



Income security during maternity leave in Indonesia and across the world

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► Effectiveness

Do female workers enjoy their entitlements?

► Overview

International labour standards

Summary: Key ILS on social security

Social security branch	Minimum standards	Higher conventions	Recommendations
Medical care	C102 Part II	C130	R134
Sickness benefit	C102 Part III	C130	R134
Unemployment benefit	C102 Part IV	C168	R176
Old-age benefit	C102 Part V	C128	R131
Employment injury benefit	C102 Part VI	C121	R121
Family benefit	C102 Part VII		
Maternity benefit	C102 Part VIII	C183	R191
Invalidity benefit	C102 Part IX	C128	R131
Survivors' benefit	C102 Part X	C128	R131

International labour standards on maternity protection

Year	International labour standards
1919	Maternity Protection Convention (No. 3)
1952	Social Security (Minimum Standards) Convention (No. 102)
1952	Maternity Protection Convention (Revised) (No. 103)
1952	Maternity Protection Recommendation (No. 95)
2000	Maternity Protection Convention (No. 183)
2000	Maternity Protection Recommendation (No. 191)

► **Maternity benefits**

Cash benefits only

Financing (1)

Convention 102 (Article 71)	Convention 183 (Article 6)	Law Number 13 of 2003
Social insurance or taxation or both	Compulsory social insurance or public funds - An employer shall not be individually liable for the direct cost of any such monetary benefit to a woman employed by him or her*	Employer's liability

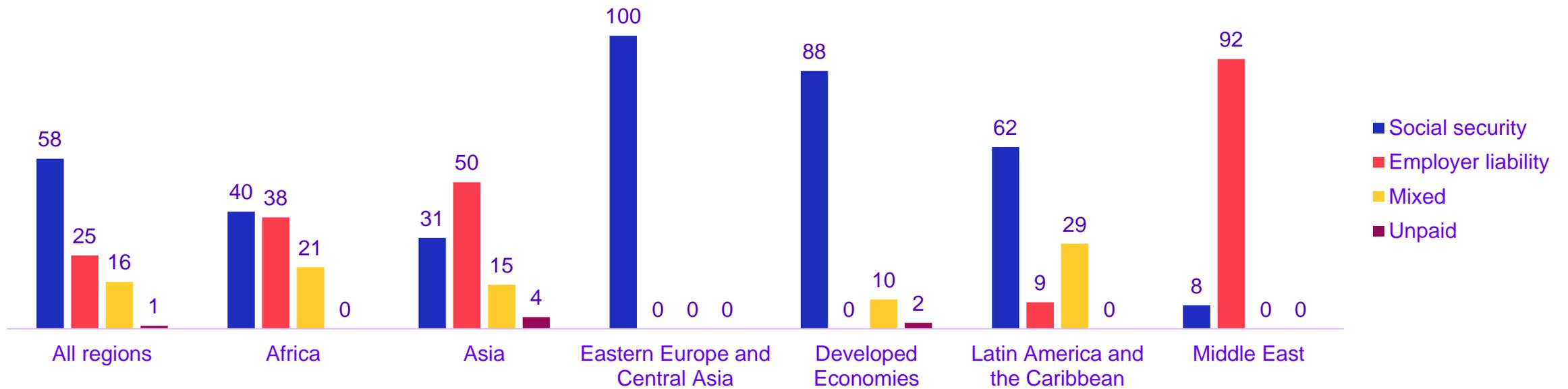
Limitations of employer's liability

- The cost of maternity leave might affect the employment prospects of female workers.
- The compliance with maternity benefits might be low and cannot be enforced.

*Exception: ...where It is subsequently agreed at the national level by the government and the representative organizations of employers and workers.

Financing (2)

Source of funding of maternity leave cash benefits, by region, 2013 (185 countries and territories) (%)



Duration of maternity leave (1)

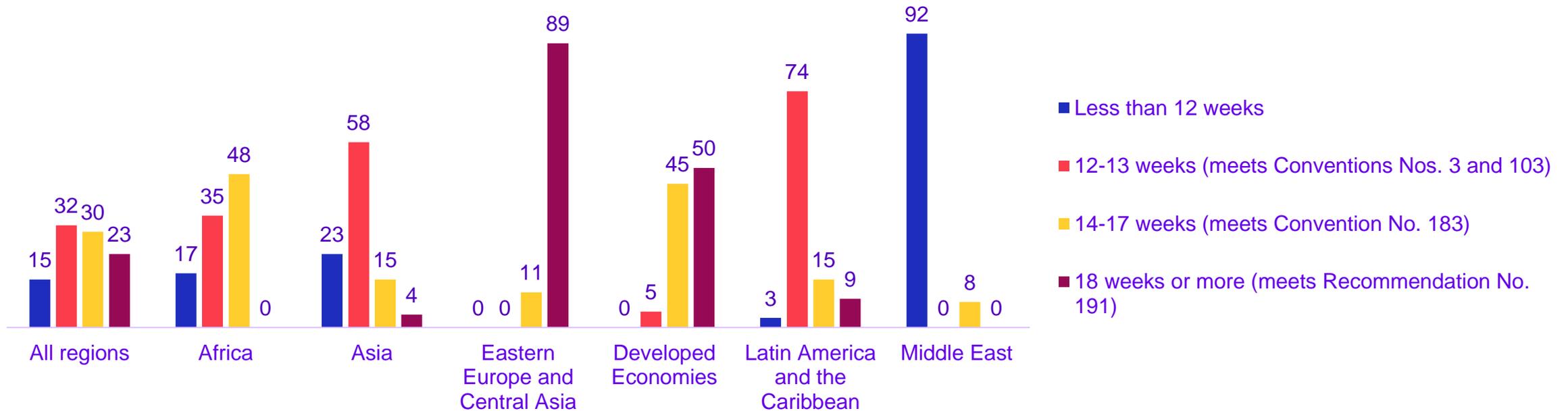
Convention 183 (Article 4)	Recommendation 191 (Paragraph 1)	Law Number 13 of 2003 (Article 82)**
Not less than 14 weeks including 6 weeks compulsory post-natal leave*	<p>At least 18 weeks</p> <p>Entitle women to choose freely the time at which she takes any non-compulsory portion of maternity leave before or after childbirth</p> <p>Extend maternity leave in the event of multiple births</p>	<p>3 months including 1.5 months of pre-natal leave and 1.5 months of post-natal leave</p> <p>1.5 months of miscarriage leave</p>

* This instrument opens up the possibility of agreements being made between governments and representative organizations of employers and workers at the national level on the arrangement of compulsory leave.

** The length of the period of rest may be extended if such is medically required as attested by a written medical statement from the obstetrician or midwife either prior to or after the delivery.

Duration of maternity leave (2)

Statutory duration of maternity leave, by region, 2013 (185 countries and territories) (%)



Coverage of maternity benefits

Convention 102 (Article 48)*	Convention 183 (Article 2)	Law Number 13 of 2003 (Article 82)
<p>Not less than 50 per cent of all female employees</p> <p>Not less than 20 per cent of all economically active female workers</p>	<p>All female employees, including atypical forms of workers</p>	<p>All female employees</p>

* Where a declaration is in force, all women in prescribed classes of employees, which classes constitute not less than 50 per cent of all employees in industrial workplaces employing 20 persons or more, and, for maternity medical benefit, also the wives of men in these classes.

Amount of cash benefits (1)

Convention 102 (Article 52)	Convention 183 (Article 6)	Recommendation 191 (Paragraph 2)	Law Number 13 of 2003 (Article 84)
45% up to 12 weeks	At least two-thirds of previous earnings for a minimum of 14 weeks*	Full amount of previous earnings	Full amount of wage

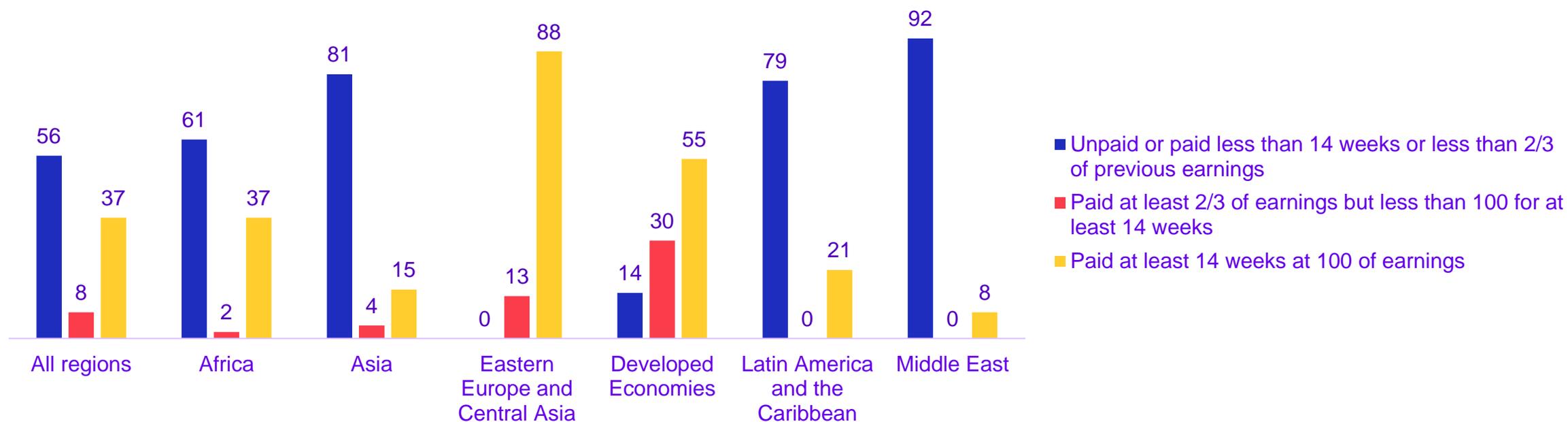
Guiding principle

- The level of benefits should ensure that the woman can maintain herself and her child in proper conditions of health and with a suitable standard of living (Art. 6.2, C183).

* A comparable amount is allowed if other methods are used to determine cash benefits

Amount of cash benefits (2)

Amount of cash benefits and maternity leave duration, by region, 2013 (167 countries) (%)



Eligibility requirements for maternity cash benefits

Convention 102	Convention 183 (Article 6)	Law Number 13 of 2003
Not applicable	<p>Qualifying conditions for cash benefits can be satisfied by a large majority of the women.</p> <p>A woman not qualified under national laws shall be entitled to adequate benefits out of social assistance funds, subject to the means test required for such assistance.</p>	Not regulated

Summary of parameters for maternity cash benefits

Parameter	Convention 102	Convention 183	Current policy
Coverage	50 per cent of all female employees	All female employees	All female employees
Duration (Maternity leave)	12 weeks	14 weeks including 6 weeks compulsory post-natal leave	1.5 months pre-natal leave and 1.5 months post-natal leave
Replacement rate	45% of previous earnings	67% of previous earnings	100% of wage
Financing	Social insurance, taxation	Social insurance, taxation	Employers

Options for creating a new maternity benefit scheme of BPJS Employment

Maternity allowance	Benefit	Contribution rate (% of insured earnings)	Alignment with ILS	
			C102	C183
Option 1 (Law No. 13 2003)	100% for a maximum of 13 weeks	0.65%	Yes	No
Option 2	45% for a maximum of 14 weeks	0.32%	Yes	No
Option 3	67% for a maximum of 14 weeks	0.50%	Yes	Yes
Option 4	100% for a maximum of 14 weeks	0.70%	Yes	Yes
Option 5	67% for a maximum of 26 weeks	0.87%	Yes	Yes
Option 6 (Proposed in the Bill)	100% for a maximum of 26 weeks	1.30%	Yes	Yes

► Preliminary recommendation (A minimum package)

Key parameter	Description
Coverage	Coverage Mandatory for all wage workers (= Member of JKK/JKm + construction workers)
Beneficiaries	391,992 (est. in 2023)
Qualifying condition	Contribution paid for 12 months in the 18-month period preceding the maternity leave
Benefit	67 per cent of average wage of the 6-month period preceding the maternity leave
Duration	A maximum of 14 weeks including the 6-week compulsory post-natal leave
Contribution rate	0.50% of insured earnings*
Actuarial review	Every three year

*Pay-as-you-go with six months reserve

Options for providing men with additional benefits (1)

Paternity allowance

The paternity allowance would be paid at a time chosen by the father during the maternity leave of the mother.

Paternity allowance	Benefit	Contribution rate (% of insured earnings)
Option 1	100% for a maximum of 1 week	0.05%
Option 2	100% for a maximum of 6 weeks	0.25%*

*For this option, it is assumed that fathers will claim only 80% of the maximum period on average, or 4.8 weeks

Options for providing men with additional benefits (2)

Birth grant

A birth grant would be paid for each birth to persons who satisfy the contribution requirement for the maternity allowance. It would also be paid to insured men if there is a birth in the family and the mother is not insured. It would be payable for each birth in case of multiple births.

Birth grant	Benefit	Contribution rate (% of insured earnings)
Option 1	100% of the monthly minimum wage	0.10%*

*The cost of the birth grant (expressed as a percentage of insured earnings) will increase over time if the amount of the grant is adjusted annually in line with the general wage growth: the benefit amount (minimum wage) would increase at the same pace as the general wage growth, while the annual increase of total insured earnings is limited to the real GDP growth.

► Other relevant issues

Case study

Indicators	Country A	Country B
Minimum wage (IDR)	2,671,142	2,367,241
Maternity leave	6 months	6 months
Benefit (% of wage)	100%	100%
Finance	Employer liability	Social insurance (3% of wage by employer)

Garment factory	10,000 female employees	10,000 female employees
Case 1	500 workers on maternity leave	500 workers on maternity leave
Monthly expenditure	1,336 mil. (= 2.7 mil x 500)	710 mil. (= 2.4 mil. x 10,000 x 3%)

Case 2	1,000 workers on maternity leave	1,000 workers on maternity leave
Monthly expenditure	2,671 mil. (= 2.7 mil x 1,000)	710 mil. (= 2.4 mil. x 10,000 x 3%)



THANK YOU

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