

Government is working on a scheme to improve the pension guarantee program

The Ministry of Manpower noted that only 10 percent of workers/laborers have BPJS Employment pension insurance. This needs to be a matter of collective attention and focus so that a solution can be found.

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Minister of Manpower, Ida Fauziyah. Photo: Public Relations Ministry of Manpower

The Ministry of Manpower, through the Directorate General of Industrial Relations Development and Social Security, continues to finalize the scheme to protect the pension insurance program for workers. This is a form of social security program, which aims to protect the livelihood and welfare of workers when they enter non-productive age.

The Minister of Manpower, Ida Fauziyah, in his speech at the event entitled "Discussion of Reform and Harmonization of the Pension Security Program", which was held in Jakarta, last Wednesday (20/7/2022), said, in the context of protecting social security for people in old age, this is related to with the old-age insurance and pension guarantee programs, the government currently still needs to carry out harmonization. The aim is to provide protection as a follow-up to the principle of mutual cooperation in the national social

security system as mandated in [Law Number 40 of 2004](#) concerning the Social Security System (UU SJSN).

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Referring to BPJS Employment data, Ida noted that there were 13.65 million participants in the pension insurance program out of a total working population of 135.61 million (BPS data February 2022). "The findings show that only around 10 percent of workers have a pension program. 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 Ida.

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Ida invites all related parties to collaborate and contribute actively in contributing their best ideas and ideas to create innovative policies and new schemes that can encourage progress in the pension security system in Indonesia.

The Director General of PHI and Social Security at the Ministry of Manpower, Indah Anggoro Putri, revealed a number of issues raised in the discussion, including the need to prepare various things to answer the challenges of the pension insurance system in maintaining people's welfare in old age. At the same time, taking advantage of the

demographic bonus to form a pension guarantee program scheme that covers the entire population (*universal coverage*) with optimal benefits.

On that occasion, the ILO Jakarta Social Protection Program Manager, Ippei Tsuruga, said that in its current progress, the pension insurance program protection scheme in Indonesia is still hampered by overlapping schemes. According to him, it is necessary to reform the pension security protection scheme to be more effective.