

INTRODUCTION TO UNEMPLOYMENT BENEFIT

Jakarta, March 2020

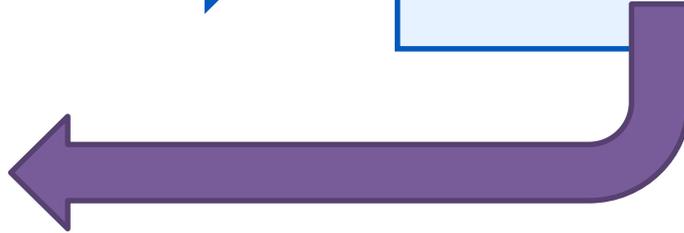
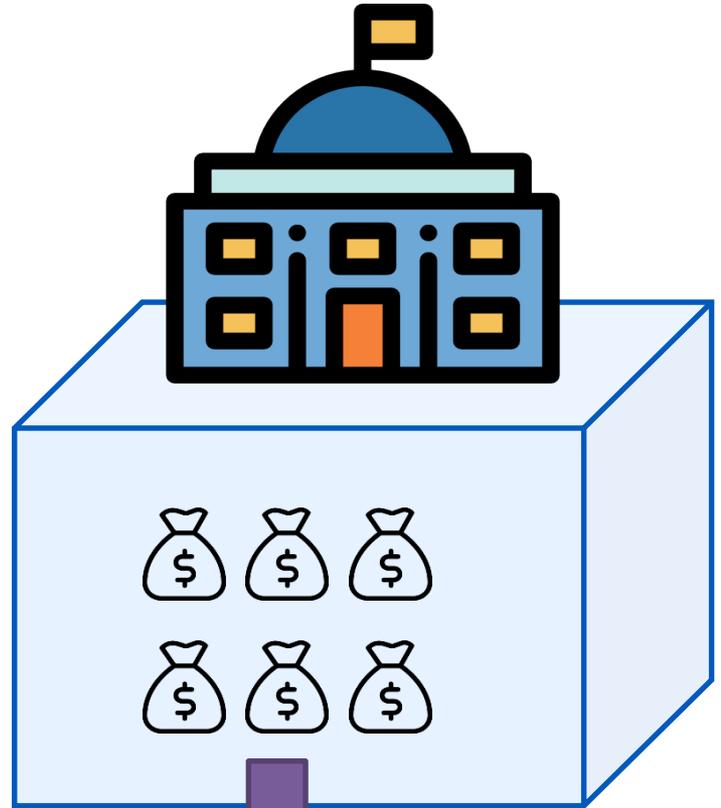
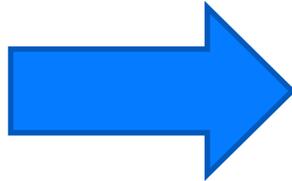
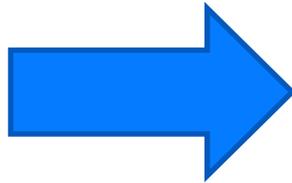
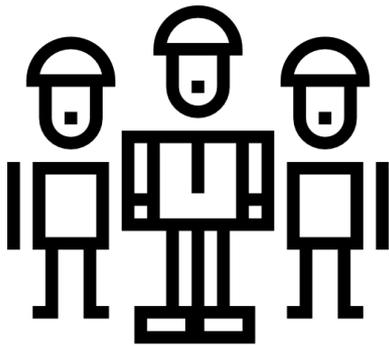
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BASIC CONCEPT

WHO IS UNEMPLOYED?



EMPLOYMENT INSURANCE



PUBLIC EMPLOYMENT SERVICES



HOW CAN SOCIAL SECURITY STANDARDS HELP?

INTERNATIONAL LABOUR STANDARDS

C102

- Convention concerning Minimum Standards of Social Security, 1952 (Part IV – Unemployment Benefit)

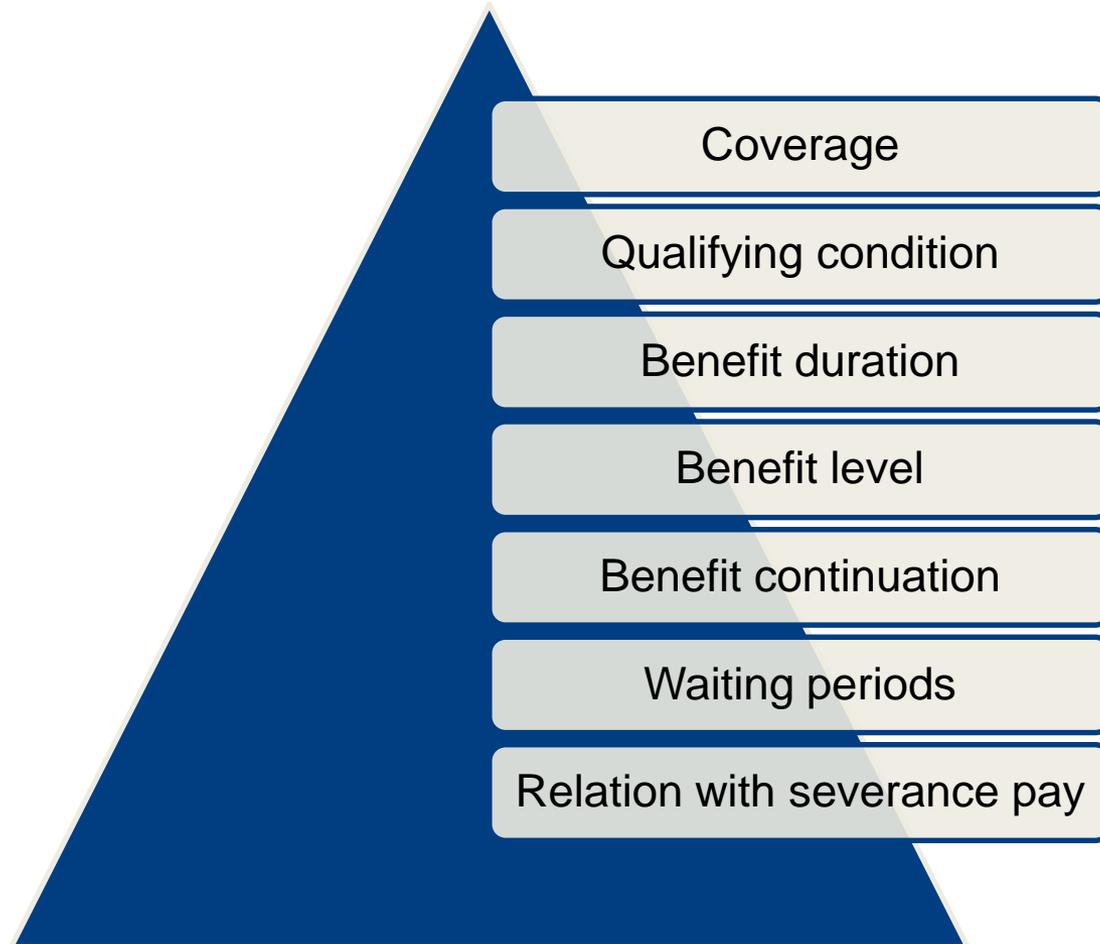
C168

- Convention concerning Employment Promotion and Protection against Unemployment, 1988

R176

- Employment Promotion and Protection against Unemployment Recommendation, 1988

DESIGN OF EMPLOYMENT INSURANCE



COVERAGE

Convention 102

< **50%** of all employees

Convention 168

< **85%** of all employees
(public/private) & apprentices

Provisions for seasonal workers
and new entrants

BENEFIT LEVEL

Convention 102

Periodical and
temporary

At least **45%** of previous wage

Convention 168

Periodical and
temporary

At least **50%** of previous wage

BENEFIT DURATION

Convention 102

13 weeks
within **12 months**

Convention 168

26 weeks
in each spell of unemployment

Or

39 weeks over any period
of **24 months**

QUALIFYING CONDITION

Convention 102	Convention 168
Aim to prevent abuse	Can exclude: Laid-off for miss-conduct Voluntary termination without just cause

CONTINUATION OF BENEFITS

Maintain their status in order to receive compensation on a regular basis

Report regularly to the local employment office (e.g. Did you apply for a job?)

Normally linked with the **frequency of payments**

Have to accept any **suitable employment offered** to them

CONTINUATION OF BENEFITS

Referrals to training and employment measures should also be followed up

Lump-sum reemployment bonuses

WAITING PERIOD

Convention 102

Maximum **7 days**

Convention 168

Maximum **7 days**

CONTRIBUTION

Convention 102

Employees' contributions should not exceed **50%** of the financial resources allocated

Determined by **actuarial studies** and calculations

Convention 168

RELATION WITH SEVERANCE PAY

Convention 102	Convention 168
	Possible to reduce the unemployment benefit, if severance pay is also granted

Thank you

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