



► Employment insurance

Ideas for operational flows in Indonesia

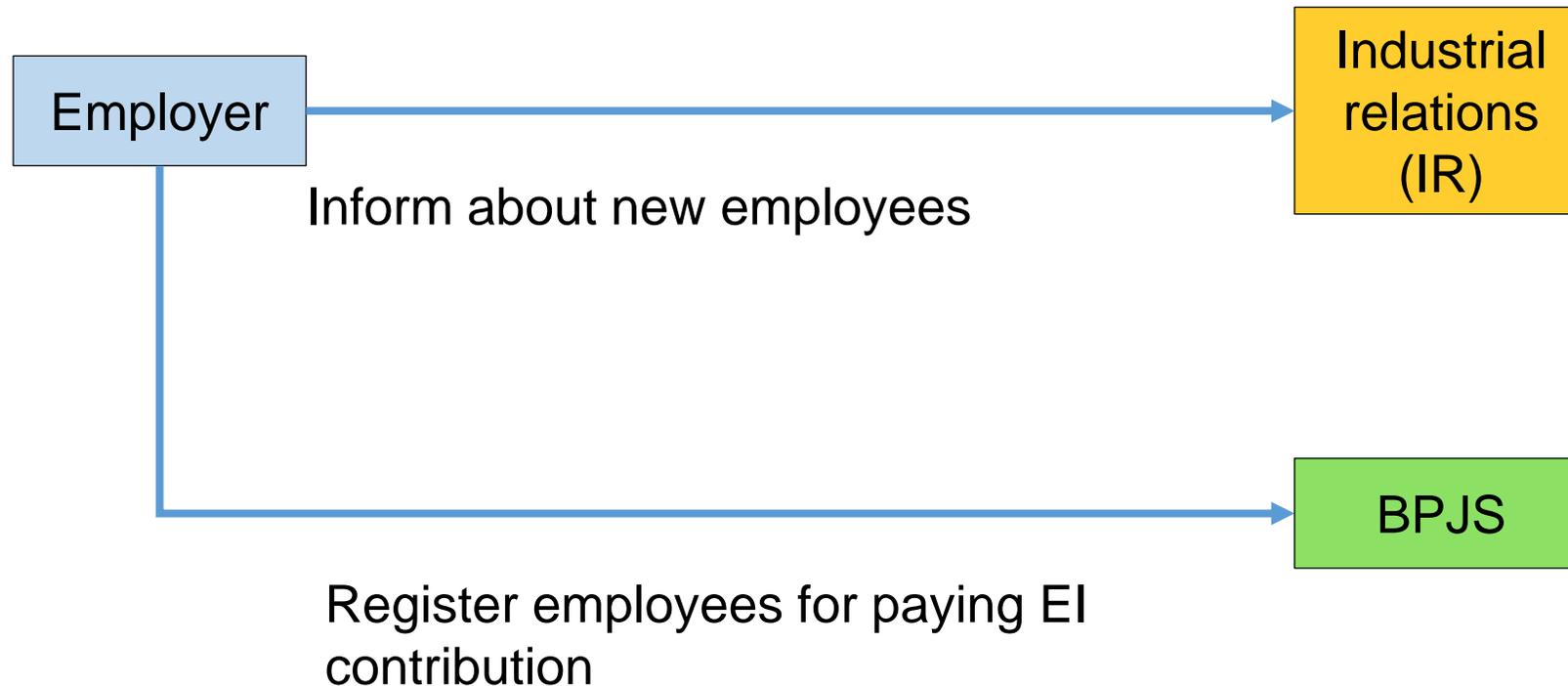
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Introduction

- In the slides, we illustrate operational flows in brief charts followed by detail tables.
- We try to connect current operations delivered by the existing institutions in the flow charts. In the meantime, we added in blue boxes key issues to be considered for improving the operations more effectively.
- Colours in charts represent physical locations or institutions. For example, a local manpower office has units of industrial relations, public employment services, vocational training etc.; and therefore, these three units are illustrated in yellow boxes.

Hiring employees



 BPJS office

 Local manpower office

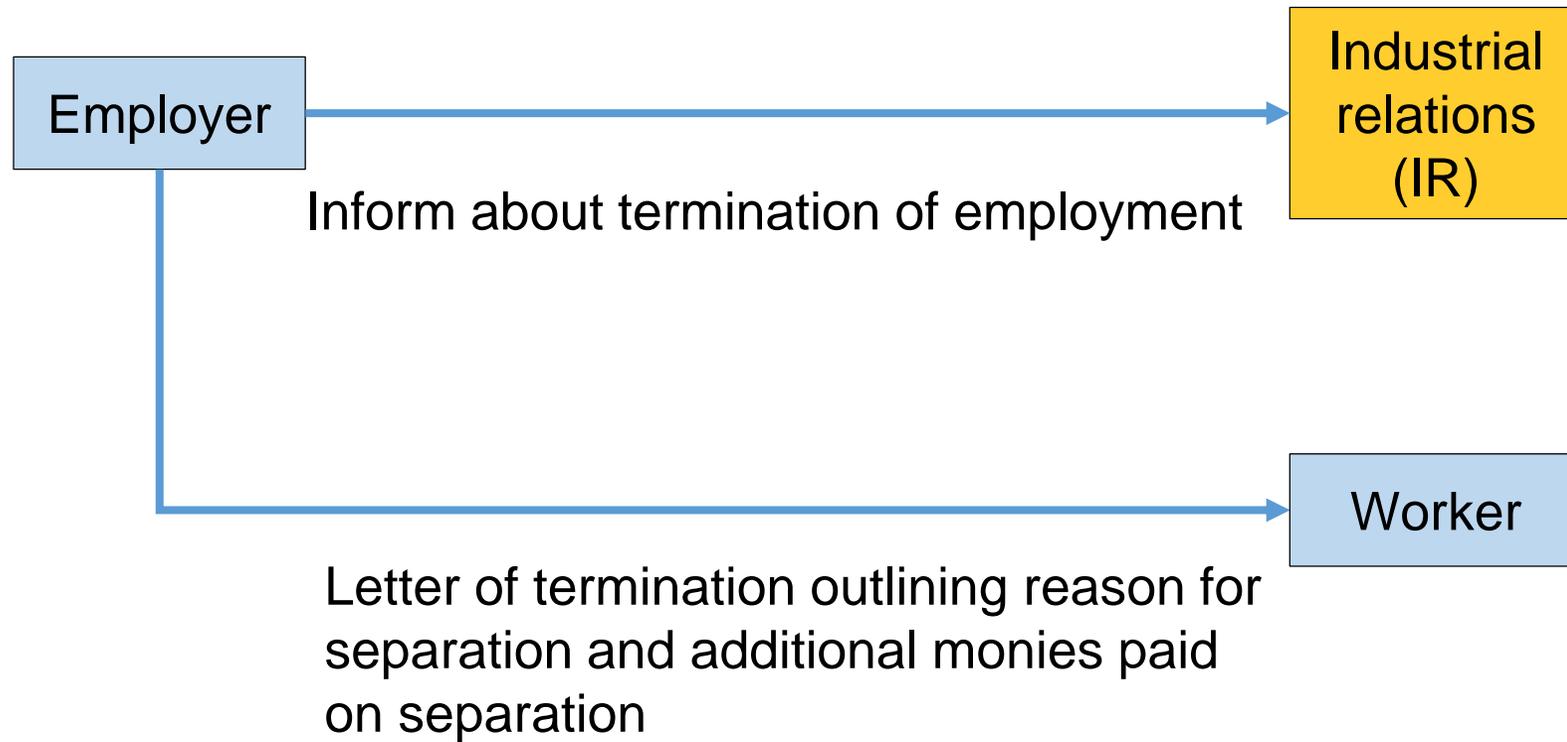
Considerations

The information/database of registered employees managed by local manpower offices and BPJS Employment may be shared/integrated in order to improve labour/social security inspection for compliance.

Hiring employees

| Operational flows / Institutions | Worker | Employer | BPJS | MOM HQ / Province / District / City | | |
|--|--------|----------|---------|-------------------------------------|-----|----------|
| | | | | Industrial relations | PES | Training |
| When starting up business and hiring workers (Labour issues) | | | | | | |
| Register employers for hiring workers (only for the first time) | | Submit | | Receive | | |
| Inform about new employees (whenever hiring) | | Submit | | Receive | | |
| Registration of employers and collection of EI contributions | | | | | | |
| Register employers for contribution collection (only for the first time) | | Submit | Receive | | | |
| Register employees for paying contribution (whenever hiring) | | Submit | Receive | | | |
| Collect contributions from employers on behalf of employees and employer | | Pay | Receive | | | |

Terminating employment

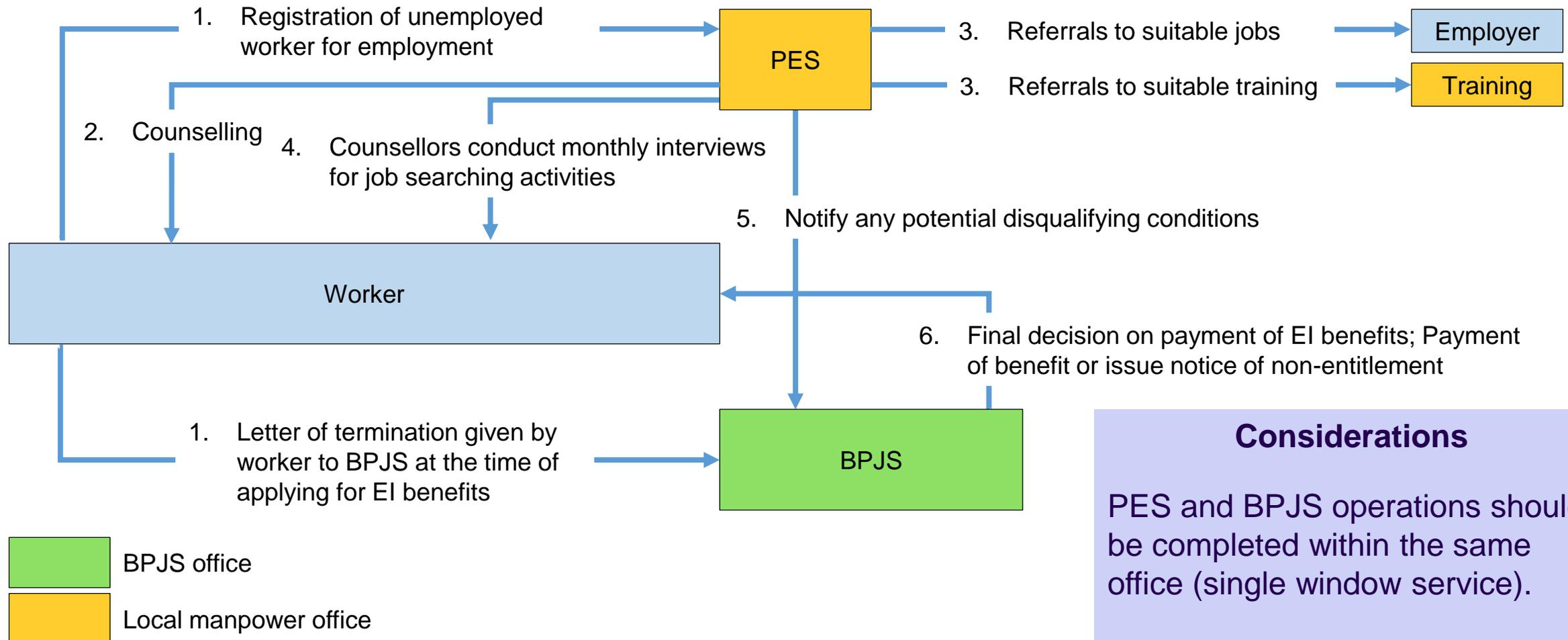


 Local manpower office

Considerations

MOM and BPJS should agree on a template for the letter of termination including all required information for their operations. There is also the issue of those who quit where IR does not require completion of the letter of termination but BPJS would definitely need it.

Claiming EI benefits



Considerations

PES and BPJS operations should be completed within the same office (single window service).

Terminating employment and claiming EI benefits

| Operational flows / Institutions | Worker | Employer | BPJS | MOM HQ / Province / District / City | | |
|---|----------|----------|----------|-------------------------------------|---------|----------|
| | | | | Industrial relations | PES | Training |
| When terminating employment and claiming EI benefits | | | | | | |
| The employer provides the unemployed worker with a letter of termination outlining reason for separation and additional monies paid on separation, while copying local manpower offices | Receive | Submit | | Copy | | |
| Registration of unemployed worker for employment at a PES office | Register | | | | Conduct | |
| Letter of termination given by worker to BPJS at the time of applying for benefits | Submit | | Receive | | | |
| Apply for EI benefits at BPJS office and complete an EI application form (frontend services) | Submit | | Receive | | | |
| Register EI application and set up claim docket | | | Register | | | |
| Review and assess EI application | | | Review | | | |
| Make final decision on payment of EI benefits (or issue notice of non-entitlement) | | | Approve | | | |
| Payment of benefit (bank or cash) | Receive | | Pay | | | |

Terminating employment and claiming EI benefits

| Operational flows / Institutions | Worker | Employer | BPJS | MOM HQ / Province / District / City | | |
|---|--------|----------|---------|-------------------------------------|---------|----------|
| | | | | Industrial relations | PES | Training |
| Continuation of benefit payments on a monthly basis | | | | | | |
| Conduct a mandatory monthly meeting for job searching activities | Attend | | | | Conduct | |
| Counsellors could conduct interviews | | | | | Conduct | |
| Provide counselling and possible referrals to suitable jobs and/or training | | Hire | | | Refer | Train |
| Notify BPJS of any disqualifying conditions | | | Receive | | Notify | |



THANK YOU

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