Indonesia to prepare integrated public employment service to assist unemployed finds new job

While cash benefit provides necessary support to maintain livelihood in between jobs, skills training and job search assistant are meaningful to help unemployed gets a new job.

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Indonesia has achieved a new milestone in strengthening its social protection by adding unemployment benefit or better known as *Jaminan Kehilangan Pekerjaan (JKP)* into the system. While the provision of cash benefit of this new scheme has been widely discussed, the non-cash benefits, in the form of job training and placement, remain underrated.



A line of job applicants (c) ILO/F. Latief

To discuss the importance of the non-cash benefits and government preparedness to implement JKP, the ILO in collaboration with TEMPO Media Group conducted a virtual discussion titled "From Unemployed to Get back to Work, What can Unemployment Benefit (JKP) Do?", on mid of July. During the event, one of the speakers, Anwar Sanusi, Director General of Ministry of Manpower, explained a detailed mechanism of benefit payment.

"The Indonesian Social Security Provider for Employment (BPJS Ketenagakerjaan) will manage the cash benefit payment, while training and access to labour market information will be delivered by Ministry of Manpower. The government is now revamping the online employment information system called SISNAKER to be fully integrated with BPJS Ketenagakerjaan system," said Anwar.

In line with Anwar, Roswita Nilakurnia, Director of Service of BPJS Ketenagakerjaan, further elaborated this integrated system. "The main purpose of this programme is to assist unemployed gets a new job. Therefore, to receive a cash benefit, the claimant must proof their efforts to get back to work. The integration between BPJS Ketenagakerjaan and SISNAKER will allow us to track job searching activities of the claimants for our consideration whether to continue or end the cash benefit payment."

Meanwhile, from academic perspective, Prof. Bambang Shergi Laksmono from the University of Indonesia appreciated a meaningful assistance given by this programme for workers. He emphasized the importance of industry involvement, particularly in designing and conducting skills training as well as in providing relevant information related to skills needed and industrial development.

According to him, link and match remains a problem in the labour market. Yet, he reminded that companies are now adopting labour market flexibility where they will quickly modify their workforces to respond to the fast changing conditions in the world of work.

"This programme should be able to answer challenges of skills mismatch and labour market flexibility. Thus, reskilling and upskilling have become more essential to maintain Indonesia's competitiveness in Southeast Asia region. Industry involvement is also much more needed in the skills training," said Bambang.

ILO acknowledged the establishment of JKP as an achievement to better protect the workers. ILO's Employment Specialist, Kazutoshi Chatani, said that JKP has set the policy direction right to keep the Indonesian workforce staying productive in the era of global competition. He reminded policy makers that system requires a sustainable funding. "Policymakers and social partners might wish to revisit the quality of assistance to jobseekers and cost distribution in the coming years," he suggested.

Indonesia has started to collect contribution for this scheme and has scheduled to make its first benefit payment in February 2022. Through its Japan Social Protection project, funded by Japan

Government, and its Unemployment Protection (UNIQLO) Project >, funded by Fast Retailing Co., Ltd. as well as Promoting and Building Social Protection Project >, funded by Government of Japan , the ILO will continue to support government and other social partners in building effective protection against unemployment and strengthening the whole employment social protection system for the coming years.

The live streaming of the interactive discussion can be viewed at ILO TV Indonesia >

Tags: employment services, unemployment, unemployed, trade unions, social protection, unemployment benefits, human resources development, skills

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