

GOVERNMENT POLICY

Only 10% of workers have pension security, the government needs to develop a strategy

DDTCNews Editorial | Thursday, July 21 2022 | 17:00 WIB

A⁺ A⁻

in

0



An elderly resident carries out a routine health check at the Posyandu for the Elderly at RPTRA Serdang Baru, Jakarta, Wednesday (6/7/2022). BETWEEN PHOTOS/Budi Prasetyo/wsj/foc.

JAKARTA, DDTCNews - The government is finalizing a scheme to protect pension guarantees for workers. Improvements need to be made considering that only around 10% of national workers have a pension guarantee program.

Data from the Central Statistics Agency (BPS) details that in January 2022 there were 13.65 million workers who were participants in the pension insurance program out of a total working population of 135.61 million people.

"This needs to be our collective attention and focus so that we can find a solution, in order to provide protection and guarantee welfare for the community while still paying attention to the country's fiscal capacity," said Minister of Manpower Ida Fauziyah, Thursday (21/7/2022).

Read Also: Pension Fund Contributions Are Borne by Employers Tax Free Natura

Ida added that the social security program is important because it is a source of livelihood and supports the welfare of workers when they enter non-productive age. The government, he said, still needs to carry out harmonization in providing protection as a follow-up to the principle of mutual cooperation in the national social security system as mandated in Law 40/2004.

Meanwhile, the Director General of PHI and Social Security at the Ministry of Manpower, Indah Anggoro Putri, acknowledged that there are still challenges for the government to improve the pension insurance system in maintaining people's welfare in old age. On the other hand, according to him, the government needs to take advantage of the demographic bonus to establish a pension guarantee program scheme that covers the entire population (*universal coverage*) with optimal benefits.

International Labor Organization (ILO) Jakarta Office Social Protection Program Manager Ippei Tsuruga added that the pension insurance program protection program in Indonesia is still hampered by overlapping schemes.

"[It] is necessary as soon as possible to reform a more effective pension security protection scheme. According to him, this scheme is very necessary because it is a long-term investment for workers in Indonesia," he said. (sap)

Editor :
Sapto Andika Candra