



Federasi Serikat Pekerja Farmasi dan Kesehatan Reformasi
Serikat Pekerja Perusahaan Listrik Negara
Serikat Pekerja Pembangkit Jawa Bali
Persatuan Pegawai Indonesia Power

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**PUBLIC SERVICES INTERNASIONAL AFFILIATED UNIONS CRITICIZE
HEALTH DRAFT BILL: PUBLIC FUND MUST BE CONTROLLED BY THE
STATE**

Indonesian Trade Unions affiliated to the Public Services Internasional (PSI) that concern with public management issue a joint statement as a response to the Health Draft Bill that is being discussed in the Parliament. The response is based on an indepth study conducted together by Serikat Pekerja Perusahaan Listrik Negara (SP PLN), Serikat Pekerja Pembangkit Jawa Bali (SP PJB), Serikat Pekerja Angkasa Pura 1 (SP AP 1), Serikat Pekerja Perusahaan Daerah Air Minum Jakarta (SP PDAM Jakarta), Persatuan Pegawai Indonesia Power (PPIP), Serikat pekerja Badan Penyelenggara Jaminan Sosial Ketenagakerjaan (SP BPJS TK), and Federasi Serikat Pekerja Farmasi dan Kesehatan Reformasi (FSP FARKES R).

According to PPIP Chairperson, Dwi Hantoro, social security is a constitutional mandate, as contained in the Article 28 H paragraph 3 of the Indonesian Consitution of 1945, “Every person is entitled to social security that enables his/her integral self development as a dignified human being.”

“Further, article 34 paragraph (2) of the Constitution says “The state shall develop a social security system for all the people and empower the poor and incapable society in accordance with human dignity.”” added Dwi. With both articles as the preamble, the Indonesian Parliament and government stipulated the Law No. 40 of 2004 on National Social Security System. Further, Law No. 24 of 2011 on Social Security Administrative Body regulated that the national social security system is implemented by Social Security Administrative Body for Health and Employment (BPJS Kesehatan dan Ketenagakerjaan).

On the account that social security is mandated by the Consitution and the purpose to to provide services for all Indonesian people, Dwi Hantoro added, that it must be under direct President’s responsibility.

Dwi Hantoro’s statement is supported by the Chairperson of SP BPJS TK, Ahmad Edi Komaruddin. He said that since the transformation from PT Jamsostek to BPJS, there have been a significant progress in terms of implementation and management of social security in Indonesia. “ The progress can be seen from the amount of fund that it manages currently, as much as IDR 639 T and the number of its subscribers, as many as 55.4 million people. These numbers really show how the company has gained progress compared to when it consisted as two different companies, PT ASTEK and PT Jamsostek, under the Ministry,” stated Ahmad Edi Komaruddin.

“The Health draft bill will force BPJS to be under a ministry, again. The return of BPJS under a ministry will be a setback in national social security system in Indonesia. The management



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and implementation of fund that is trusted by the people will be under a ministry which potentially make BPJS non-independent,” he asserted.

He gave an example that between 1977 to 2014, in the span of 37 years, PT Astek and PT Jamsostek managed IDR 151 T of fund and 216,593 companies participants, with total 16.791.397 individual participants. As a comparison, PT BPJS Ketenagakerjaan, from 2014 to 2022, managed IDR 630 T (increased 317%), with total 734.891 (increased 239%) companies participants, and active individual participants as many as 35.8 (increased 113%) million people. The increase is accomplished in the span of 8 years since PT Jamsostek’s transformation into BPJS.

Meanwhile, the Chairperson of SP AP 1, Jemmy Pongoh, said that social security fund is a trust fund belonging to all participants. It is consisting of contributions including their investment income, which is managed by Social Security Administrative Body (BPJS). Social Security Administrative Body (BPJS) is a legal entity established to administer the social security program and to provide protection for all Indonesian people. “Therefore, the Administrative Body’s structure and the trust fund is strictly regulated by laws and regulations. The social security fund belongs to the participants so that BPJS could expands its membership and increases participants’ contribution independently,” he said.

Jemmy asserted that the management and implementation social security management and administration body have their own functions that distinct from other stakeholders in implementing the social security program. In Indonesia, the social security administration uses the *pragmatisch* principle along with many elements involved in it. The government does not have any interventions in the administration and implementation of national social security. The operational cost is charged to the participants i.e. companies and workers.

“Companies and workers have big impact on the progress of the national social security system as Indonesia is currently unable to provide social security for its people using its state budget,” added Jemmy Pongoh.

“However, in the implementation, government, employers, and workers have an integrated function. The Health Draft Bill that will return BPJS under a ministry will disturb the distinct function of the stakeholders,” he asserted.

“Further, there is a plan to change the composition of the Supervisory Board by reducing the number of workers and employers’ representatives. They will be replaced by representatives of the government. This plan does make sense. There must be more workers and employers’ representatives because the fund belongs to the workers and employers. It does not make any sense to reduce the number of workers and employers’ representatives in the Supervisory Board,” further added by Jemmy Pongoh.

On the other note, the Chairperson of FSP FARKES R, Evi Krisnawati, asserted that BPJS’ position is outside of/separated from the State administration and state asset administration. BPJS’s operational fund is originated from companies and workers’ contribution.



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“BPJS’ initial capital stipulated in Article 41 paragraph (1) point (a) of Law No. 24 of 2011 on BPJS to be IDR 2 Trillion for each BPJS (Health and Employment). The initial capital is a separated state asset and originated from the State Budget (APBN),” said Evi.

The initial capital is also the state’s capital equity to the company. BPJS shall separate BPJS assets and Social Security Funds assets. BPJS for Employment is a public legal entity pursuant to the Law, owned by the public, whose management is independent and shall be responsible directly to the President.

Meanwhile, Muhammad Abrar Ali who just reelected as the Chairperson of SP PLN said “Indonesia has many *sui generis*/independent institutions, to name a few, Bank Indonesia and Financial Services Authority (Otoritas Jasa Keuangan), Deposit Insurance Corporation, or Indonesian Eximbank. BPJS is one of the *sui generis*/independent institutions in Indonesia.”

The Health Draft Bill that will return BPJS to be under a ministry potentially affects the program and fund management. Currently, the social security fund and BPJS’ assets are separated, however, the new Health draft bill will affect program implementation and social security fund management. In turn, it will disturb State’s financial situation and social security system. The alternative for the situation is for the State to cover social security (100%) using the state budget. However, this alternative will only cause more burden on the State budget.

“In reference to all explanations and statements above, social security program implementation potentially to be not function best if it is under a ministry. There are too many bureaucratic process under a ministry, as well as different political parties’ interests around a ministry that will affect the implementation and administration of social security,” added Abrar.

Lastly, to incorporate BPJS Law, specifically provisions on BPJS Ketenagakerjaan into Health Law is wrong. The BPJS Law regulates social security system, meanwhile, Health Law regulates national health system.

Thank you,

Indonesian Trade Unions affiliated to PSI

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