

Indonesia

Exchange rate: U.S.\$1.00 equals
8,820 Rupiah (Rp).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1977 (provident fund).

Current law: 1992 (provident fund).

Type of program: Dual provident fund and social insurance system.

Coverage

Establishments with 10 or more employees and/or a monthly payroll of Rp 1 million or more.

Coverage is being extended gradually to employees of smaller establishments and to organized informal-sector workers, including persons in family employment, fishermen, and those employed in rural cooperatives.

Special systems for public-sector employees and military personnel.

Source of Funds

Insured person: 2% of earnings.

Employer: 3.7% of payroll; plus 0.3% of payroll for survivor benefit (social insurance).

Government: None.

Qualifying Conditions

Old-age benefit (provident fund): Age 55; a lump sum is payable to provident fund members of any age if they change their citizenship status.

Disability benefit (provident fund): Total incapacity for work because of a work-related disability and under age 55.

Survivor benefit (provident fund): The provident fund member was under age 55 at the time of death.

Survivor benefit (social insurance): Payable to a named survivor of the insured person.

Old-Age Benefits

Old-age benefit (provident fund): A lump sum equal to total employee and employer contributions plus accrued interest; a periodic pension is optional for fund members holding more than Rp 50 million in their provident fund account.

Drawdown payments: For certain categories of laid-off fund members with at least 66 months of coverage.

Permanent Disability Benefits

Disability benefit (provident fund): A lump sum equal to total employee and employer provident fund contributions plus interest or, for fund members holding more than Rp 50 million in their provident fund account, an optional periodic pension of up to 24 monthly payments.

Survivor Benefits

Survivor benefit (provident fund): A lump sum equal to total employee and employer provident fund contributions plus interest or, for fund members holding more than Rp 50 million in their provident fund account, an optional periodic pension of up to 24 monthly payments.

Survivor benefit (social insurance): A lump sum of Rp 5 million.

Funeral grant (social insurance): A lump sum of Rp 1 million.

Benefit adjustment: The social insurance lump-sum benefits are adjusted every 2 years.

Administrative Organization

Minister of Manpower provides general supervision.

Employees Social Security System (Jamostek) manages and administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1957 (sickness and maternity).

Current law: 1992 (health care).

Type of Program: Social insurance system (medical benefits).

Coverage

Coverage is compulsory for private-sector employees.

Exclusions: Employers providing benefits that are more comprehensive than those provided by the Jamostek program are exempt.

Special health care system (medical benefits) operates for civil servants, civil service pensioners, military and police pensioners, veterans, national independence pioneers, and their dependents up to age 25.

Source of Funds

Insured person: None.

Employer: 3% of payroll for single employees; 6% for married employees.

Government: None.

Qualifying Conditions

Medical benefits: Currently covered.

Workers' Medical Benefits

Benefits include primary and specialist outpatient care, hospitalization, medicines, maternity care, emergency care, dental care, and eye care.

Dependents' Medical Benefits

Same as for the insured worker.

Administrative Organization

Minister of Manpower provides general supervision.

Employees Social Security System (Jamostek) manages and administers the program.

Work Injury

Regulatory Framework

First law: 1939.

Current law: 1992 (work injury).

Type of program: Social insurance system.

Coverage

Establishments with 10 or more employees and/or a monthly payroll of Rp 1 million or more.

Coverage is being extended gradually to employees of smaller establishments and to organized informal-sector workers, including persons in family employment, fishermen, and those employed in rural cooperatives.

Special system for public-sector employees.

Source of Funds

Insured person: None.

Employer: Total cost; contributions vary between 0.24% and 1.74% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: Partial or total disability before age 55. There is no minimum qualifying period.

Temporary Disability Benefits

100% of earnings for the first 4 months, 75% of earnings for the next 4 months, and 50% of earnings thereafter.

Permanent Disability Benefits

Disability benefit (lump sum): A lump sum equal to 49 months' wages.

Disability pension: Rp 50,000 a month for 24 months.

Partial disability: Lump-sum benefit rates vary from 2% to 40% of 70 months of earnings according to the assessed degree of disability.

Workers' Medical Benefits

Benefits include medical treatment, hospital care, dental and ophthalmic care, and prostheses. Transport costs from the place of the accident to the hospital are also provided up to a maximum of Rp 400,000 depending on the method of transport used.

Survivor Benefits

Survivor benefit (lump sum): A lump-sum payment equal to 42 months of the insured's earnings.

Survivor pension: Rp 50,000 a month for 24 months.

Funeral grant: Rp 1 million.

Administrative Organization

Minister of Manpower provides general supervision.

Employees Social Security System (Jamostek) manages and administers the program.