While assisting there were no problems with the processing. The most important thing is that we coordinate with the branch because they know the cooperation model with the hospital. The hospital will ask for an ID card, Members Card, a letter from the police stating that it is true that he had an accident. I would help. If I had time to come, I came. When I didn't have time to help, I'd make a call. If it was difficult, I would ask for help from the branch office.

(NU, Perisai agent from DKI Jakarta, 14 March 2021)

I helped a couple who died, one of them had insurance. But the death certificate had not yet been taken care of. I helped with the administration at the hospital first... as an agent you must be responsible.

(SA, Perisai agent from DKI Jakarta, 8 March 2021)

During the pandemic, a Perisai informant told of the increased workload to take care of contribution arrears, membership closure, and assistance with JHT claims.

We were busy collecting contributions and closing membership, so it doesn't hang in the system. Right now it's very hard... during the pandemic the company is affected because it's in the tourism sector. We take care of billing and closing. There are members who had been laid off saying "Mba, we want to claim BPJS Ketenagakerjaan, but we can't. Why is that Mba?" because the company has arrears. "Mba, please follow up, so I can use the money for my livelihood because I'm not working anymore". I contacted all accounting, HRD and others, they were also furloughed. At first they said the form was completed and stuck in payment, because the finance department no longer existed. I'm still consulting with a supervisor. We've visited several times and it's still stuck, can't be paid.

(NSP, Perisai agent from Bali, 8 March 2021)

3.2.2. Membership Targets and Types of Incentives

a. Membership target

The target for membership recruitment by Perisai agents is independent workers or non-civil service workers⁵⁶ whose contributions do not come from APBN/APBD (National/Regional Budget) or are sourced from private companies fund as a part of their Corporate Social Responsibility and are limited to the following segments:

- a. Small- and micro-scale businesses with accumulated contributions not exceeding Rp 7 million per month.
- b. BPUs.

Based on explanations of Perisai informants, one of the characteristics of businesses that can be recruited by Perisai is that they generally employ around 5-10 workers per enterprise unit. This could be related to the policy of limiting the accumulated contribution value to Rp 7 million/month. Most of the BPUs work in the informal sector as traders, farmers, motorcycle taxi drivers, construction workers, and in odd jobs.

⁵⁶ It refers to contributory members where the contribution is paid by themselves or their companies.

There were cases of PUs who registered themselves in the BPU segment at the encouragement of their employers. This is despite the fact that Article 2 of the Ministry of Manpower Regulation No. 26/2015 stipulates that every employer shall be obliged to register themselves and their workers as social insurance for employment program members.

On the other hand, there are also cases of BPUs collaborating to register in the PU segment. This is because they were encouraged to set up a business entity by submitting a Business Certificate (*Surat Keterangan Usaha*: SKU) to the village office so they could participate in the PU segment. One of the collaborators would be responsible for managing registration and paying contributions or acting like an employer, as described in the following quote.

So, more members can be recruited, BPU would be directed to become PU members. For example, in one family, there are three people who want to be members. They are not registered as independent members. We direct them to become PU members. For example, they work as farmers, and then they are combined into one group. One of them is responsible for paying the contributions... if they are involved in the agricultural business, they just need to get an SKU from the village. Because business registration (PU) must have a license number.

(IGP, Perisai agent from Bali, 8 March 2021)

According to the above informant, in addition to facilitating recruitment, this strategy is also used to maintain the continuity of contribution payments. According to him, collective payments are better than individual payments.

If it's individual, they may not be able to pay. It's not that [we] don't want to help individual payments. If it's one or two people we can help pay. If 100 people can't make payments, what do we do?

(IGP, Perisai agent from Bali, 8 March 2021)

The recruitment strategy developed by a number of Perisai agents needs to be studied further because, in principle, it is not in accordance with existing regulations.

In addition, this finding also stresses the importance of clearer guidelines for the Perisai program, including for collective or individual-based membership recruitment.

In relation to the program coverage, there are Perisai informants who hope that the JP program can be accessed by the BPU segment. Until now, JP program membership is still limited to the PU segment.⁵⁷ In regard to the age limit of members, a number of Perisai informants expect the age limit of members to be changed from 60 years to 70 years because there are still many elderly workers in the BPU segment.

In that field, people aged 60 are still really productive, still doing activities. But this thing stops at 60, so it's as though they are no longer entitled to social security. Whereas what we want is that all levels of society are still active. Like me, I'm about to retire, I'm already 50, I feel I am still able [to work]. If my age is limited, I will not be able to get social security.

(NLS, Perisai agent from Bali, 10 March 2021)

There are many who are over 60 years old who want to join. But the problem is that they are not allowed. We follow the rules, right? I would ask that the maximum age is 70 if possible.

(IDG, Perisai agent from Bali, 13 March 2021)

Of those members who are classified as vulnerable workers-such as workers with disability and female-headed household who have not been fully identified-only two informants stated that they had members with disability due to work accidents. The current BPJS *Ketenagakerjaan* membership administration data does not record disability or household head status, so the number is unknown. So far, discussions regarding the scope of membership have been focused on the issue of PPUs and PBPU, formal and informal workers, and active and inactive members, but have not thoroughly explored their social characteristics, such as gender, age, disability status, and the status of the head of the family/provider, which are important to ensure the inclusiveness of the social insurance for employment program.

⁵⁷ See Government Regulation No. 45/2015 on Implementation of Pension Insurance Program.

In addition to restrictions on the membership segment, BPJS Ketenagakerjaan also limits the total accumulated contributions from companies that can be recruited by Perisai agents. The BPJS Ketenagakerjaan Special Account Representative (Account Representative *Khusus*: ARK) will take over membership if:

- a. Perisai acquired a company with an accumulated contribution value exceeding Rp 7 million per month.
- b. Perisai-fostered companies that record an increase in the value of accumulated contributions in excess of Rp 7 million per month.

Limiting the amount of accumulated contributions is also considered to affect the incentives and performance of Perisai agents. They become less motivated to outreach members because the incentives are limited.

We must optimise the use of agents. If I look at our regulations, it is not attractive for people to register, because of the benefits, the fees paid are less. If contributions already exceed Rp 7 million, they will be handled by us, [and] the agency stops. When people start an agency business, they will definitely say, 'how can I start a business, if I have no aspirations to become big.'

(BPJS Ketenagakerjaan, 15 February 2021)

- b. *Perisai Incentives and Contribution Relaxation*

In the Perisai agency there are two types of incentives, namely:

- a. **Contribution incentives.** Perisai will receive 7.5 per cent of the contributions collected. The proportion of incentives is shared between the Perisai office (10 per cent) and the Perisai agent (90 per cent).
- b. **Acquisition incentives.** Perisai will receive Rp 500,000 for every 50 members successfully acquired in a month.

Based on the results of the analysis conducted by Wardhana et al. (2020), the value of Perisai incentives is much lower than that of insurance agents in general. Their simulation, which refers to the commission scheme generally obtained by Perisai and insurance agents, shows that it would take 14 years for a Perisai agent with full incentives (contribution and acquisition incentives) to earn more than an insurance agent's commission. In fact, the members segment targeted by Perisai is categorised as a difficult

segment and reaching out to them requires a great effort and can be very stressful. It is, therefore, important to review the Perisai incentive scheme to improve the performance of Perisai to be more optimal.

In addition, during the pandemic, a number of Perisai informants claimed to have experienced a decrease in incentives due to members terminating their contribution payments and the implementation of the Contribution Relaxation Program.⁵⁸

Through the program, which ran in the period of August 2020–January 2021, the government provided 99 per cent relief from JKK and JKm contributions, so members or employers only contributed 1 per cent. As a result, the amount of contribution incentives that Perisai received was reduced, as stated by the following informants:

The relaxation [of contributions] affects the fee, which is 7.5 per cent. For me it's not a problem. I have a national Perisai (WhatsApp) group. Someone asked, how much our commission will be? You guys think about commissions during a pandemic? It seems unethical because I have seen this work as a way showing my good deeds.

(NU, Perisai agent from DKI Jakarta, 14 March 2021)

It had a negative effect on the Perisai, but a positive effect on companies. Why did it have a negative effect on Perisai? Because Perisai income fell due to the relaxation, but it had a positive impact on companies because, during the pandemic, the company's finances decreased. So [this relaxation] helped, they were still able to pay. I haven't been able to calculate the percentage decline because some are still in arrears, but it's quite a decline.

(NSP, Perisai agent from Bali, 8 March 2021)

Concerns about the impact of the Contribution Relaxation Program were also conveyed by representatives of BPJS *Ketenagakerjaan* at the BANUSPA Regional Office.

⁵⁸ Regulated in Government Regulation No. 49/2020 on Adjustment of Social Insurance for Employment Program Contributions During Non-Natural Disaster of the Spread of COVID-19. The contribution adjustments referred to are in the form of: (i) relaxation of the deadline for payment of JKK, JKm, JHT, and JP contributions every month; (ii) relief from JKK and JKm contributions; and (iii) postponement of payment of part of JP's contributions.

“If that [Relaxation of Contributions] is implemented, it can kill the motivation of Perisai agents. They rely on JKK and JKm because the members are mostly informal. This was our question at the beginning of the relaxation implementation. There should be some kind of operational assistance or compensation.”

(TNP2K interview, 9 March 2021)

3.2.3. The existence of Perisai at the national level, DKI Jakarta and Bali

Since its introduction to the public in November 2017, the number of active Perisai agents nationally has continued to increase from 219 people (2017) to 4,893 people (2021) (Figure 3.1). This increasing trend is also found in the number of inactive Perisai agents—from 258 people (2017) to 4,891 people (2021) (Figure 3.2). The data also shows that the number of male Perisai agents is greater than the number of female agents. In 2021, there are 2,922 active male Perisai agents and 1,971 female Perisai agents.

Figure 3.1: Increasing Trend of Active Perisai Agents by Gender (2017-2021)

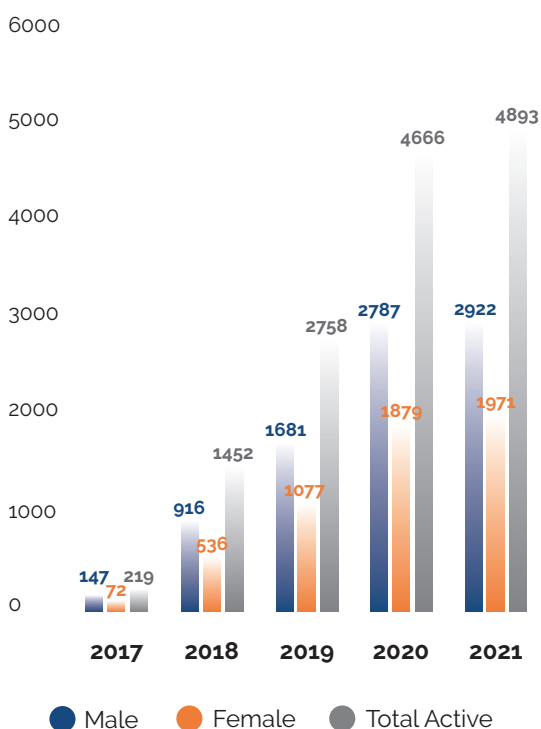
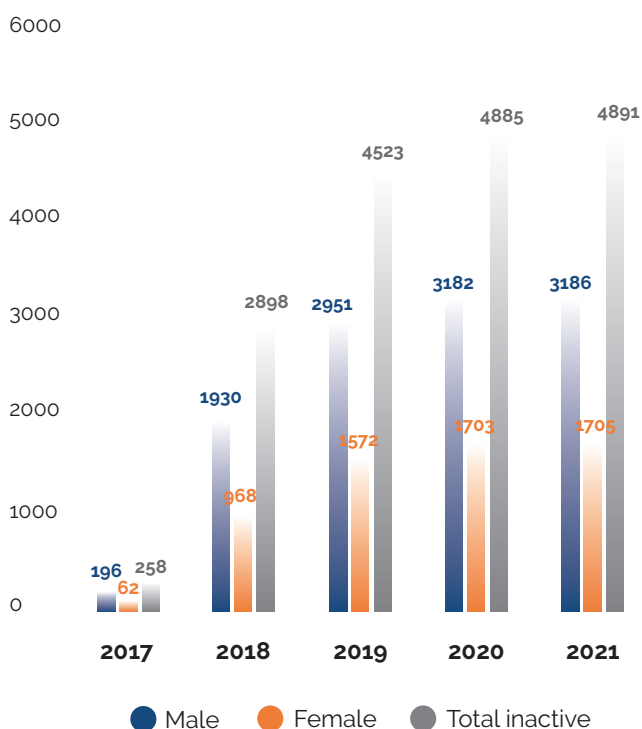


Figure 3.2: Increasing Trend of Inactive Perisai Agents by Gender (2017-2021)



Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

Perisai data in the provinces of DKI Jakarta and Bali also shows a similar increasing trend-for both active and inactive Perisai agents (Table 3.4). The proportion of Perisai agents by gender is also similar, especially in DKI Jakarta, which is dominated by male Perisai agents. In Bali, the gender proportion is relatively more balanced, especially in active Perisai agents in 2020 and 2021.

Table 3.4: Number of Active and Inactive Perisai Agents by Gender in DKI Jakarta and Bali (2017-2021)

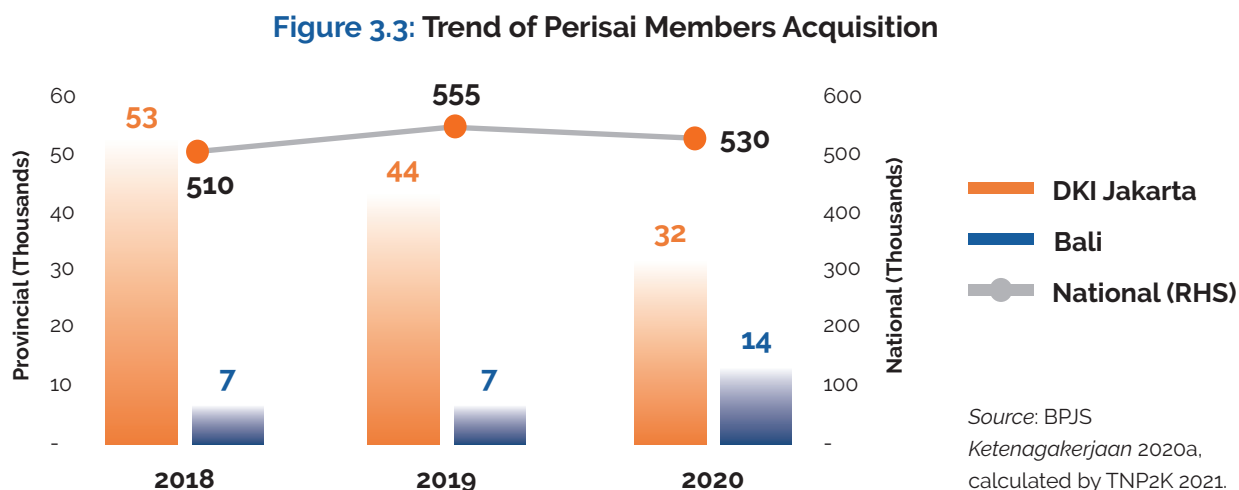
Province	Status of Perisai and Gender	2017	2018	2019	2020	2021
DKI JAKARTA	ACTIVE PERISAI					
	Male	22	80	140	235	254
	Female	10	36	82	141	153
	Total	32	116	222	376	407
	INACTIVE PERISAI					
	Male	22	128	224	237	-
	Female	6	58	96	111	-
	Total	28	186	320	348	-
	BALI	ACTIVE PERISAI				
Male		4	15	23	41	44
Female		1	9	17	42	45
Total		5	24	40	83	89
INACTIVE PERISAI						
Male		6	23	30	32	-
Female		1	15	24	24	-
Total		7	38	54	56	-

Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

The high turnover rate of Perisai agents, especially Perisai that dropped out or have been declared inactive, has the potential to disrupt the effectiveness of the Perisai program. Although the management of inactive Perisai agents will be taken up by BPJS *Ketenagakerjaan*, it still has the potential to disrupt its sustainability. In addition, it is important to investigate the cause of the high number of inactive Perisai agents, whether due to the lack of members acquisition activities and payment of follow-up fees for three consecutive months or for other reasons. Identification of the cause can serve as input for the Perisai agency or other similar forms of agency-such as the Social Insurance Membership Expansion Professionals (*Agenalis*)⁵⁹ as stipulated in DJSN Regulation No. 2/2020.

3.2.4. Acquisition progress and members contributions

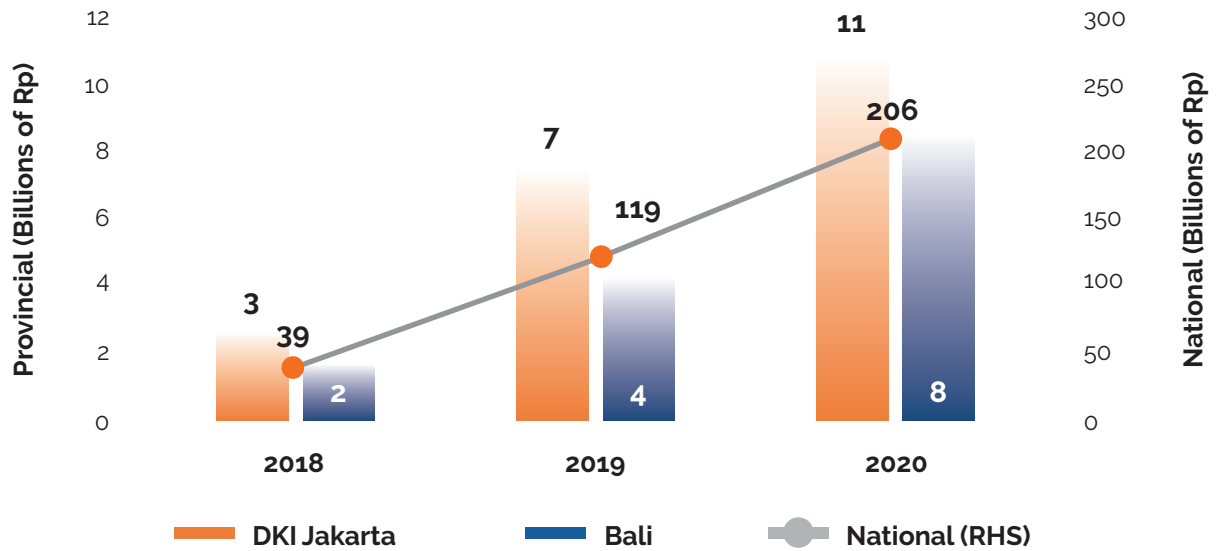
One indicator of the effectiveness of the Perisai program is the progress of acquisitions and the total amount of members contributions. There has been a decline in the total number of members recruited nationally-from 555,000 people (2019) to 530,000 people (2020) (Figure 3.3)-as well as in DKI Jakarta where member acquisitions have fallen from 53,000 people (2018) to 32,000 people (2020). On the other hand, in Bali there has been an increase in acquisitions from 7,000 people (2018) to 14,000 people (2020).



⁵⁹ *Agenalis* consists of Perisai agents, JKN cadres, or individuals who have a certificate from a Professional Certification Institution (*Lembaga Sertifikasi Profesional: LSP*). *Agenalis* is responsible for managing members of health insurance program (BPJS Kesehatan) and social insurance for employment program (BPJS Ketenagakerjaan). In short, it's an integration of agents from BPJS Kesehatan and BPJS Ketenagakerjaan. This integration is aimed at improving compliance among health insurance members and expanding membership of social insurance for employment programs among BPU and PU segments in SMEs.

The fall in the total acquisition of members at the national level is inversely proportional to the total contribution amount which shows a significant increase from Rp 39 billion (2018) to Rp 206 billion (2020). The trend of increasing contributions also occurred in DKI Jakarta and Bali (Figure 3.4).

Figure 3.4: Trend of Contribution Growth of Members Acquired by Perisai



Source: BPJS Ketenagakerjaan 2020a, calculated by TNP2K 2021.

Factors that are suspected to be the cause of the inverse trend for member numbers and contributions include:⁶⁰

1. **Inactive members who have been invited to reactivate their membership.** This type of member is not counted in the membership acquisition data, which only refers to members who have never been registered in the BPJS Ketenagakerjaan system or whose "NIK has never been registered". While reactivated members do not affect membership numbers, the amount of contributions will continue to increase from members who have reactivated their membership.

⁶⁰ BPJS Ketenagakerjaan clarification, Wednesday, 28 April 2021.

2. **Members who have extended their program coverage from two programs (JKK and JKm) to three programs (JKK, JKm, and JHT).** The addition of the JHT program can increase the amount of contributions quite significantly.

These various suspected causes need to be studied further and matched with the administrative data of BPJS Ketenagakerjaan. In addition, the trend of increasing members contributions also varies from the views of a number of Perisai informants who stated that the sustainability of contribution payments for the BPU segment is still low compared to the PU segment, especially during the pandemic.

They [BPUs] are mostly informal. They don't really care and there is no law that forces them to pay. So, if they feel the need, they will pay. But if there is a need in other fields, they will switch to it first instead of paying contributions. Whereas in companies it's different. There is a law that if you can't [pay] you will be imprisoned.

(MA, Perisai agent from DKI Jakarta, 13 March 2021)

Now it's down. There are around 250 or 300 active members, but I've approached them, I told them to pay, but they indeed don't have any money. They say 'sir, I'll stop for now. When I have the money I'll activate it again.

(IDG, Perisai agent from Bali, 13 March 2021)

A number of informants also reported that it was difficult to remind PBPUs to pay their contributions on time. This problem is especially felt by Perisai which has recruited thousands of PBPUs.

Many do not pay dues, you know? Especially BPUs. They didn't pay not because they couldn't afford it, but because there was no notification. Unlike PUs, they are given a pay code every month to make payments. The BPUs, from the first socialisation [sic], it has been explained that there was no notification of having to pay or not. If they understand, they must pay for it themselves. I also don't have the ability to remember. If you want to remind them one by one, I will spend all my time.

(NKE, Perisai agent from Bali, 8 March 2021)

A similar complaint was also reported by a PBPU, as follows:

The bad thing is from BPJS Ketenagakerjaan there has never been any information about contribution payment. [They] should remind via SMS, WhatsApp message, or email, telling you when it's time to make a payment. So, my solution not to be late is I pay three months at once, so it's paid for the next month right away. If there is a reminder message from BPJS Ketenagakerjaan, it can make members like me feel like they have a personal agent like with insurance. So if possible, make that payment reminder service.

(DI, PBPU from Bali, 10 March 2021)

All of the above indicate that there are issues in maintaining the sustainability of PBPU contributions that need to be addressed by BPJS Ketenagakerjaan. One of the methods that BPJS Ketenagakerjaan had developed is via a payment reminder system (PRS). A representative of BPJS Ketenagakerjaan from the DKI Jakarta Regional Office shared their experience in Lombok where they made a PRS for PBPUs through the WhatsApp application. Each officer is tasked with the responsibility to manage one WhatsApp group containing a maximum of 1,000 members; however, many members often change their phone numbers, which makes it a less effective tool.

Reminder systems through social media, for example WhatsApp, do have limitations, but we still do it. For example, the capacity of WhatsApp groups is only 1,000, one person holds one group. So some officers, we divide into several groups. The only problem is, there are some who like the new number.

(TNP2K interview, 23 March 2021)

3.2.5. Perisai Experience in DKI Jakarta and Bali

a. Perisai informant profile

The description of their experience comes from 12 Perisai informants in DKI Jakarta and Bali who joined since 2017-2018. The gender proportion of Perisai informants in the two provinces is balanced-with an age range of 36–55 years. In terms

of education level, six informants have an undergraduate education and the rest are high school graduates or equivalent. All informants have other jobs, generally in the informal sector—such as shop owners, freelance photographers, and tutors. Seven of the informants have a social security expert certification. Details of each Perisai informant's profile can be seen in Table 3.5.

Table 3.5: Perisai Informant Profile

No.	Name code	Sex	Age	Area	Education	Occupation	Year joining	Social Security Expert Certification Status	Estimated Number of Members Acquired
1	IMW	M	38	Badung, Bali	S1	Tax consultant	2018	Certified	100+ (PU)
2	NSP	F	40	Jembrana, Bali	S1	MC, survey officer	2017	Certified	80+ (PU) 20+ (BPU)
3	NLS	F	50	Karang Asem, Bali	S1	Head of BPR branch	2018	Not certified	478 (BPU); 510 (PU)
4	NKE	F	48	Denpasar, Bali	S1	Multi-level marketing	2018	Certified	200+ (PU), 1,000+ (BPU)
5	IGP	M	54	Tabanan, Bali	SMA	Freelance tourism photographer	2018	Certified	55 (PU/ SME); 120 (BPU)
6	IDG	M	40	Denpasar, Bali	SMA	Cooperative manager	2017	Not certified	Almost 500 (BPU); 1 (PU)
7	SA	F	55	DKI Jakarta	SPG	Private tutor, head of neighbourhood unit	2017	Not certified	Almost 200 (BPU)
8	AB	M	40	DKI Jakarta	SMA	Grab driver, EO	2017	Not certified	Almost 400 (BPU)
9	MA	M	48	DKI Jakarta	S1	Entrepreneur (paint shop, logistics agent)	2017	Certified	100+ (PU); inactive 2019

No.	Name code	Sex	Age	Area	Education	Occupation	Year joining	Social Security Expert Certification Status	Estimated Number of Members Acquired
10	SP	M	36	DKI Jakarta	SMA	Gojek driver, worker at personal services network company	2017	Not certified	1,000+ (BPU)
11	RM	F	43	DKI Jakarta	SMA	Cooperative worker and freelance marketer	2017	Certified	50+ (PU/SME); 350 (BPU)
12	NU	F	48	DKI Jakarta	S1	Shop owner	2017	Certified	Thousands (PU and BPU)

Source: TNP2K interview with Perisai agents, March 2021.

b. Perisai Recruitment

Only six out of 12 informants stated that they went through a selection process in the form of interviews and/or written exams. Two of the informants who took part in the selection process stated that the interview was a formality and the emphasis was more on their commitment as a Perisai agent. This finding shows that the selection process at each BPJS *Ketenagakerjaan* branch office varies or has not been standardised.

Before joining Perisai, one informant (RM) said that she went through a selection process which included an interview, an explanation about the program, and signing an agreement as a Perisai agent. RM's motivation to join as a Perisai agent cannot be separated from her work as a marketing staff at a hospital in DKI Jakarta. One of her jobs is to process a company's work accident claims and claims of injured athletes. This attracted her to be part of BPJS *Ketenagakerjaan* marketing. She then came to a BPJS *Ketenagakerjaan* branch office in North Jakarta and received an offer to become a BPJS *Ketenagakerjaan* cadre to promote the social insurance for employment program. When the Perisai program was launched, she was invited to become an agent managed under a Perisai office.

I want to be a Perisai agent because I like marketing and meeting people. The BPJS Ketenagakerjaan program is owned by the government. So, marketing it is better, it is not a game program. Although the income is not much, compared to working elsewhere. I think we are not just looking for money. We do socialisation purely because of its benefits. Not seeing the material, but the benefits provided by the government. We are very proud that people know about this program.

(RM, Perisai DKI Jakarta, 14 March 2021)

Aside from the non-uniform selection process, interview excerpts from a number of informants summarised in Box 3.1 illustrate that Perisai recruitment in 2017-2018 was generally based on social networks and the approach tended to be informal. Informants are invited to join the Perisai agency by acquaintances/friends, co-workers, or the BPJS *Ketenagakerjaan*. None of the informants received information about the Perisai program openly, for example through website, social media, or other forms of media.

BPJS *Ketenagakerjaan* played a central initial role in the recruitment of Perisai agents, however, Perisai recruitment is currently the responsibility of the Perisai Office.⁶¹ The social network-based recruitment practice of Perisai certainly has its advantages and disadvantages. Among the advantages is that recruitment can be carried out quickly, especially since some already have the experience as BPJS *Ketenagakerjaan* cadres. The main disadvantage is that this practice is difficult to apply to large-scale recruitment.

⁶¹ TNP2K clarification with BPJS *Ketenagakerjaan*, Wednesday, 28 April 2021.

Box 3.1: A Collection of Experiences of Joining Perisai

SP, male, Perisai agent from DKI Jakarta

Informant SP is an online motorcycle taxi driver (Gojek) who also works as a Perisai agent. Prior to becoming a Perisai agent, he had joined the *Paguyuban Kelompok Bang Jali* (PKB, Bang Jali Group Association), an informal Gojek driver association which was formed in 2016. One of PKB's goals is to provide protection for Gojek drivers. He was appointed by the PKB leader to be one of the field coordinators in charge of promoting the social insurance for employment program to Gojek drivers. He obtained information about the program from the PKB leader and BPJS *Ketenagakerjaan* in DKI Jakarta. In 2017, BPJS *Ketenagakerjaan* and Gojek established a collaboration and PKB members were invited to join as Perisai agents. He reported that he did not go through the selection stage (interview) because he had previously been involved in promoting the social insurance for employment program.

TNP2K interview, 13 March 2021

NU, female, Perisai agent from DKI Jakarta

NU is a shop owner who doubles as a Perisai agent. She was acquainted with the social insurance for employment program since 2015 from a neighbor who is an employee of BPJS *Ketenagakerjaan*. At that time, NU was working as an online motorcycle taxi driver (Grab) and was invited to become a BPU member. After being registered as a member, she was asked to join as a BPJS *Ketenagakerjaan* cadre. She stated that she underwent a one-day training on the social insurance for employment program and cadre incentives from BPJS *Ketenagakerjaan*. When the Perisai program was introduced in 2017, she and 26 other people were encouraged to establish a Perisai office which was later named the Indonesian Grab Partner Community (*Komunitas Mitra Grab Indonesia: KMGI*). She registered her house's address as the domicile of the KMGI office,

but each Perisai agent worked from their respective places through an application. She said that KMGI was the first Perisai office in DKI Jakarta and was used as the launch site for the Perisai program pilot. Before becoming a Perisai agent, she says she took a written exam to determine her Perisai knowledge level.

TNP2K interview, 14 March 2021

NKE, female, Perisai agent from Bali

In 2017, NKE received an offer to become a Perisai agent from the head of the BPJS *Ketenagakerjaan* branch office. At that time, NKE was still working as a Grab driver and the head of the branch office was her passenger. She was asked to come to the BPJS *Ketenagakerjaan* headquarters to receive an explanation about the Perisai program. She expressed her interest to become a Perisai agent right away. But only a year later, in October 2018, she was summoned back to the BPJS *Ketenagakerjaan* branch office and asked if she had any business activities because one of the conditions for Perisai was that agents must be part of a Perisai office. She stated that she had a phone credit stall that did not yet have a business license. She was then asked by BPJS *Ketenagakerjaan* to file for an SKU from the village office. To complete the requirements for establishing the Perisai office, she invited her friends who are also in the phone credit business and had been insurance agents to become Perisai agents. According to NKE, one of the conditions for establishing a Perisai office is to accommodate a minimum of five Perisai agents.⁶² After all the requirements were met, the Perisai office was finally inaugurated by the head of the BPJS *Ketenagakerjaan* branch office. She said that the interview process was only applied to the Perisai agents she invited.

(TNP2K interview, 8 March 2021)

⁶² A Perisai Office must have at least three Perisai agents (Table 3.3).

IGP, male, Perisai agent from Bali

Initially IGP was invited by a friend to become a Perisai agent. As a travel photographer, he feels he has enough time to fulfill his role as Perisai agent. On top of that, he also had been an insurance agent and is used to offering products. He then followed the interview process affirming his commitment as a Perisai agent. In November 2018, he joined a Perisai office, but only started to acquire members in January 2019 after receiving a letter of assignment from BPJS *Ketenagakerjaan*. As IGP remembers, in 2018-2019 there was a massive Perisai recruitment drive in Bali,⁶³ so the recruitment process took a while.

TNP2K interview, 8 March 2021

In terms of administrative requirements, all informants stated that the Perisai requirements were relatively easy to fulfill. As illustrated in Table 3.3, one of the requirements for Perisai is a minimum high school education or equivalent, thus making the Perisai program easily accessible to various groups. Nevertheless, it is still important to apply a strict selection process considering how Perisai is the spearhead for dissemination and education to expand membership to populations that have been difficult to reach. As such, it requires people who have good communication skills and are reliable and trusted.

c. Perisai Education

One of the Perisai requirements is to take training certification and pass the exam, however, based on interviews, only some of the informants participated. An informant reported that they had not attended any training and were only provided with a photocopy of material on regulations and the social insurance for employment

⁶³ This statement is also reflected in Table 3.4 which shows a significant increase in the total number of Perisai agents in Bali Province from 12 people (2017) to 94 people (2019).

program (IGP, Perisai agent from Bali). Another informant even delegated attendance in the training to her daughter because she could not operate the Perisai application on her cell phone. She reported this problem to BPJS *Ketenagakerjaan* and she was allowed to delegate the training (SA, Perisai agent from DKI Jakarta).

In addition, the training does not seem to be standardised-especially in terms of length of training. According to informants who participated in the training certification organised by the Regional Office/Branch Office/Auxiliary Office of BPJS *Ketenagakerjaan*, the training period was short, from one to two days. An informant felt that the allocated time was insufficient as there was a lot of material presented (NKE, Perisai agent from Bali). A number of informants stated that they only attended one training session while others attended several-including seminars. The training materials contain, among other things, basic information on the social insurance for employment program, the claim mechanism, and how to operate the Perisai information system. The Perisai informant, who had previously been a social insurance for employment cadre, stated that the material presented was relatively similar.

In addition to training certification organised by BPJS *Ketenagakerjaan*, there is a social security expert training certification organised by the Professional Certification Institute (*Lembaga Sertifikasi Profesi: LSP*) and the National Professional Certification Agency (*Badan Nasional Sertifikasi Profesi: BNSP*). Of the 12 informants, seven claimed to have taken the social security expert certification.

I myself already have a BNSP certificate from Bogor. The certification only took place last year, I think, there were two or three waves. I forgot the year but before corona...the material presented was the same, nothing has changed.

(NU, Perisai agent from DKI Jakarta, 14 March 2021)

The training lasted about 4-7 days, which includes the provision of materials and a certification exam. All informants who participated in the social security expert training certification stated that they were satisfied and felt the benefits in carrying out their duties as Perisai agents. According to some of the informants, only those who performed well were invited to take part in the social security expert certification. One informant

inquired about his appointment to take part in certification because he felt that the number of members recruited was not large:

“... they said they don't just consider the acquisition, but consistency, paying on time, never late.”

(IMW, Perisai agent from Bali, 8 March 2021)

The informants also said that, prior to the COVID-19 pandemic, BPJS *Ketenagakerjaan* periodically held both formal and informal meetings with Perisai. A number of informants felt that this meeting was beneficial because there was an exchange of experiences and it helped to expand the network between Perisai agents. Meeting times vary-from once a month to once every six months-however, since the pandemic, such meetings have not been held again.

The explanation above emphasises the importance of evaluating training certification and other activities that support Perisai's performance and the extent to which these practices optimise the performance of Perisai in expanding and maintaining membership.

3.2.6. Membership outreach strategy and challenges

a. Membership outreach strategy

Membership outreach for the BPU and PU segments in small- and micro-scale businesses requires a special strategy because, apart from their diverse characteristics, their geographic locations are also spread out. Outreach strategies carried out by Perisai informants rely on their social networks or professional contacts. For example, a tax consultant who doubles as a Perisai agent will invite his client to become a member (IMW, Perisai agent from Bali) while a Neighbourhood Unit (*Rukun Tetangga*: RT) head who is also a tutor will invite local residents and parents of the students she meets (SA, Perisai agent from DKI Jakarta). Only a small number of Perisai informants conducted membership outreach beyond the scope of their work and social activities.

The interviews identified at least three models of membership outreach strategies used by Perisai, namely:

- (1) Individual-based outreach strategy.** Although this strategy is considered time-consuming and inefficient, it is important in efforts to build the trust of potential members-especially in the BPU segment. An informant explained that member acquisition must begin with an approach or assessment process to ensure that prospects feel confident to become members. The length of the assessment process varies-it can be short or long. During the pandemic, it was rather difficult to use this face-to-face strategy, and adjustments were needed, as explained below,

During the pandemic, I could not visit homes, sometimes through online friends, via WhatsApp. I would join groups, tag along there, share BPJS products.

(IDG, Perisai agent from Bali, 13 March 2021)

During this pandemic, I have not been as active as I used to be. So, I also adjusted. I only have contacts. I would contact first, I'll call or send an email. Here's BPJS program and I would provide information about membership. Sometimes they would do a Q&A via cellphone. It's less exciting to find members via phone. But what else to do? Only when needed, I would come, I would visit the prospects.

(RM, Perisai agent from DKI Jakarta, 14 March 2021)

Unlike RM, whose approach was more deliberate, other Perisai informants did it spontaneously.

If someone passes in front of my house, I would ask "how old are you? Do you want to take this insurance?" If there is a new member, I will tell them if [they have] a relative who is under 60 years old, enroll them.

(SA, Perisai agent from DKI Jakarta, 8 March 2021)

There are still acquisitions [during the pandemic] although only about two, three people. My target is neighbours. When neighbours go to the shops, I offer them. If relatives come, we chat, I would enroll them.

(NU, Perisai agent from DKI Jakarta, 14 March 2021)

(2) Individual and group-based outreach strategy (combination). This strategy takes time to explore and prepare but is effective enough to reach a large number of members simultaneously. This strategy usually begins by approaching individuals who are deemed to have, and can open, access to a group, community, or company/organisation so the main target is not the contacted individual, but groups, communities, or companies/organisations to which the individual is affiliated.

We do out-of-town outreach by first contacting Gojek driver friends in the destination city. We have groups throughout the archipelago. For example, if you want to go to Pekalongan, [we ask] who is there and [we] tell them we want to visit. Then two of our partners will go. There, they would do the outreach and invite them to become members. For outreach, we call the local BPJS Ketenagakerjaan [to ask them whether they] would be willing to provide time so that the outreach is more convincing. Later we would arrange the date and invite participants from Gojek [community] in the destination city and usually the attendance is very high.

(SP, Perisai DKI Jakarta, 13 March 2021)

A slightly different strategy is used by informant NU whose strategy begins by contacting her relatives who work with the Grab application company so she can be given access to do outreach about the social insurance for employment program with Grab drivers:

I was given a place and time to do outreach. I would collaborate with them, explaining to those working in the field about the importance of BPJS Ketenagakerjaan for drivers... After training, drivers would usually come to the BPJS registration site because they are aware of the risks of the job. Just those who [are from] Grab can be up to 200 people who registered at that time. I asked for help from other Perisai [agents] because we could get 100 people a day.

(NU, Perisai agent from DKI Jakarta, 14 March 2021)

In addition to connections in companies or groups, there are also informants who approach village heads to seek permission to do outreach in their communities. The village heads who support outreach activities would usually participate in

facilitating the meetings between Perisai and residents and help collect the ID cards of those who want to register as members. Informants also approach temple and church administrators (NKE, Perisai agent from Bali, 8 March 2021). Some would even approach the lowest level officials-such as RT heads-to be directly involved in doing outreach with their community (SP, Perisai agent from DKI Jakarta, 13 March 2021).

During the pandemic, the strategy of gathering large numbers of people was difficult to do, and adjustments were needed, as explained below:

During the pandemic, people did not gather in Bali in large numbers. In the village I only gathered the head of the prajuru or regional heads and I explained about the program. I have a recording of the BPJS outreach [which] I share with the regional head. The regional head would then disseminate the recordings to residents through the WhatsApp group. So people never meet in person. If the regional head is asked to gather residents during the pandemic, he would not dare as it would be wrong. From the video explanation, if there are questions, please text me via WhatsApp. Then they would usually directly ask me personally. If they want to register, the data is collected by the regional head. Then I would pick up the data from the regional head.

(NKE, Perisai agent from Bali, 8 March 2021)

(3) Group-based outreach strategy. This strategy does not require long preparation. Several informants reported that they would go directly to the target group of potential new members. For example, a Perisai agent who is a Gojek or Grab driver would go directly to the drivers' gathering place to promote the social insurance for employment program (SP, Perisai agent from DKI Jakarta, 13 March 2021 and NU, Perisai agent from DKI Jakarta, 14 March 2021). Some claim that they use the opportunity whenever there is a large gathering to promote the program:

So someone died from an accident. We would come to the prayers. Then we would chat about the BPJS Ketenagakerjaan death coverage. The friend who was in the accident was an active member in the Cilincing branch of BPJS. Drivers came in droves until late in the evening. We would take it from there and chat and get prospects.

(SP, Perisai agent from DKI Jakarta, 13 March 2021)

b. *Information Dissemination Strategy*

In developing an information dissemination strategy for the social insurance for employment program, it is necessary to consider three factors, namely economic, social, and cultural. For example, in the outreach to potential members in Bali, cultural and economic aspects were used as entry point to introduce the social insurance for employment program, particularly the JKm program. This is related to the *ngaben* ceremony tradition which can be quite costly:

We told our friends that in our outreach we would explain that the death benefit is not a substitute for one's life, but it is a provision from the worker who passed away to support their families. In this way, we will create a mindset that the deceased left something good for his family as livelihood and can be used as capital, especially in Bali. Death is something that is expensive because "ngaben" (cremation ceremony) can cost more than Rp 20 million to Rp 30 million or more. This means that the death benefit of Rp 42 million really helps the community.

(BPJS Ketenagakerjaan BANUSPA Kanwil, 9 March 2021)

The first factor that makes people unable to afford to participate in BPJS Ketenagakerjaan is because they have the responsibility to organise the ngaben ceremony when they die. So, whether or not you can afford it, the Balinese have an obligation to make a ngaben ceremony. Second, the Rp 16,800 contribution is very cheap. How poor do you have to be to not be able to pay Rp 16,800? If we can inspire them that with a figure of Rp 16,800 [they can] participate in the government program, and they will get such great benefits, they will definitely want to become members. And then ensure that if a parent gets into an accident or dies, their children can go to school up to S1 [undergraduate degree]. Then have Rp 42 million in the pocket. So, we explain that by setting aside just Rp 17,000 of family income per month, they will get great benefits.

(NKE, Perisai agent from Bali, 8 March 2021)

One informant also explained the importance of participating in social security to avoid having to borrow money for the *ngaben* ceremony:

The cost for ngaben is so high that people borrow money from the bank. Sometimes I would explain with this model [join social security to not have to borrow money]. But not all, because there are some regions that already provide death benefits. So, we would see the region first.

(NSP, Perisai agent from Bali, 8 March 2021)

In DKI Jakarta, informants emphasise the importance of membership as a form of social and economic protection in case the provider gets into an accident and/or dies. One informant shared his experience of helping to file a death claim for a co-worker who died from a heart attack (SP, Perisai agent from DKI Jakarta, 13 March 2021). The co-worker's wife did not know that her husband was registered as a member with BPJS *Ketenagakerjaan*, so she felt helped to receive death benefits which were given directly by the BPJS *Ketenagakerjaan* Branch Manager. This story was published in print media to increase public awareness about the importance of participating in the social insurance for employment program. He hoped that the death of a provider does not create a new poor household.

Informants saw the importance of a communication strategy adapted to the characteristics of a community-including the language, material, and delivery method. Based on the experience of the head of the BANUSPA Regional Office, dissemination materials that use visual or pictorial aids are deemed easier to comprehend by the public. In his view, the dissemination material made by BPJS *Ketenagakerjaan* at the central level still uses the "godly" (rarefied) language that can only be understood by certain circles.

The problem is that when advertising at the head office, it's the language of the "gods", in that only certain people can [understand]. In our market, we have to reach fishermen, market vendors. Here we have artisans who make offerings, [members of] subak [Balinese traditional irrigation collective], cooperative [members].

(TNP2K interview, 9 March 2021)

One of the ways that has been done is to adjust the dissemination material using the local language, such as his experience while being assigned in West Java. The dissemination material was in Sundanese which read, "*Mun digawe, inget jam opat*

(if you work remember four o'clock)." This slogan is used to remind people that when working, they must remember the four types of insurances.

The head of the BANUSPA Regional Office also explained that when conducting outreach to the BPU segment, they need a special approach-both in appearance and by involving local leaders to be more easily accepted by the community:

Surely they would be defensive if, say, a rice vendor is approached by people in ties and shirts. There would be high resistance. But if we use local wisdom, we involve religious leaders, community leaders, it would usually be more fluid, faster, you see. Because coming to a community is not easy, right? Among others the language barrier.

(TNP2K interview, 9 March 2021)

c. *Challenges in membership outreach*

During the membership outreach, Perisai informants were faced with several challenges, including:

- 1. Challenge in building trust.** A study conducted by the ILO (2019) shows that the level of trust in social security administering institutions affects the willingness to participate in a social security program. An informant similarly said:

If people already trust, they would want to participate in three to four programs. Judging by the ability of the people, many take part in insurance with a premium of Rp 350,000 per month. But how come when they are invited to participate in BPJS, they say as though they can't afford it. I think, it is not that people are poor, but they do not yet trust because, quote unquote, "many people do not trust the government". If the government runs it according to the laws that have been stipulated, then the rules regarding people's rights will be implemented... Four of my members have filed death claims. That greatly increases the trustworthiness of the program. After the claim was paid, it can be that the whole village would want to enroll. But there was also a mistake made in the claim process, and in such a case an entire village would not want to pay the contributions.

(NKE, Perisai agent from Bali, 8 March 2021)

Another informant stated that the people's reluctance to enroll in social security is related to the reputation of insurance:

Lots of fraudulent insurances. Easy to get in and hard to get out. That's what people don't like. Such a hassle to claim it.

(IDG, Perisai agent from Bali, 13 March 2021)

If we offer BPJS, we say please be open minded. Don't have prejudices just yet. Listen to my explanation first. Thanks to trauma with insurance, most do not want to participate. But what can I do? As officers, we have already given information.

(IGP, Perisai agent from Bali, 8 March 2021)

The head of the BPJS *Ketenagakerjaan* BANUSPA Regional Office said that overcoming distrust of insurance requires evidence:

We first eliminate their stigma that insurance is something that is difficult and complicated. That [filing for claims] is so hard. We try that every time there is a claim paid, we must publish it. Because most Indonesians ask for examples. Even when someone dies, they want to see examples. So, let's make the example. So that is what we've done.

(TNP2K Interview, 9 March 2021)

2. **Challenges in getting access from local officials.** The previous discussion mentioned the importance of involving local officials in outreach. There are, however, still local officials who are not very supportive of efforts to expand membership, even refusing to help, as reported by this informant:

We often come to villages. If we ask for help to do outreach, we often don't get a response and are not welcomed if the village head does not have the same patriotic spirit in helping the community. So, information just stops there and is not channeled further, not disseminated to the public. Worse still, some village heads would not want to meet us for outreach. The central (government) needs to influence them, raise their patriotic spirit

to want to help the people. Because people listen to what we want to convey from the regional head. There are indeed villages that are completely inaccessible. Meanwhile, if you have to visit each person one by one, it will take longer.

(NKE, Perisai agent from Bali, 8 March 2021)

With the ratification of Presidential Instruction No. 2/2021 on Optimising the Implementation of the Social Insurance for Employment Program, it is hoped that regional heads can provide better support for efforts to expand membership in their regions, both through regulations and information dissemination to officials and the public about the importance of membership in social insurance for employment.

- 3. Challenges related to lack of knowledge.** According to the informants, many still think that the social security program organised by BPJS *Ketenagakerjaan* is the same as BPJS *Kesehatan*, so they feel there is no need to register again:

When asked what is the difference with BPJS Kesehatan insurance, it's different because BPJS Kesehatan is specifically for coughs, colds, the illnesses. Whereas this one is for work accidents, deaths, and then old age insurance, for pensioners. More of it is for investment. And if you die, your life insurance will be covered.

(IDG, Perisai agent from Bali, 13 March 2021)

When doing outreach to the community, it turns out that many do not understand the death or accident program. They ask if there was such a program and whether they could register themselves. People like ojek drivers and shop owners also ask questions like that.

(RM, Perisai from DKI Jakarta, 14 March 2021)

- 4. Challenges in accessing groups of workers with low occupational risk.** This group feels they do not need protection from accidents because their work is considered safe or low risk, as told by the following informant:

Like vendors, it's a bit difficult to recruit them. So, it depends on how we explain it. For example, explaining that they still have risks, when vendors go to the main market to buy stock. From the house to the main market there could be an accident. If something unexpected happens, it can be covered by BPJS Ketenagakerjaan. It is difficult to recruit people whose work is of low risk.

(SP, Perisai agent from DKI Jakarta, 13 March 2021)

Another informant stated that farmers have the potential to become members, however, it is difficult to reach their locations, and doing so would add to operational costs (NSP, Perisai agent from Bali, 8 March 2021). Some of them also still think that the occupational risk of farmers is low and they do not need protection:

I said the risk of accidents can come at any time on the farm. If there is an accident while farming, before being able to work again, for the first six months they are given a salary while waiting for them to recover. If he is disabled so he can't work, his child can get a scholarship to get university degree. Finally, their mind is opened.

(IGP, Perisai agent from Bali, 8 March 2021)

- 5. Challenges in accessing middle- to upper-level economic group.** This group is reluctant to participate in the social insurance for employment program because they generally already have private insurance (RM, Perisai agent from DKI Jakarta, 14 March 2021). In addition, they also feel that they understand but are still not willing to join (IGP, Perisai agent from Bali, 8 March 2021).

The various challenges described by Perisai informants highlight the importance of outreach and education to increase public knowledge and awareness regarding social insurance-especially social insurance for employment which is still not as popular as health insurance. In addition, the government also needs to do more to increase public confidence in the social insurance for employment program to optimise the various ongoing strategies for expanding membership.

3.2.7. Conclusions

- a. **The Perisai agency system has great potential to reach the PU segment in SMEs and the BPU segment, but its performance is still not optimal.** One of the indicators is the low number of members recruited in the last 3-4 years, the lack of continuity of membership/contribution payments, and the high turnover rate of Perisai agents.
- b. **The selection process and training are not very structured or standardised resulting in practices that are highly variable and with the potential to affect the performance of Perisai in the future.** In addition, deviations in the Perisai membership recruitment strategy are still found. This stresses the importance of having clearer and thorough guidelines for implementing the Perisai program to make them easily accessible to various parties.
- c. **Supervision of the membership acquisition strategy carried out by Perisai needs to be improved to comply with applicable regulations.**
- d. **The broad scope of a Perisai agent's duties is still not commensurate with the incentive amount set by BPJS *Ketenagakerjaan*.**
- e. **The limitations on the accumulated membership contribution amount set for Perisai has not been able to motivate Perisai to do more optimal member outreach.**
- f. **There is still lack of support for Perisai in carrying out their outreach work and members' acquisition activities.**
- g. **There is still limited support for the automatic fee payment reminder system for the BPU segment, which continues to burden Perisai agents.**
- h. **The Perisai outreach strategy and the BPJS *Ketenagakerjaan* administrative data system have not accommodated vulnerable groups-such as workers with disability and female heads of household.** This is important if the social insurance for employment program is to be expanded to include all worker groups.
- i. **The education for member candidates, especially on BPU segment tends to focus on JKK and JKm programs, it has not fully covered the importance of JHT.**

3.3. Perspective of PPU and PBPU

3.3.1. Quantitative respondent profile

a. Membership characteristics

The results of a survey of 201 PPU and PBPU respondents in DKI Jakarta and Bali provinces show that the majority of PPUs are registered in all four programs, namely JKK, JKm, JHT, and JP. On the other hand, the majority of PBPU are registered in just two programs, namely JKK and JKm (Table 3.6).

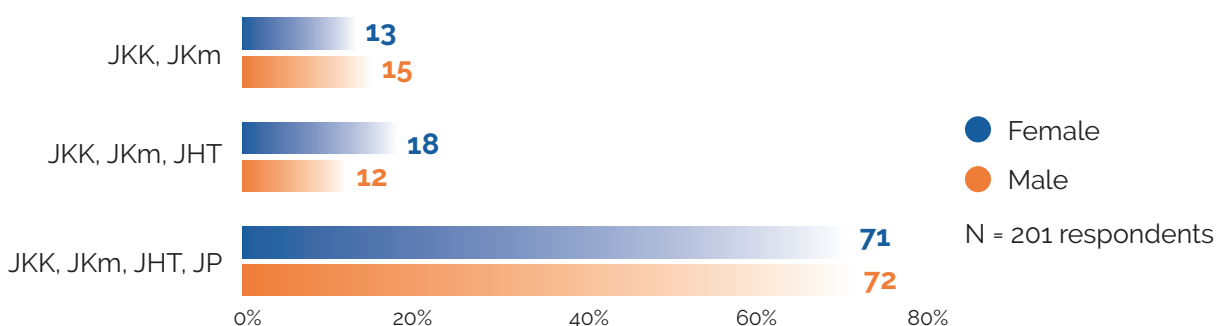
Table 3.6: Membership Segment by Program Type

Program	PU	BPU
JKK, JKm, JHT, JP	143	0
JKK, JKm, JHT	24	6
JKK, JKm	13	15
Total	180	21

Source: TNP2K Survey, 2021.

By gender, there is no significant difference between the number of men and women participating in the four programs (JKK, JKm, JHT, and JP) and membership in two programs (JKK and JKm) (Figure 3.5). Meanwhile, for the three-program membership (JKK, JKm, and JHT) more women (60 per cent) were registered than men (40 per cent). The main reason to register in JHT program is the mandatory from employers (41 per cent) and savings for pension age (27 per cent).

Figure 3.5: Social Insurance for Employment Program Membership by Gender



Source: TNP2K survey, 2021.

b. Demographic characteristics

Education level

The majority of PPU and PBPU respondents have a senior high school education or equivalent (51 per cent and 48 per cent respectively), followed by D4/S1 (level 4 diploma/undergraduate degree) education (Figure 3.6). Most (64 per cent) male respondents have a senior high school education, while only 38 per cent of female respondents have a senior high school education (Figure 3.7). On the other hand, more female respondents had a D4/S1 level of education than males-at 37 per cent and 22 per cent respectively.

Figure 3.6: Membership Segment by Education Level

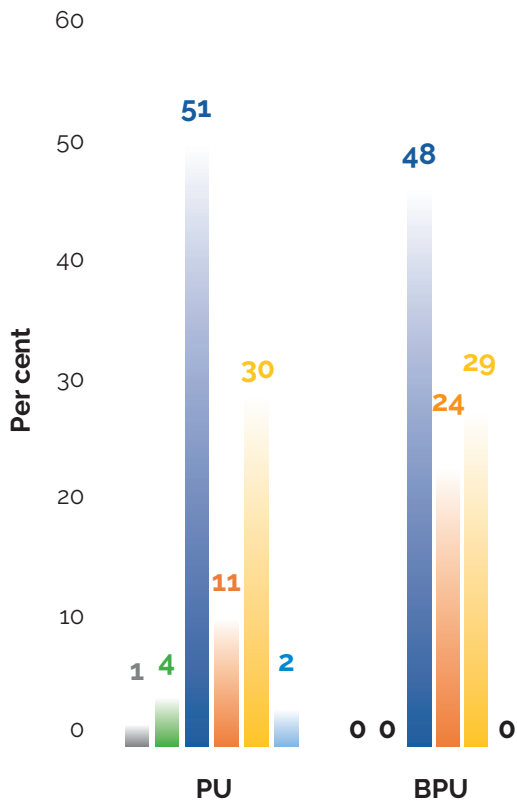
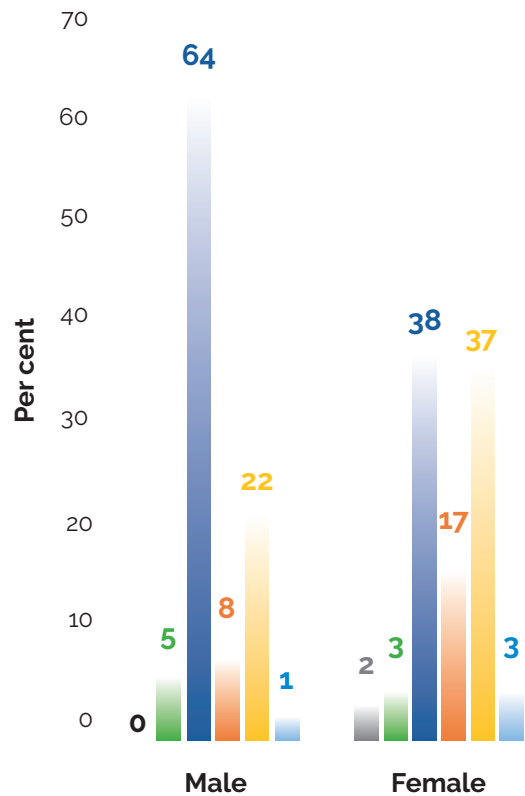


Figure 3.7: Education Level by Gender



- Primary education
- Junior secondary education
- Senior secondary education
- D1/D2/D3
- D4/S1
- S2/S3

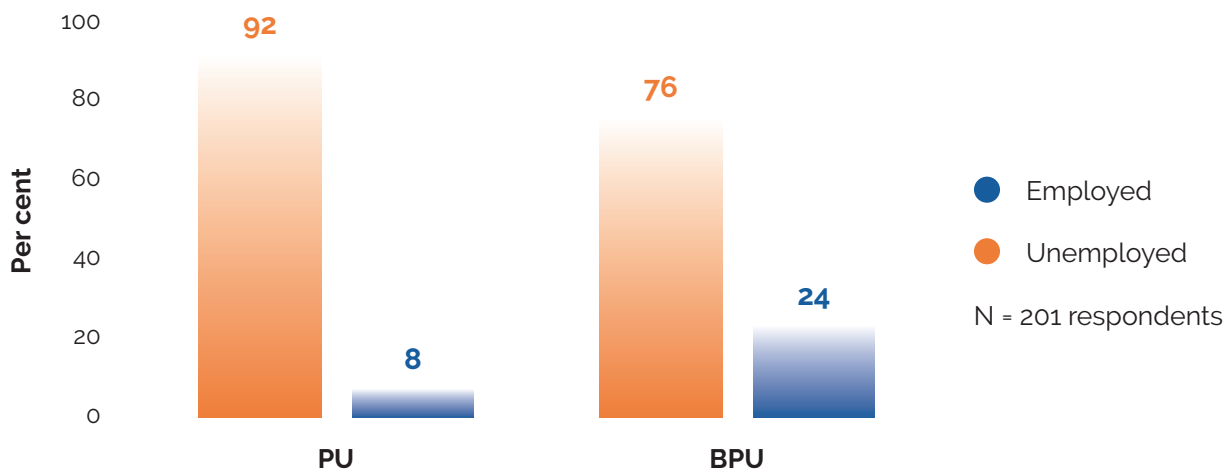
Source: TNP2K survey, 2021.

Note: N = 201 respondents; Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

Employment status

The majority of PPU and PBPU respondents reported that they are still employed-at **92 per cent and 76 per cent respectively**. There is a larger number of respondents who are not currently employed in the BPU segment (24 per cent) than in the PU segment (8 per cent).

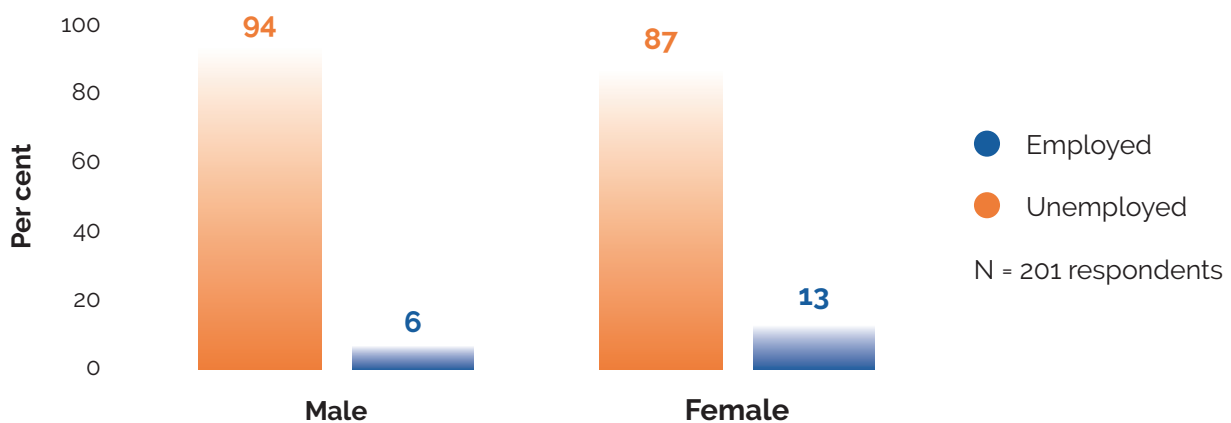
Figure 3.8: Membership Segment Based on Employment Status



Source: TNP2K survey, 2021.

The proportion of male respondents who are employed is slightly higher than that of female respondents-at **94 per cent and 87 per cent respectively**. On the other hand, among unemployed members, the number of female members is 7 per cent higher than that of male members.

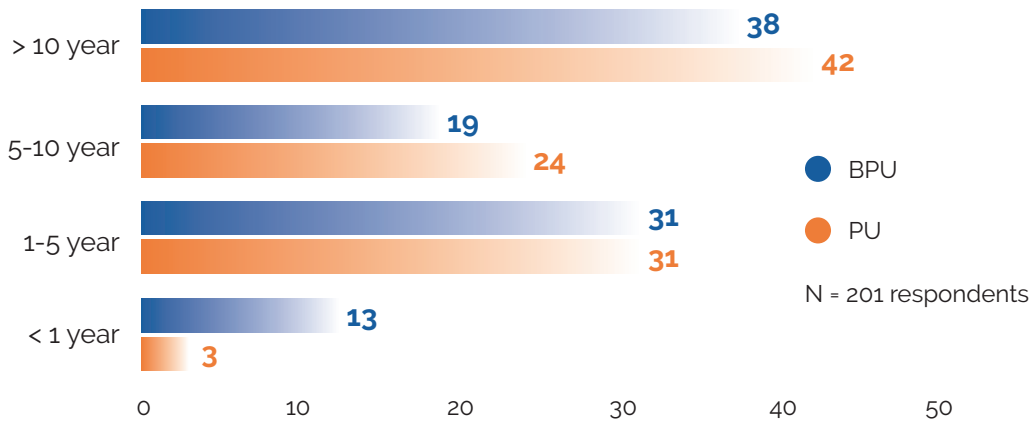
Figure 3.9: Members' Employment Status by Gender



Source: TNP2K survey, 2021.

The majority of PPU and PBPU respondents have worked for more than 10 years- 42 per cent and 38 per cent, respectively (Figure 3.10). This is followed by both PPU and PBPU respondents with 1-5 years of employment, at 31 per cent. At the other end of the service scale, PPU and PBPU respondents who have worked for less than one year amounted to only 3 per cent and 13 per cent respectively.

Figure 3.10: Members' Segment by Length of Employment

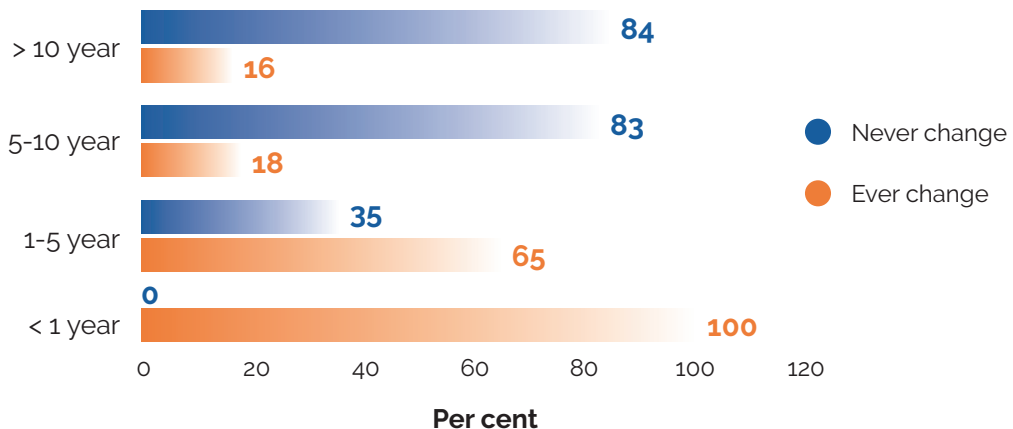


Source: TNP2K survey, 2021.

Note: Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

Sixty-five per cent respondents who have only worked for 1-5 years reported that they had changed workplace within the last five years. Meanwhile, only 16 per cent of respondents who have worked for more than 10 years and 18 per cent of respondents who have worked for 5-10 years reported that they have changed workplace in the last five years (Figure 3.11).

Figure 3.11: Job Change Experience in the Last 10 Years



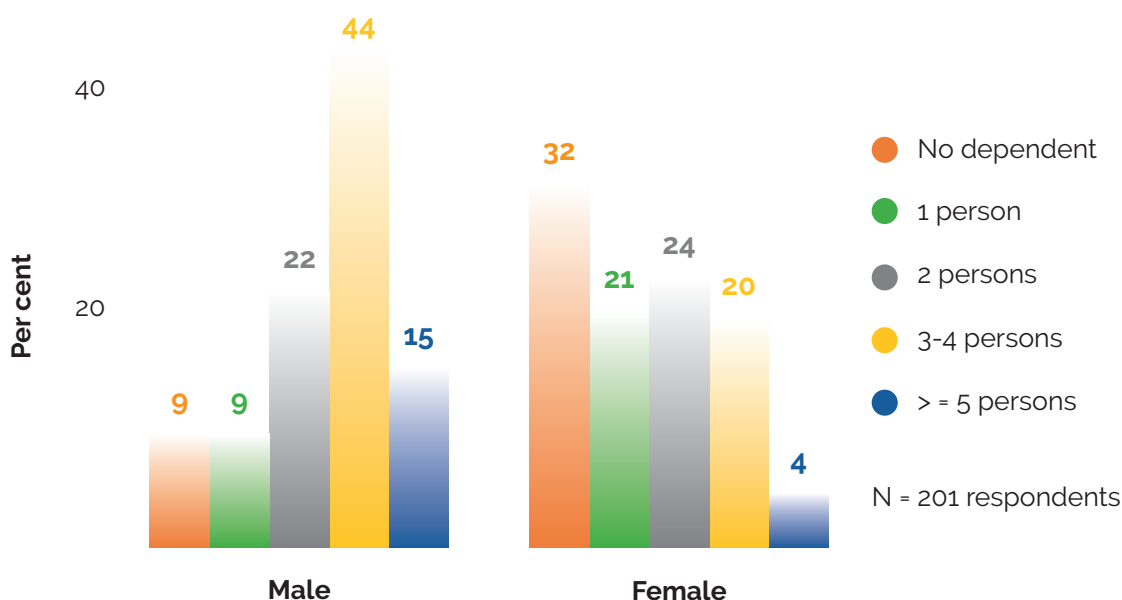
Source: TNP2K survey, 2021.

Note: Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

Family dependents

The majority of male respondents (44 per cent) reported that they have 3-4 dependents, while 32 per cent of female respondents reported that they have no dependents (Figure 3.12). The high number of women claiming no dependents may be closely related to gender norms which consider the husband to be the head of the family and the main provider who has the obligation to provide for his family. So even though the wife works and contributes to the family economy, she is often not considered or does not consider herself to be providing for the family.

Figure 3.12: Number of Family Dependents by Gender



Source: TNP2K survey, 2021.

Note: Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

3.3.2. Qualitative informant profile

The number of qualitative informants interviewed in DKI Jakarta and Bali eight in the PU segment and nine in the BPU segment-with a balanced proportion of genders.

a. *PPU Profile*

The age range of PPU informants is 29-53 years and the majority are married (Table 3.7). All married male respondents have family dependents of 3-4 people.

Of the three female informants who are married, two reported having no dependents while the third reported having one dependent.

Based on education level, four informants have undergraduate degrees, three are senior high school graduates, and one person has a diploma level 1 education. They have various jobs, such as security guard, technician, human resource staff, and financial administration staff.

For the social insurance for employment program membership, five people participated in four programs (JKK, JKm, JHT, and JP) and the rest participated in three programs (JKK, JKm, and JHT). Two informants reported to have been members in the social insurance for employment program before BPJS *Ketenagakerjaan* was formed. A summary of the profiles of PPU informants is shown in Table 3.7.

Table 3.7: PPU Informant Profile

No.	PPU code	Gender	Age	Area	Education	Job	Status and number of dependents	Joining year and number of programs
1	ZH	Male	49	Badung, Bali	SMA	Security guard	Married (3)	2013 (3)
2	LP	Female	50	Badung, Bali	S1	Employee	Married (1)	2017 (3)
3	AAO	Male	50	Denpasar, Bali	D1	Security guard	Married (3)	2019 (4)
4	ARS	Female	36	Denpasar, Bali	SMA	Employee	Married (0)	2020 (4)
5	AYH	Male	36	DKI Jakarta	S1	Employee in food service sector	Single (0)	2019 (4)
6	AL	Male	53	DKI Jakarta	SMA	Technician	Married (4)	1998 (4)
7	AQ	Female	29	DKI Jakarta	S1	Human resource	Married (0)	2021 (3)
8	YP	Female	35	DKI Jakarta	S1	Financial administration	Single (0)	2012 (4)

Source: TNP2K interviews, 2021.

b. *PBPU Profile*

PBPU informants have an age range of 26-50 years and the majority are married and have family dependents ranging from one to five people. Even single workers claim to have 1-2 dependents.

By level of education, five informants are high school graduates or equivalent and the remaining four have undergraduate degrees. They have a variety of jobs, such as trader, casual day worker, and village facilitator. Of all the informants, two people actually belonged to the PU segment, but they were asked by their employers to register themselves in the BPU segment. Of these two people, only one person had their contributions paid by their employer.

It's been 5 years [of membership], the registration is independent, but the office pays for it. Thank goodness we get allowances.

(WD, PBPU from DKI Jakarta, 11 March 2021)

Meanwhile, an informant who works as a lecturer and consultant stated that employers are required to register their employees as members in the social insurance for employment program, but the responsibility is delegated to employees to manage their own membership and not pay the contributions:

Companies can't hire people, or their permits will be blocked if they don't register for BPJS. This means it is a requirement for the company and that we must have social security in our work... although it is still far from the expectation because it is still up to us [to register and pay for it].

(IPP, PBPU from DKI Jakarta, 10 March 2021)

In terms of membership in the social insurance for employment program, all informants participated in three programs (JKK, JKm, and JHT). Four informants reported that they have registered in the social insurance for employment program in 2016-2017, while the other five joined in 2019-2021. A summary of the PBPU informant profile is presented in Table 3.8.

Table 3.8: PBPUs Informant Profile

No.	PBPU code	Gender	Age	Area	Education	Job	Status and number of dependents	Joining year and number of programs
1	IPP	Male	50	Buleleng, Bali	S1	Non-civil servant lecturer and consultant	Married (5)	2017 (3)
2	ITJ	Female	43	Badung, Bali	S1	Food vendor	Single (1)	2020 (3)
3	AK	Male	35	Denpasar, Bali	SMA	Village facilitator and manager of village-owned enterprise	Married (2)	2016 (3)
4	DI	Female	40	Denpasar, Bali	S1	Former factory worker	Married (0)	2019 (3)
5	HFH	Male	38	DKI Jakarta	SMA	Casual day worker	Married (4)	2021 (3)
6	WD	Male	36	DKI Jakarta	SMA	Security guard	Married (1)	2016 (3)
7	AJ	Male	36	DKI Jakarta	S1	Rice trader	Married (2)	2017 (3)
8	CE	Female	49	DKI Jakarta	SMA	Shop employee	Married (3)	2020 (3)
9	WW	Female	26	DKI Jakarta	SMK	Online shop administrator	Single (2)	2020 (3)

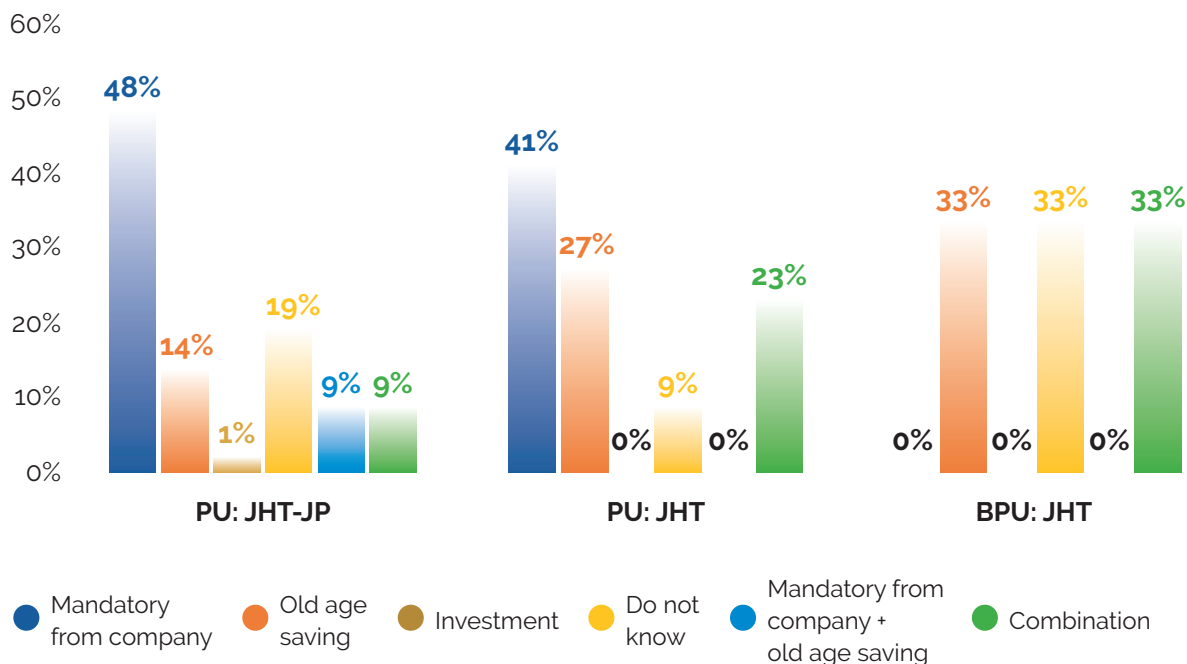
Source: TNP2K interview, 2021.

3.3.3. Reasons given by PPU and PBPUs for membership

Most of the PPU respondents stated that the reason for participating in the JHT and JP programs is that it is mandatory (48 per cent). Likewise, among PPU who participated in the JHT program, 41 per cent reported that it is mandatory. Fourteen per cent cited old age savings as their reason for membership in the JHT and JP programs and 27 per cent for the JHT program.

33 per cent of the PBPUs respondents cited the reason for participating in the JHT program is for its old age savings. The rest of the respondents stated that they did not know (33 per cent) that they were registered in the JHT program because they were registered by other people, such as their spouses or there were a combination of reasons among the benefits offered (33 per cent).

Figure 3.13: Reasons for Participating in JHT and JP Programs



Source: TNP2K survey, 2021.

Note: N = 163 respondents who register in JHT and JP; Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

The qualitative findings classify the motivation for taking out membership in the social insurance for employment program into two factors:

1. Motivation driven by external factors

The motivation for membership in this group is usually due to external encouragement, such as that of the government and/or employers. In this case, membership is seen as an obligation commonly found in the PU segment.

“I work as staff that processes licensing. At that time, it was the company's permit extension and it was required to join BPJS. So the company only registered in 2017. Anyway, when the permit was extended, the company had to register its employees.”

(LP, PPU from Bali, 10 March 2021)

In the PU segment, membership registration is directly handled by the employer. As a result, PPU informants are generally not very well aware of the registration process or the type of program they are participating in. There are even informants who claim that their membership cards are kept by their employers:

Don't know (about the program), even the BPJS card is at the office. I did not ask. I only joined BPJS Ketenagakerjaan and BPJS Kesehatan, but the card is with the office

(ZH, PPU from Bali, 10 March 2021)

A number of PPU informants reported that they were not registered directly by their employers. One informant stated that they were only registered in the social security program after becoming a permanent employee. For two years as a contract employee they were not registered by the employer (YP, PPU from DKI Jakarta, 12 March 2021). Another informant also told of a similar situation, having to wait for a year to be registered in the social insurance for employment program (AAO, PPU from Bali, 12 March 2021; ARS, PPU from Bali, 11 March 2021).

2. Motivation driven by internal factors

The motivation for membership in this group generally arises due to internal willingness or awareness about the importance of participating in the social insurance for employment program. In this case, membership is seen as a necessity and is generally found in the BPU segment. Membership in the BPU segment is also still voluntary, so it really depends on the wishes or awareness of the members themselves.

I work freelance. I think to protect myself; I have to [register in] BPJS Ketenagakerjaan. First, for my old age, for my health, to protect myself if something happens to me. So I took the initiative to register. I actually wanted to register from a while back, but when I came to the office, they said that because my status is day worker, I was not eligible. Finally, I looked it up myself on the internet. It turns out that we can register ourselves, pay for it ourselves.

(HFH, PPU from DKI Jakarta, 11 March 2021)

Another informant explained that since they stopped working at the factory, they still wanted to continue their membership and were looking for information about independent membership.

I immediately looked for information at the BPJS Ketenagakerjaan office. I checked and apparently the fees are still affordable. It's okay to just participate with the minimum fee. What's important is that there is protection. Moreover, BPJS Ketenagakerjaan is owned by the government. I think it should be more secure.

(DI, PBPU from Bali, 10 March 2021)

A similar statement was made by another informant who knew of the social insurance for employment program from their co-worker while still working as a company employee. Currently they work as a merchant.

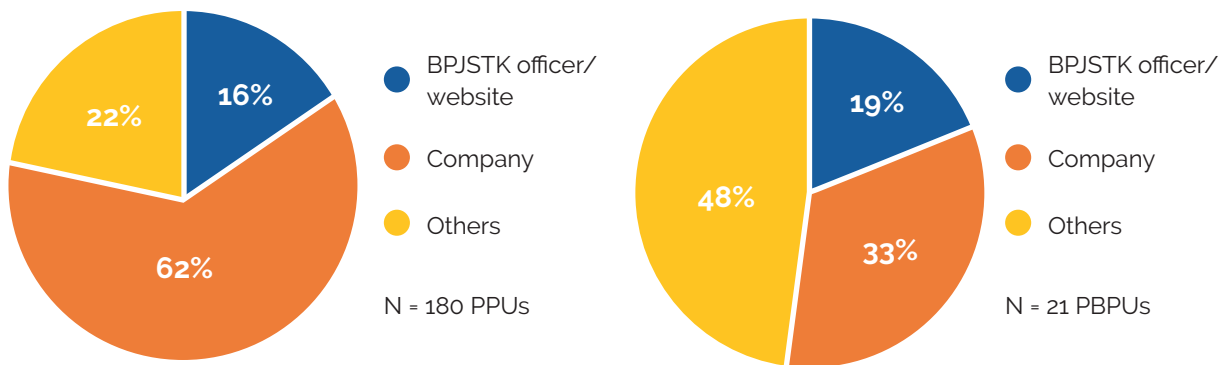
I registered for BPJS Ketenagakerjaan in 2017. I found out from an office friend who joined BPJS. So I tried to register because what I had from the office was conventional insurance. After I got information about the program, I saw that BPJS Ketenagakerjaan was good because there was JHT. The JHT program is my target.

(AJ, PBPU from DKI Jakarta, 10 March 2021)

The two quotes above show that awareness of the importance of social security can be related to experiences as former PU members as well as information from other people that then encourages them to seek more information.

3.3.4. Sources of information

The survey results show that the majority of PPU respondents-around 62 per cent-obtained information about the social insurance for employment program from their employers or workplaces (Figure 3.14). Only 16 per cent reported receiving information from BPJS Ketenagakerjaan officers or the BPJS website. The sources of information accessed by PBPU respondents are more diverse. Around 48 per cent of PBPU respondents receive information about the social insurance for employment program from village/*kelurahan* officials, colleagues, and the internet, and around 33 per cent get information from the workplace.

Figure 3.14: Sources of Information by Membership Segment

Source: TNP2K survey, 2021.

Qualitative interviews with PPU and PBPU informants also show similar findings- PPU informants generally obtain information about the BPJS *Ketenagakerjaan* program from employers or the human resources department (YP, PPU from DKI Jakarta, 12 March 2021). Another PPU informant added that after getting information about membership in the social insurance for employment program from their company, they also downloaded the BPJS *Ketenagakerjaan* application to get more information (AQ, PPU from DKI Jakarta, 11 March 2021). Meanwhile, another PPU informant claimed to have received information directly from BPJS *Ketenagakerjaan* when filing for the permit extension of the company where they worked (LP, PPU from Bali, 10 March 2021).

Sources of information for PBPU informants were more varied than that of PPUs. As previously stated, there are informants who receive information from co-workers and the BPJS *Ketenagakerjaan* (DI, PBPU from Bali, 10 March 2021; AJ, PBPU from DKI Jakarta, 10 March 2021), while others get information from the internet and television. Here is an excerpt from one interview:

It's in the brochure, which I kept. I would show the brochure if someone comes. I asked my relative to join as a member. Because the contributions are more affordable. People from the village should know about this program. If they participate in private insurance [the premium is] at least Rp 500,000. How could they afford it?

(DI, PBPU from Bali, 10 March 2021)

Today the government has widely disseminated through TV, through the media. Almost every time we attend seminars, this information is included because it's a government program. Now with the 4.0 technology, it is very easy for us to find.

(IPP, PBPU from Bali, 10 March 2021)

I looked on the internet and it turned out that I could register myself. I downloaded the application. I applied myself and paid for it myself ... the process was easy, not too complicated.

(HFH, PBPU from DKI Jakarta, 11 March 2021)

I was not informed by the officer. I read it myself, just tried to register... I looked for information on the internet. I'm thinking this is like private insurance, only the premiums are different.

(WW, PBPU from DKI Jakarta, 12 March 2021)

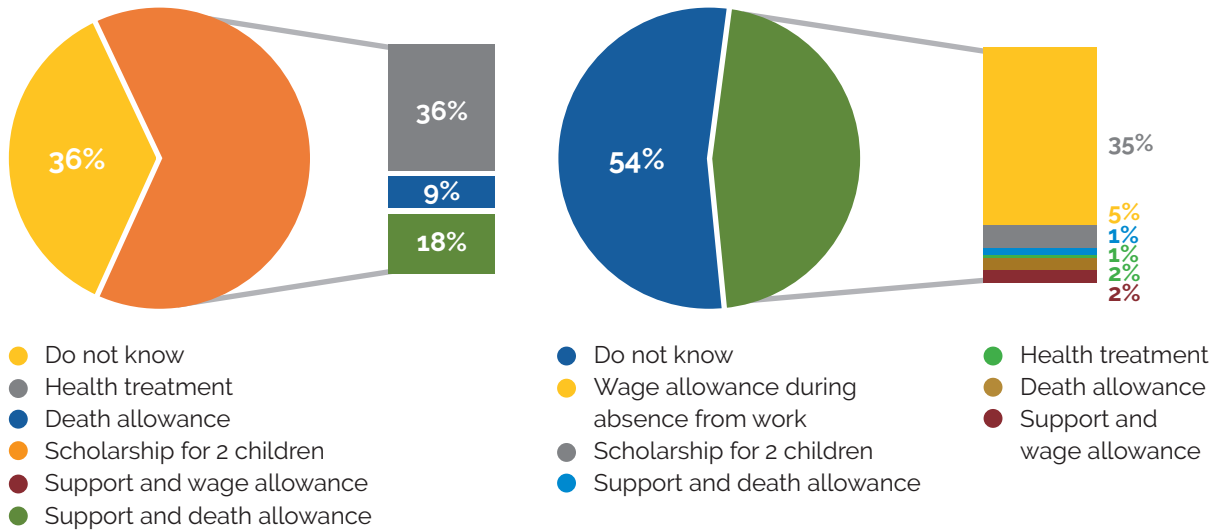
3.3.5. Knowledge about the social insurance for employment programs

This section discusses understanding of the four regular social insurance for employment programs (JKK, JKm, JHT, and JP) and two programs specifically implemented to reduce the impact of the COVID-19 pandemic-the Contribution Relaxation Program and BSU.

a. Knowledge of regular social insurance for employment program

The knowledge of active PBPU respondents of the types of benefits of the JKK and JKm programs is better than that of active PPU respondents. Figure 3.15 shows that 64 per cent of PBPU respondents understand the benefits of the JKK program, compared to 46 per cent of PPU respondents. The type of JKK benefit most cited was health care by 36 per cent of PBPU respondents and 35 per cent of PPU respondents.

Figure 3.15: Knowledge of the Benefits of the JKK Program by Membership Segment

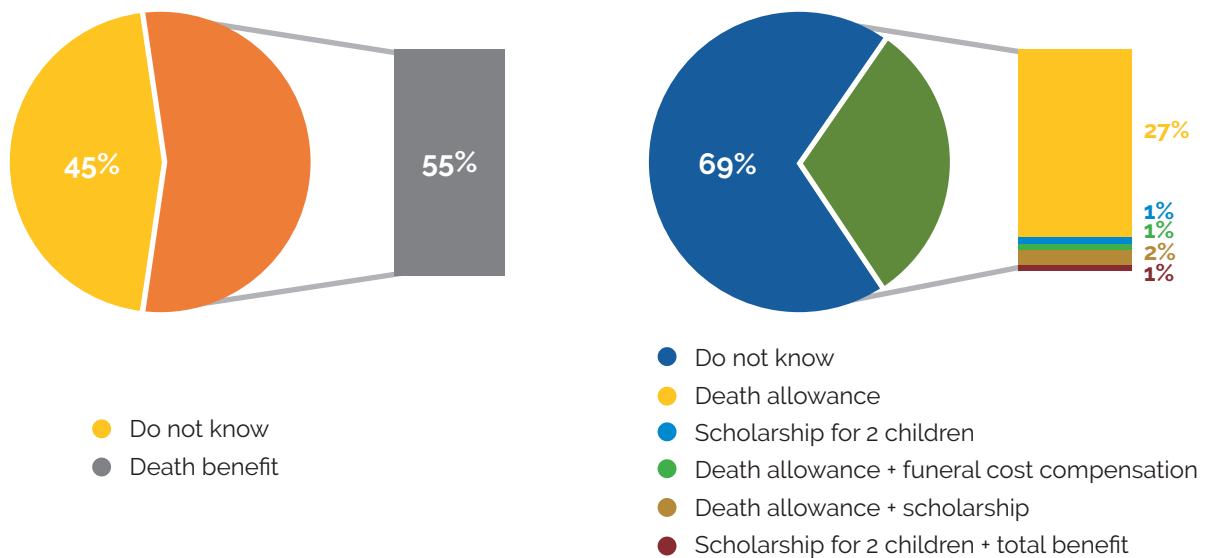


Source: TNP2K survey, 2021.
 Note: N = 11 active PBPUs.

Source: TNP2K survey, 2021.
 Note: N = 170 active PPUUs.

PBPU respondents understood the types of benefits of the JKm program better than PPU respondents, with 55 per cent and 31 per cent respectively (Figure 3.16). The best-known JKm benefit mentioned by respondents are survivor’s benefits, as cited by 55 per cent of PBPUs and 27 per cent of PPUUs.

Figure 3.16: Knowledge of the Benefits of the JKm Program by Membership Segment⁶⁴



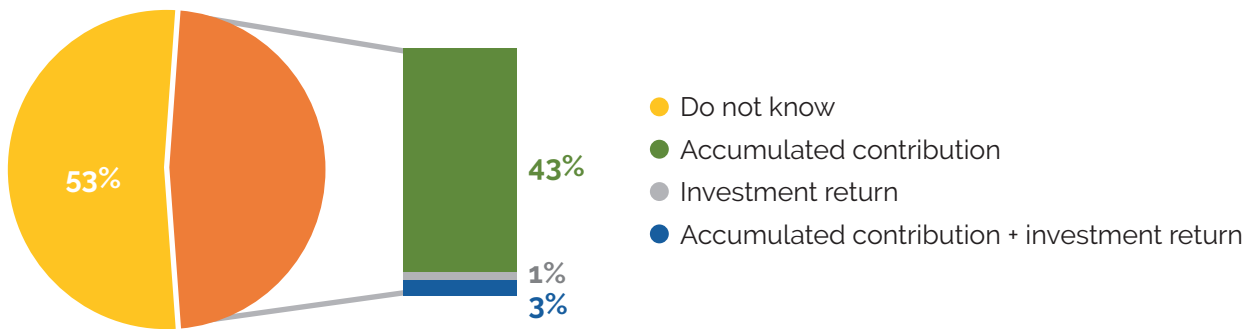
Source: TNP2K survey, 2021.
 Note: N = 11 active PBPUs.

Source: TNP2K survey, 2021.
 Note: N = 170 active PPUUs.

⁶⁴ Note: Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

PPU respondents registered in the JHT program have a relatively better understanding of the JHT program. Nevertheless, only 47 per cent could cite the types of benefits and the most mentioned type was the accumulation of contributions (43 per cent). A total of four PBPUs who are registered in the JHT program stated that they did not know the benefits of the program at all.

Figure 3.17: Knowledge of PPU's About JHT Program

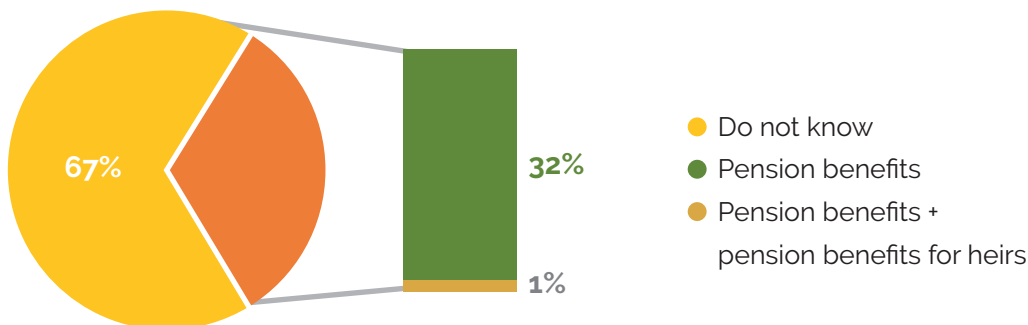


Source: TNP2K Survey, 2021.

Note: N = 157 PPU's who are registered in the JHT program.

Of the 180 respondents in the JP program which is only intended for PPU's, 135 stated that they are still actively participating in this program. Of this number, only 32 per cent of PPU respondents know about pension benefits, while only 1 per cent know the combination of JP benefits which includes pension benefits and pension benefits for heirs. The remainder (67 per cent) stated that they did not know the benefits of the JP program at all.

Figure 3.18: Knowledge of PPU's About the JP Program



Source: TNP2K survey, 2021.

Note: N = 135 PPU's who are registered in the JP program.

The survey results are also supported by the findings from qualitative interviews which show that the knowledge of PPU informants about membership in the JKK and JKm programs is relatively lower than that of PBPU informants. Some PPU informants even reported that they are unaware of their membership in the JKK and JKm programs. On the other hand, knowledge of the JHT program is quite good, although there are still informants who cannot distinguish between the JHT and JP programs. The majority of PPU informants understand the JHT program as a savings program for old age and that it can be withdrawn when they stop working. In addition, the majority of PPUs know that there is a fee deduction, but only a few can recall the amount.

The limited knowledge about membership in the JKK and JKm programs is thought to be related to the source of the contributions, which are fully covered by the employer. Meanwhile, the contributions for the JHT and JP programs come from the contributions of employers and workers, so workers have a greater sense of ownership of the two programs.

Don't know about JKK and JKm, because the knowledge is minimal indeed. They do think BPJS is only for old age... Aren't JHT and JP the same? So like savings, it's purposely to save for old age. Way back when I was still [working] with the bank, many resigned, [saying] 'I want to withdraw it, it's good to pay for my wedding'. That's usually the case, right? Yes, thank God for savings.

(YP, PPU from DKI Jakarta, 12 March 2021)

Just join [BPJS] Ketenagakerjaan, the JHT and the pensioner old age insurance. I don't know how many items it is, because only the company pays for it.

(AL, PPU from DKI Jakarta, 11 March 2021)

Different from survey result, the in-depth interview with PBPU informants show that they seem to know all the programs they are participating in quite well, as explained by the following informant:

For JKK and JKm, the fees are affordable. I also joined JHT, so I have savings when I'm old. When we don't work anymore, we can withdraw the savings [to start] a business... the contribution is Rp 113,000 and the payment is through the minimarket.

(HFH, PBPU from DKI Jakarta, 11 March 2021)

So far, we already know about old age savings, work injury compensation, and [survivor's benefit] insurance. I saw on the internet. The claim amount, I had read it on the site. There was someone who claimed the [survivor's benefit], I had the chance to see what the conditions are.

(WD, PBPU from DKI Jakarta, 11 March 2021)

That in old age there will be a pension insurance... if I die [my family] gets paid some amount. Accidents too, you get [compensation]... the important thing is that I just trust the government.

(CE, PBPU from DKI Jakarta, 10 March 2021)

b. *Knowledge about Contribution Relaxation and BSU Programs*

Most PPU and PBPU informants are not aware of the existence of the Contribution Relaxation Program. Only two PPU informants and two PBPU informants stated that they know about the Contribution Relaxation Program. An informant knows about the program because he helped arrange the payment of contributions at his company (LP, PPU from Bali, 10 March 2021). Meanwhile, another informant knows from the information in their salary slips (AYH, PPU from DKI Jakarta, 10 March 2021). The two PBPU informants claimed to know from the news in mass media (IPP, PBPU from Bali, 10 March 2021; AJ, PBPU from DKI Jakarta, 10 March 2021).

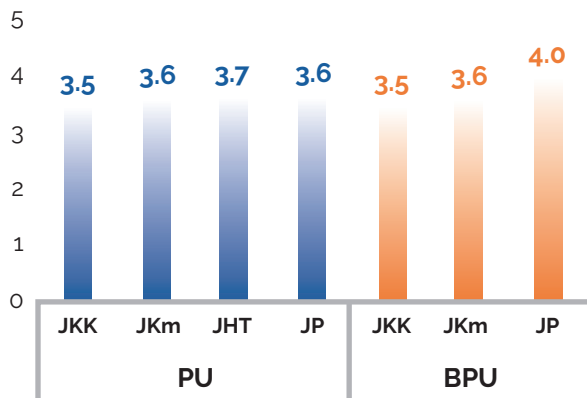
All PPU and PBPU informants claim to know about the BSU Program. Two PPU informants stated that they had not received assistance, even though they have been members since 2019. They also asked the bank (AAO, PPU from Bali, 12 March 2021). Another person did not receive the assistance because they only registered in the social insurance for employment program in July 2020 (ARS, PPU from Bali, 11 March 2021). Among PBPU informants, the majority understand that BSU is only intended for PPUs, however, there are PBPU informants who feel they have been treated unfairly.

They even contacted BPJS *Ketenagakerjaan* to inquire about this (W/W, PBPU from DKI Jakarta, 12 March 2021).

3.3.6. Level of satisfaction with the social insurance for employment program

The level of satisfaction of PPU respondents who know the types of benefits of the social insurance for employment program is quite high-especially for the JHT programs which score 3.7 out of a possible score of 4 (Figure 3.19). Meanwhile, all PBPU respondents who stated that they know the types of benefits are also very satisfied with the JHT program, with a total score of 4. The satisfaction of respondents who know the amount of contributions paid is also relatively good-scoring 3.4 for PPU and 3.5 for PBPU out of a possible score of 4 (Figure 3.20).

Figure 3.19: Respondent Satisfaction Towards Program Benefits

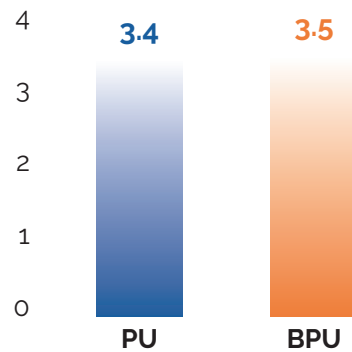


Number of respondents varies based on respondents who answered that they knew the benefits of each program.

Source: TNP2K survey, 2021.

Figure 3.20:

Respondent Satisfaction Towards Contribution Amount



Number of respondents varies based on respondents who answered that they knew the amount of contributions paid.

3.7. Conclusions

- a. **The limited understanding of PPU informants/respondents about the JKK and JKm programs can be associated with the lack of information dissemination from employers or others and because their contributions are fully paid by the employers.** This contributes to the lack of a sense of ownership among members for the two programs. This finding is confirmed by the better

understanding of PBPU informants/respondents of the JKK and JKm programs where the majority of PBPUs pay their own contributions.

- b. **The case is different with the JHT program where PPU informants/respondents have a relatively better level of knowledge.** This appears to be related to the fact that contributions are paid by both employers and workers which promotes a higher sense of ownership.
- c. **The findings about this limited understanding can serve as a lesson for the planned Fully Subsidised Premium (*Penerima Bantuan Iuran: PBI*) scheme for JKK and JKm or GN *Lingkaran* activities.** These need to be accompanied by massive and intensive information dissemination regarding the types and benefits of the program so members can fully benefit from the program.
- d. **There are indications that the compliance of employers to immediately register their workers into the social insurance for employment program is still not in line with regulations as evidenced by the cases of delays in registration by employers.**
- e. **The level of knowledge and awareness about social protection is one of the important factors in maintaining membership.** This can be seen from informants who see the social insurance for employment program not as an obligation but as a necessity.
- f. **There is a great potential for PBPUs to register in the social insurance for employment program.** Despite their low economic status, they are still willing to seek information and contribute.
- g. **Non-compliance in the payment of PBPU contributions is not always related to financial conditions but can be due to other factors such as forgetfulness.** Moreover, the majority of members only register in the two programs with the lowest contribution amount. This highlights the importance of a payment reminder system for PBPUs.

3.4. Perspective of PPU who Exited and Withdrew JHT

This section generally describes the experience of PPU, both those who are current PPU and those who have exited and withdrawn their JHT. The survey data specifically highlights PPU who have withdrawn JHT before the COVID-19 pandemic, while the qualitative interview focuses on PPU who have exited and withdrawn JHT during the COVID-19 pandemic. Data from these two groups is expected to provide

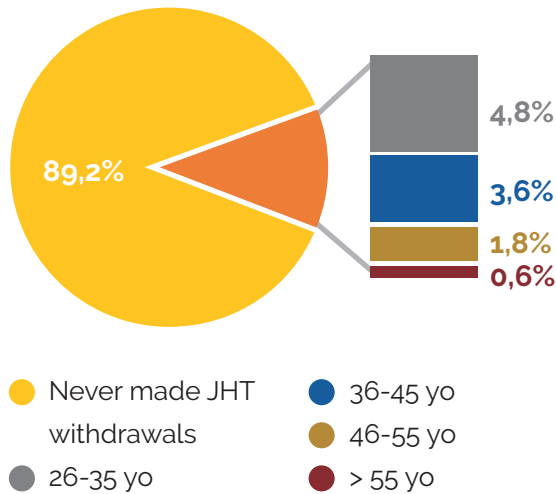
a fairly complete picture of the experience of JHT withdrawal before and during the pandemic.

3.4.1. JHT withdrawal experience before the COVID-19 pandemic

a. Profile of respondents who withdrew JHT

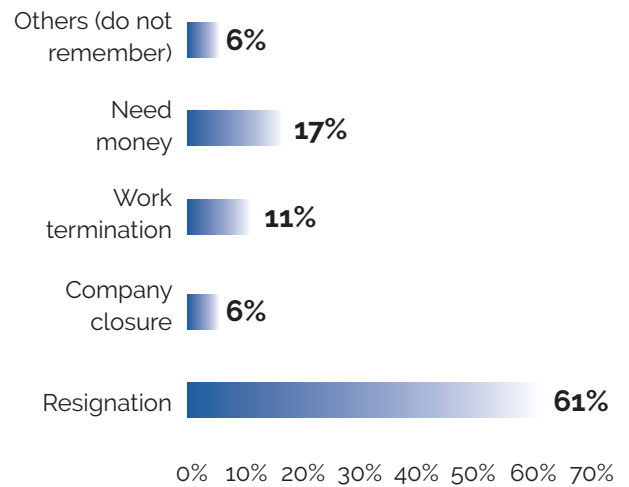
A total of 12 per cent of PPU respondents stated that they made JHT withdrawals prior to the COVID-19 pandemic. Most are aged between 26-35 years (5 per cent) and 36-45 years (4 per cent) (Figure 3.21). The most common reason for withdrawing JHT was due to resignation from work (61 per cent) followed by urgent cash needs (17 per cent) (Figure 3.22).

Figure 3.21:
Age Range of PPUs Who Withdrew JHT Before the COVID-19 Pandemic



Source: TNP2K survey, 2021.
Note: N = 167 PPUs registered in JHT and JP.

Figure 3.22: Reasons of PPUs for Making JHT Withdrawals Before the COVID-19 Pandemic⁶⁵



Source: TNP2K survey, 2021.
Note: N = 18 PPUs who withdrew JHT.

b. The experience of withdrawing JHT

The majority of respondents (72 per cent) filed their JHT withdrawal claim before the pandemic offline, 17 per cent did it online, and the rest used a combination

⁶⁵ Note: Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

of offline and online filing (Figure 3.23). The time needed to process JHT claims before the pandemic is quite diverse. For offline claim submissions, 38 per cent said the process took less than a week and another 38 per cent said between 1-3 weeks. As for online claims, the majority of respondents (67 per cent) answered between 1-3 weeks, while the remainder (33 per cent) said it took more than three weeks (Figure 3.24).

Figure 3.23: JHT Claim Method Before the COVID-19 Pandemic

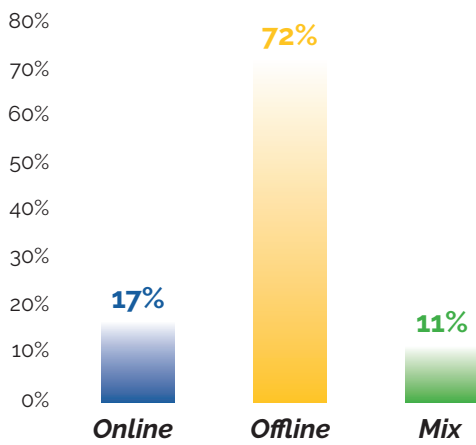
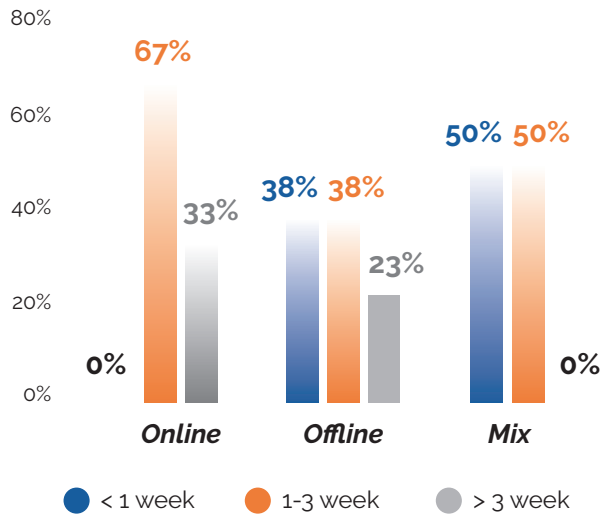


Figure 3.24: Processing Time by Claim Method Before the COVID-19 Pandemic

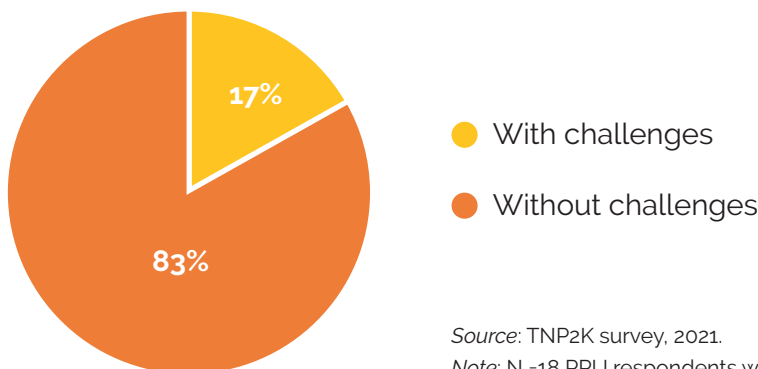


Source: TNP2K survey, 2021.

Note: N = 18 participants who made JHT withdrawals before the pandemic; Due to the effect of rounding percentage totals may not necessarily equal 100 per cent.

Some 17 per cent of respondents (three people) reported experiencing problems such as incomplete documents, complicated procedures, and data errors (Figure 3.25).

Figure 3.25: JHT Withdrawal Challenges



Source: TNP2K survey, 2021.

Note: N =18 PPU respondents who withdrew JHT.

3.4.2. JHT withdrawal experience during the COVID-19 pandemic

This section describes the profiles and experiences of eight PPU informants who made JHT withdrawals during the COVID-19 pandemic.

a. Profile of informants who made JHT withdrawals

Informants who made JHT withdrawals during the pandemic did so for various reasons, namely work termination, early resignation, and forced early retirement. The majority of informants have worked for more than 10 years, some even up to 23 years. Only one person had less than five years of service. This is an indication that even permanent workers in the formal sector who have had long tenures are not spared from the impact of the pandemic. The interesting point about the years of service and age is that, even though they have had long tenures, informants are generally still relatively young with an age range of 28-43 years. In other words, they are still in the productive age group. Among female informants, two out of four decided to stop working because they want to focus on taking care of their family or want to have children. **Based on marital status, most of the informants are married with 1-4 dependents.** Among the four married female informants, three reported having no dependents. A summary of the informants' profiles is presented in Table 3.9.

Table 3.9: Profile of Informants in DKI Jakarta and Bali Who Withdrew JHT During the COVID-19 Pandemic

No.	Code	Gender	Age	Area	Education	Occupation	Status and Number of Dependents	Year of Exit and Use of JHT Funds	Reason for Exit and Working Period
1	IWA	Male	34	Gianyar, Bali	S1	Hotel employee	Married (1)	Oct 2020 – savings and stocks	Laid off (11 years, changed place of employment)
2	ANS	Female	35	DKI Jakarta	SMK	Food vendor	Married (0)	Nov 2020 – savings, business capital, and for parents	Forced early retirement (16 years)
3	MZ	Male	39	DKI Jakarta	SMA	Unemployed	Married (3)	Oct 2020 – daily needs	Laid off (10 years)

No.	Code	Gender	Age	Area	Education	Occupation	Status and Number of Dependents	Year of Exit and Use of JHT Funds	Reason for Exit and Working Period
4	IKS	Male	39	Bali	D2	Food vendor	Married (4)	Dec 2020 – savings, child's education, and daily needs	Laid off (11 years – changed work)
5	NMA	Female	43	Bali	SMA	Vendor and day worker at the same hotel	Married (3)	Jan 2021 – daily needs and traditional ceremony	Laid off (23 years)
6	MS	Male	39	DKI Jakarta	SMA	Odd jobs	Married (3)	July 2020 – business capital and daily needs	Laid off (15 years)
7	CH	Female	34	DKI Jakarta	SMK	Unemployed	Married (0)	Jan 2021 – business capital	Resigned (16 years)
8	APR	Female	28	Denpasar, Bali	SMK	Unemployed	Married (0)	Sep 2020 – tuition and daily needs	Resigned (3.7 years)

Source: TNP2K interview, 2021.

At the time the interviews were conducted, only five out of eight people had returned to work and the majority of them work in the informal sector. Only one person managed to return to work in the formal sector. None of the informants working in the informal sector switched or registered to become PBPU. They stated that they did not know about the BPU membership segment because they had thought that only PPU or formal workers could register in BPJS *Ketenagakerjaan* (ANS, DKI Jakarta, 15 March 2021). This finding highlights the importance of providing information related to membership in the social insurance for employment program for every member who makes a JHT withdrawal.

b. JHT withdrawal experience

The majority of informants stated that they did not experience any problems when submitting JHT claims-the obstacles that arose tended to be caused by the lack of clarity of information regarding the required documents,

especially *verklaring*.⁶⁶ One informant received information about document requirements through electronic mail sent by a BPJS *Ketenagakerjaan* officer. After sending all the requested documents, apparently some of the documents were wrong, as illustrated by the following interview excerpt:

*So the problem is that in the email it says a letter of termination, not a work certificate. Meanwhile, if we leave work, we get two letters. One is an employment certificate or *Verklaring* from the company and the second is a termination of work document from *Disnaker*. Because what is asked is the letter of termination, I sent a document from *Disnaker*. Apparently, it was the wrong document and I was told to resend. Finally, I sent a letter of employment certification from the company. After that it can be calculated.*

(MZ, DKI Jakarta, 14 March 2021)

Another informant also had a similar experience. According to this informant, there needs to be clear information regarding document requirements to avoid having to go back and forth between the company and the BPJS *Ketenagakerjaan* office. In addition, he also hopes that BPJS *Ketenagakerjaan* will have a more efficient queuing system given that during the pandemic many workers filed for JHT claims.

Finally, I came directly to BPJS [Ketenagakerjaan office in] Kuningan [in Jakarta]. I came at 7, and apparently, they open at 10. So I went to Salemba. In Salemba, apparently some people queued from 5 am. The daily quota is only 13 and there were crowds already, even amid corona, it was really crowded. Finally, I went back to BPJS Kuningan, waited until 10 o'clock. I sat down, and it turned out some documents were incomplete. Why is it when I came, they did not check first, so I could go home [and fetch the missing document].

(ANS, DKI Jakarta, 15 March 2021)

It took this informant four weeks to receive the funds, while other informants say that they received JHT funds in less than a week after they submitted the claim.

⁶⁶ *Verklaring* is a document certifying that a person has worked at an organisation in a certain position for a certain period of time.

Four informants submitted claims online while the rest submitted an offline claim.

According to the informants, during the pandemic, they were encouraged to submit claims online, such as through the *Lapak Asik* application. In addition, interviews with BPJS *Ketenagakerjaan* were also conducted online. An informant shared their experience, saying that they followed the online claim process without anyone's help. The informant started by downloading a claim form and retrieving a queue number online. After filling out the form and completing all the documents, they uploaded it via *Lapak Asik*. The informant then received an email from BPJS *Ketenagakerjaan* informing of the online interview schedule. The interview was conducted via a WhatsApp video call and the informant was asked to show all the original documents. A week later, the informant received their JHT funds (APR, Bali, 15 March 2021). Another informant also reported a similar experience, but before submitting the claim online they visited the BPJS *Ketenagakerjaan* branch office directly.

There are no JHT withdrawal problems. First, I went to the BPJS Ketenagakerjaan office in Kuta, then I submitted the JHT claim online. Then there was an interview by telephone. Three days [later] the money is disbursed. No problems with JHT withdrawal. The JHT withdrawal was in December last year. Stopped working in October. Waited a month, then the JHT was disbursed.

(IKS, Bali, 15 March 2021)

Other informants reported that they received assistance from their companies when submitting JHT claims, as illustrated in the following excerpt:

The company helped file the JHT withdrawal. I only submitted the paperwork, such as KTP and NPWP. Bank account and job certification was made by the company. I submitted the JHT claim online.

(NMA, Bali, 15 March 2021)

An informant claimed having difficulty accessing online applications, so they proceeded to submit the claim offline. They hope that online access will be made easier.

“Online should be made easier because [right now] if you go online it's a bit difficult. Several times, my friends also filed claims online but it was a bit difficult. So we decided to go personally.”

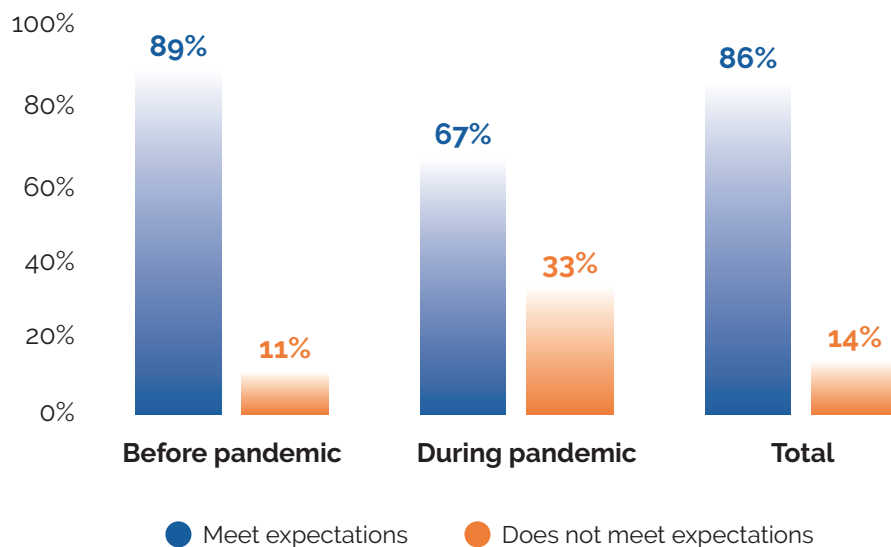
(CH, DKI Jakarta, 15 March 2021)

This highlights the importance of improving services both online and offline to facilitate member access, not only to process claims, but also to obtain information on membership and social insurance for employment programs more generally.

3.4.3. Level of satisfaction about JHT funds amount

Of the total respondents who filed JHT claims either before or during the pandemic, the majority (86 per cent) reported that the amount of JHT funds received was as expected (Figure 3.26). Of those respondents who made withdrawals before the pandemic, 89 per cent reported that the JHT funds received were as expected, while 67 per cent of respondents who made withdrawals during the pandemic stated that they were satisfied with the amount of JHT funds received.

Figure 3.26. Conformity of JHT Funds Received vs Expected



Source: TNP2K survey, 2021.
 Note: N =18 PPU respondents who withdrew JHT.

Informants who made JHT withdrawals during the pandemic also expressed satisfaction with the JHT funds amount received. Some informants were even surprised that the value of JHT funds they received was higher than expected.

I was surprised that I received a lot, [that] there was growth fund like that? Especially because I had already withdrawn 10 per cent before. Surprisingly, it was quite a lot.

(IWA, Bali, 15 March 2021)

The same informant expressed an objection to the progressive tax that was applied when they made the JHT funds withdrawal in 2019. At that time, the informant read the news that BPJS *Ketenagakerjaan* would withhold JHT funds until retirement age. As a result, they sought information about this and found a provision that they are eligible to partially withdraw their JHT funds. They finally decided to withdraw 10 per cent of their JHT funds to supplement the cost of building a house, but the amount they received was small and was subject to progressive tax, so they had to give up their intention to build a house (IWA, Bali, 15 March 2021).

Another informant also shared their experience about the imposition of progressive taxes. When submitting a JHT claim in January 2021, they received information from BPJS *Ketenagakerjaan* officers that their JHT funds would be subject to a progressive tax of 5 per cent and the funds received was Rp 32 million. In 2015, they also withdrew 10 per cent of their JHT funds. They have been a member in the social insurance for employment program since 2005. The process of withdrawing funds was quite fast and clear.

The process is fast, they explained the balance is this much. Then I took 10 per cent, which means it was subject to 5 per cent tax. The withheld amount was explained in detail by the officer and the estimated time for disbursement was 5 to 7 business days

(CH, DKI Jakarta, 15 March 2021)

Upon further investigation, apparently not all informants wanted to withdraw JHT funds immediately. One informant claimed to want to defer withdrawing their JHT because they wanted to save it for old age, however, she had to make a withdrawal because

she heard that if they were not withdrawn in three months, the JHT funds will be forfeited.

They said that if [the funds are not withdrawn] after than 3 months, the money would be forfeited. I heard from my husband's HRD at that time. So, after 3 months, we would have to report to the headquarters again. When I was forced to retire early, I was only informed by HRD. Somebody from BPJS should have told, "don't rush to withdraw" so those who are laid off don't withdraw the money.

(ANS, DKI Jakarta, 15 Maret 2021)

3.4.4. Utilisation of JHT funds

Qualitative informants have stated previously that JHT funds were withdrawn during the pandemic and most of them have not returned to work in the formal sector. They continued working in the informal sector by becoming traders or casual workers with limited income. This condition had some effect on how JHT funds are used by the informants.

Most of the informants claimed to use JHT funds to finance their daily needs and for business capital, as stated in the following:

For daily needs. You know how it is [when we're] not actively working. I want to open a shop too

(MS, DKI Jakarta, 14 March 2021)

The JHT money was about Rp 32 million for business capital, because I no longer work. Besides that, to pass time, I made JHT withdrawal.

(CH, DKI Jakarta, 15 March 2021)

In addition to daily needs and business capital, there are also those who use it for children's school fees and savings.

The JHT money is used for tuition and daily needs. The rest is saved. I don't dare spend it all. I got Rp 30 million in JHT funds.

(IKS, Bali, 15 March 2021)

3.4.5. Conclusions

- a. **There are indications of differences in the reasons for JHT withdrawals made before the pandemic and those made during the pandemic.** Before the pandemic, the main reason was resignation rather than layoffs, while during the pandemic, being laid off was the more prevalent reason.
- b. **Before the pandemic, the majority of respondents filed JHT claims offline, while during the pandemic the use of online and offline methods is more balanced.** This is likely related to the push to use online systems to reduce physical contact during the pandemic.
- c. **The majority of respondents stated that the claim process was clear and fast.** There was a small number of informants/respondents reported that they experienced problems in filing JHT claims, mainly related to unclear document requirements and claim procedures.
- d. **The time required to process JHT claims is quite diverse.** Some informants/respondents reported that it took less than a week, while others said it would take 1-3 weeks, with some even having to wait more than three weeks.
- e. **The majority of informants/respondents are satisfied with the amount of JHT funds received,** but several informants expressed objections to the progressive tax imposed on JHT funds.
- f. **The majority of informants who made JHT withdrawals during the pandemic stated that they used the JHT funds for daily needs, child education and business capital because most of them did not, or could not, return to work in the formal sector.** None of the informants who worked in the informal sector registered themselves as PBPUs. One of the reasons is not knowing about the availability of the BPU type of membership.

4

Conclusions and Recommendations



4.1. Conclusions

4.1.1. The state of membership in social insurance for employment

The Indonesian Government continues to make various efforts to ensure that all population groups have comprehensive social protection. Expanding the social protection system for the productive age group through contribution schemes/social security schemes-especially the social insurance for employment program-is one of the priorities in the 2020-2024 RPJMN.

As of 2020, the social insurance for employment membership coverage remains relatively low, is dominated by the PPU segment, and the number of inactive members is quite high. When compared to the current workforce (128.5 million), only around 39.4 per cent are registered in the social insurance for employment program and 78.4 per cent of those are in the PU segment. In addition, of the total number of registered members (50.7 million), 40.9 per cent are recorded as inactive. This membership data shows the importance of expanding the social insurance for employment membership, especially in the BPU segment and seriously devising ways to retain members or reactivate inactive members as part of efforts to ensure the sustainability of the social insurance for employment program.

The trend of JHT withdrawals in the PU segment since before and during the COVID-19 pandemic (2018-2020) continues to increase. This indicates that the increase in JHT claims is more influenced by regulation⁶⁷ which allows for early withdrawal, rather than the pandemic situation. In terms of reasons for JHT withdrawal, however, before the pandemic resignation was the more commonly used reason, but during the pandemic, work termination became more predominant. This shift in the reason for withdrawal is one indication of the impact of the pandemic on the state of employment.

⁶⁷ Ministry of Manpower Regulation No. 19/2015 concerning Procedures and Terms of Payment of Old Age Security Benefits.

4.1.2. Challenges and Strategies to Maintain and Expand Membership

Policy makers and implementers see a number of challenges facing the implementation of the social insurance for employment program, namely **overlaps and inconsistencies in regulations, data systems that are not yet comprehensive and integrated, and low employer compliance.** In addition, non-governmental organisations and trade/labour unions also highlight data systems that still have formal sector bias and gender bias, as well as the suboptimal social insurance for employment scheme in protecting various categories of workers, such as outsourced and informal workers who are not receiving adequate attention from the government. The strategies adopted to address these challenges include proposed revisions and harmonisation of regulations, continuing to press for the development of better data systems, and improve synergy in collaboration and coordination to optimise the implementation of labour inspection.

The membership data system of BPJS *Ketenagakerjaan* still has not identified workers from among the vulnerable groups, such as workers with disability and female workers who are heads of households. This database is needed to know how vulnerable groups access social insurance for employment programs, given that everyone has the right to social security in accordance with the mandate of the 1945 Constitution.

Other challenges identified by Perisai agents relate to the lack of trust and knowledge as well as difficulties in getting cooperation from local officials to disseminate information on the social insurance for employment program to communities. To overcome this, Perisai agents devised various approach strategies, individually and in groups, as well as by involving community/religious leaders. They have also tried to integrate sociocultural elements in their approach to make it more acceptable for target communities.

The Perisai Program is one of BPJS *Ketenagakerjaan*'s innovations that has the potential to maintain and expand membership in the social insurance for employment program. There are, however, a number of aspects that still need to be improved, especially in the selection and training of agents-processes that are still not structured and standardised. Additionally, it is necessary to evaluate the program

scheme, both in regard to the incentive scheme as well as the scheme to limit the number of members that can be acquired, as part of improving the performance of Perisai.

It was also observed that the knowledge level of the social insurance for employment program among both PPU and PBPU is still low, especially for the JKK and JKm programs. This highlights the need for information dissemination and education regarding the social insurance for employment program, not only to the target groups but also to current members. This is important to do to increase awareness about the importance of enrolling in the social insurance for employment program.

4.2. Recommendations

The recommendations to maintain and expand membership in the social insurance for employment program is two-tiered, namely short- to medium-term recommendations and medium- to long-term recommendations.

4.2.1. Short-to-medium-term recommendations

Recommendations concerning membership

1. **Track and reach out to inactive members to encourage them to reactivate their membership.** This is part of the effort to maintain membership. If it cannot be maintained, it is necessary to ensure that the rights of inactive members are fulfilled, namely by paying their JHT.
2. **Reach out to PPU who have exited so they can re-enter and register as PBPU, for example, by reactivating the more effective and sustainable “win-back” program.** Outreach to PPU who have exited is not only to maintain membership but can also contribute to increasing membership portability and protect citizens during their old age.
3. **Develop a payment reminder system for PBPU.** This will ensure the continuity of contributions, encourage PBPU compliance, and reduce Perisai agents' workload in ensuring timely payment of contributions of members they have recruited.

4. **Expand registration channels, payment of fees, and simplify claim procedures (both online and offline).** This initiative is expected to help expand membership in various community groups in many regions which will need to be accompanied by optimal information dissemination and education.
5. **Encourage local government involvement in maintaining and expanding social insurance for employment membership.** Some examples include enactment of regulations and making policies that support the implementation of social insurance for employment programs, local budget allocations for PBI, and playing an active role and encouraging subordinates to engage in information dissemination and education activities on social insurance for employment.
6. **Increase capacity and optimise the role of Perisai agents in membership outreach, particularly in the PU segment in the SMEs and the BPU segment by making clearer and more comprehensive guidelines for the Perisai program.** In addition, reviewing the incentive scheme and limitations on the accumulation of the acquired member's contributions to reduce the turnover of Perisai agents. These various points need to be supported by an adequate monitoring mechanism.
7. **Encourage the participation of women workers through the development of social insurance for employment benefit schemes.** These can attract women workers to become members—for example through the addition of benefits related to women's reproductive rights, namely maternity benefits. In addition, the government also needs to think about expanding the membership of other vulnerable groups, such as unpaid family workers and domestic workers who are dominated by women.
8. **Review the concept of the JHT Program for it to not be seen as unpaid money (such as JKK and JKm), but as savings that can be topped up or added flexibly according to the ability of members, especially for PBPUs.** This recommendation is expected to maintain membership among groups with uncertain or seasonal incomes. When times are difficult, they are still encouraged to pay JKK and JKm contributions (which are relatively small in value) to continue to receive protection. They can, however, put their contributions to JHT on hold and resume when their economic conditions improve. In addition, the concept of JHT as savings can also be an alternative incentive in expanding membership.

Recommendations related to information dissemination and education

Information dissemination and education are an important part and must be a priority in efforts to maintain and expand the social insurance for employment membership by considering the following points:

- 1. Conduct periodic and comprehensive information dissemination and education activities, not only to prospective members but also to current members and employers/entrepreneurs.** Regarding the social insurance for employment membership plan through the PBI scheme, information dissemination about the social insurance for employment program, especially the JKK and JK, programs, is crucial so PBIs are aware of their membership and able to access its benefits.
- 2. Apply a multi-level (national-local) and multi-actor (formal-informal) approach in education and information dissemination activities,** so that discussions on social insurance for employment programs become massive and sustained.
- 3. The government conducts a massive national campaign about the importance of social protection at work and at the old age, one of which through the social insurance for employment program.** Through the national campaign, the government can convey to the public that the programs are affordable and can provide a comprehensive protection to its members. The national campaign needs to be carried out through various medias which are widely accessible by the population, especially workers in the formal and informal sectors and the elderly.
- 4. Adapt information dissemination and educational materials to local economic, social, and cultural contexts.** For example, the content and methods of dissemination should be adapted to local languages, customs, and main livelihoods to make it easier for communities to accept and understand.
- 5. Prioritise the potential and advantages of the JKK, JKm, and JHT Programs.** These three programs have a great potential to gain many members because their contributions are small, but the benefits are large, and their safety is guaranteed as they are part of the government program. This needs to be part of a massive campaign of information dissemination on social insurance for employment programs.

6. **Ensure that information on the easy filing of claims is included in educational material.** In addition to maintaining and expanding membership, it is necessary to build trust among members and the public in social insurance for employment and promote compliance of members.

Recommendations regarding monitoring and evaluation

1. **Monitoring and evaluation needs to be done regularly and transparently.** This is to not only assess the implementation of regulations and their effectiveness, but also to assess the effectiveness of programs and innovations designed to maintain and expand membership and their contribution to ensuring the sustainability of social insurance for employment programs.
2. **Monitor and evaluate the Perisai program so it plays a greater role in membership outreach in the BPU segment and the PU segment at the SME level. Some of the topics to be studied include:**
 - **The recruitment, selection, and education of Perisai agents to be made more structured and standardised** to produce high quality, adequate, and reliable Perisai agents.
 - **Incentive schemes, scope of work, and see how they relate to existing government policies or programs.** The incentive fee for Perisai agents is considered too low and not commensurate with their scope of work. This is compounded by the declining Perisai incentives caused by the introduction of the Contribution Relaxation Program during the pandemic.
 - **Limitation of the accumulation of members contributions which are considered unable to withdraw and maintain Perisai commitments.**
 - **Membership acquisition strategy to comply with applicable regulations.** It is hoped that there will be clearer guidelines that Perisai agents can refer to.

4.2.2. Medium-to-long-term recommendations

Recommendations related to regulations and institutions

1. **Encourage the revision and harmonisation of a number of regulations and policies related to social insurance for employment to provide comprehensive and inclusive protection for all categories of workers.**

2. **Encourage control, coordination, and supervision of the implementation of various regulations and policies related to social insurance for employment in a more structured, regular, and sustainable manner.** The implementation of supervision needs to involve various sectors and relevant institutions/organisations, such as the government, DJSN, BPJS *Ketenagakerjaan*, employer associations, and worker representatives (trade/labour unions). This can contribute to efforts to improve employer and members compliance, which is an important part in maintaining membership.

Recommendations regarding employment and membership data

1. **Encourage the development of a comprehensive, integrated, and real-time employment and membership data system which is crucial to expand membership.** A complete database can facilitate, among others: (i) drafting or reviewing regulations/policies related to social insurance for employment; (ii) development of more effective membership outreach strategies; (iii) implementation of labour inspection and employer compliance; and (iv) identification of labour migration. In addition, it can also serve as a database for monitoring and evaluation activities on the implementation and effectiveness of regulations/policies, programs, and innovations developed to maintain and promote membership.
2. **Improve the quality and inclusiveness of current employment and social insurance for employment membership data.** There is a need to capture the various categories of vulnerable workers who are often overlooked in data collection, such as workers with disability, female household heads, and elderly workers.

Appendix



TIDAK BUKA CABANG
MOTOR MASUK
TIDAK BUKA CABANG

CUCI TANGAN
JAGA JARAK
PAKAI MASKER

BERAS SUPER PULVER
C4
GAYATRI
DELANGGU
NETTO : 25 KG

BERAS ISTIMEWA
8700-217500
RAJA
C4 RAJA
25 KG
8700-217500

BERAS SUPER PULVER
GY
GAYATRI
EDI SRI
DELANGGU
NETTO : 25 KG

BERAS ISTIMEWA
8700-217500
RAJA
C4
25 KG
8700-217500

BERAS
10.000
MANGROVE

BERAS
10.000
MANGROVE

BERAS SUPER
Cap

KAN

Calculation of the number of samples in this study was carried out based on the Slovin method using the labour population method. Slovin's formula is as follows:

$$n = \frac{N}{1 + Ne^2}$$

Where n is the number of target respondents in the survey (number of samples), N is the number of workers, and e is the tolerable sampling error (margin of error) of 10 per cent.

The number of respondents generated based on the Slovin method provides a score that must be met by 100 respondents in all provinces. Because this survey was only conducted in two provinces affected by the COVID-19 pandemic due to the lockdown policy, namely DKI Jakarta and Bali, only 200 respondents are covered by this study.

Annex Table: BPJS Membership by Province and Sample Size

Province code	Province	Workers who are members of the Social Insurance for Employment	Sample
11	Aceh	323,534	100
12	North Sumatra	946,736	100
13	West Sumatra	341,749	100
14	Riau	588,816	100
15	Jambi	246,451	100
16	South Sumatra	419,506	100
17	Bengkulu	103,246	100
18	Lampung	399,871	100
19	Bangka Belitung Islands	123,650	100
21	Riau Islands	322,229	100
31	DKI Jakarta	1,643,845	100
32	West Java	4,690,605	100

Province code	Province	Workers who are members of the Social Insurance for Employment	Sample
33	Central Java	2,619,000	100
34	Di Yogyakarta	398,640	100
35	East Java	2,497,267	100
36	Banten	1,548,965	100
51	Bali	430,231	100
52	West Nusa Tenggara	240,859	100
53	East Nusa Tenggara	198,194	100
61	West Kalimantan	305,384	100
62	Central Kalimantan	276,543	100
63	South Kalimantan	380,796	100
64	East Kalimantan	438,102	100
65	North Kalimantan	69,452	100
71	North Sulawesi	195,337	100
72	Central Sulawesi	192,935	100
73	South Sulawesi	521,091	100
74	Southeast Sulawesi	160,348	100
75	Gorontalo	57,087	100
76	West Sulawesi	54,460	100
81	Maluku	112,489	100
82	North Maluku	81,953	100
91	West Papua	81,183	100
94	Papua	218,640	100
Total		21,229,194	

Source: Sample calculation based on BPS 2020, calculated by TNP2K 2021.

To meet the target of 100 respondents per province for five working days, this survey deployed five enumerators with the assumption that each enumerator can interview four respondents per day. Respondents are disaggregated by gender to ensure a gender balance to provide an overview of opportunity equality that men and women have in accessing the social insurance for employment programs.

Training for enumerators regarding the interview mechanism was carried out prior to the survey. The material included training on the questionnaire used by enumerators in conducting interviews and training on the CAPI (Computer-Assisted Personal Interviewing) program in filling out interview results. Using CAPI, the data was directly logged into the server every day.

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