

Workers' Compensation in Asia

“The scheme among AWCF countries and jurisdiction report of Indonesia”

AGUS SUSANTO

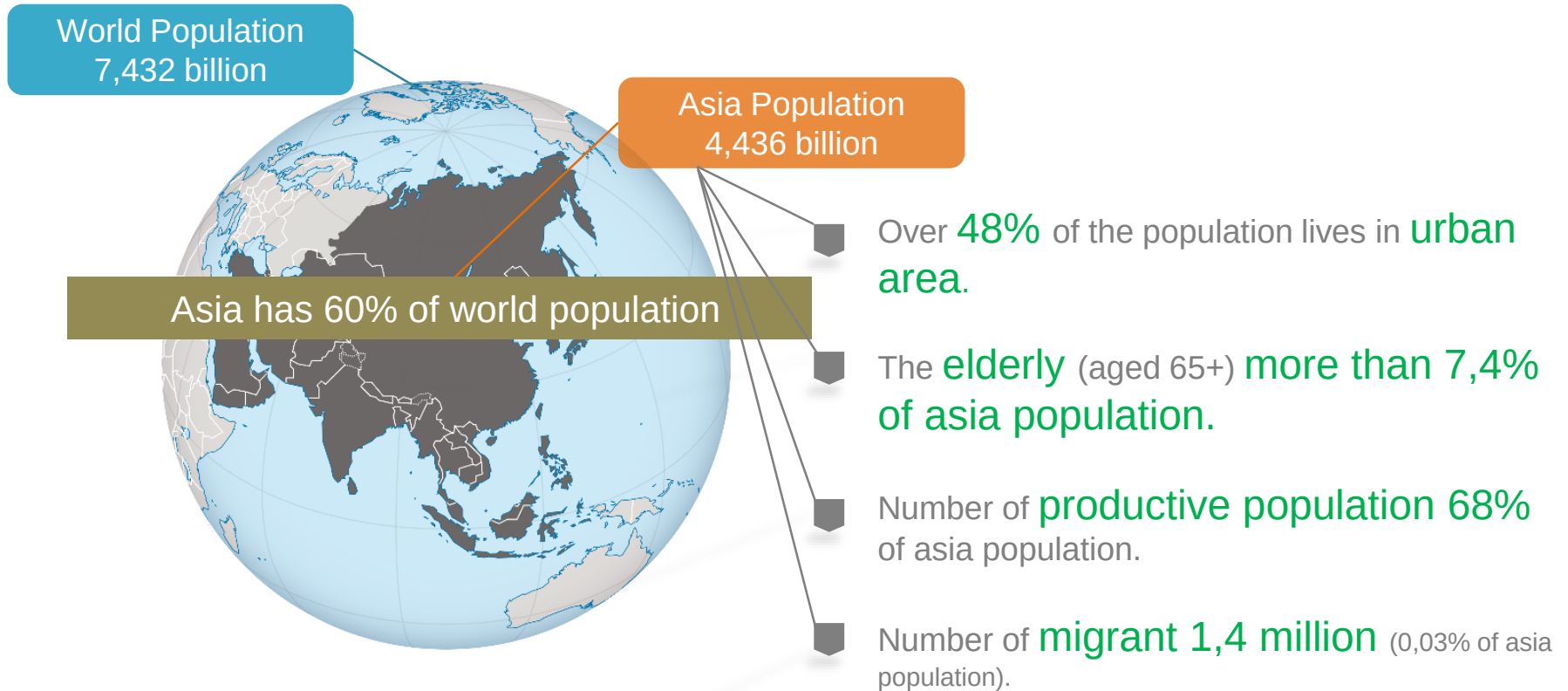
President Director/

Chairman of Asian Workers' Compensation Forum (AWCF)

IAIABC Convention

Portland, 02 – 05 October 2017

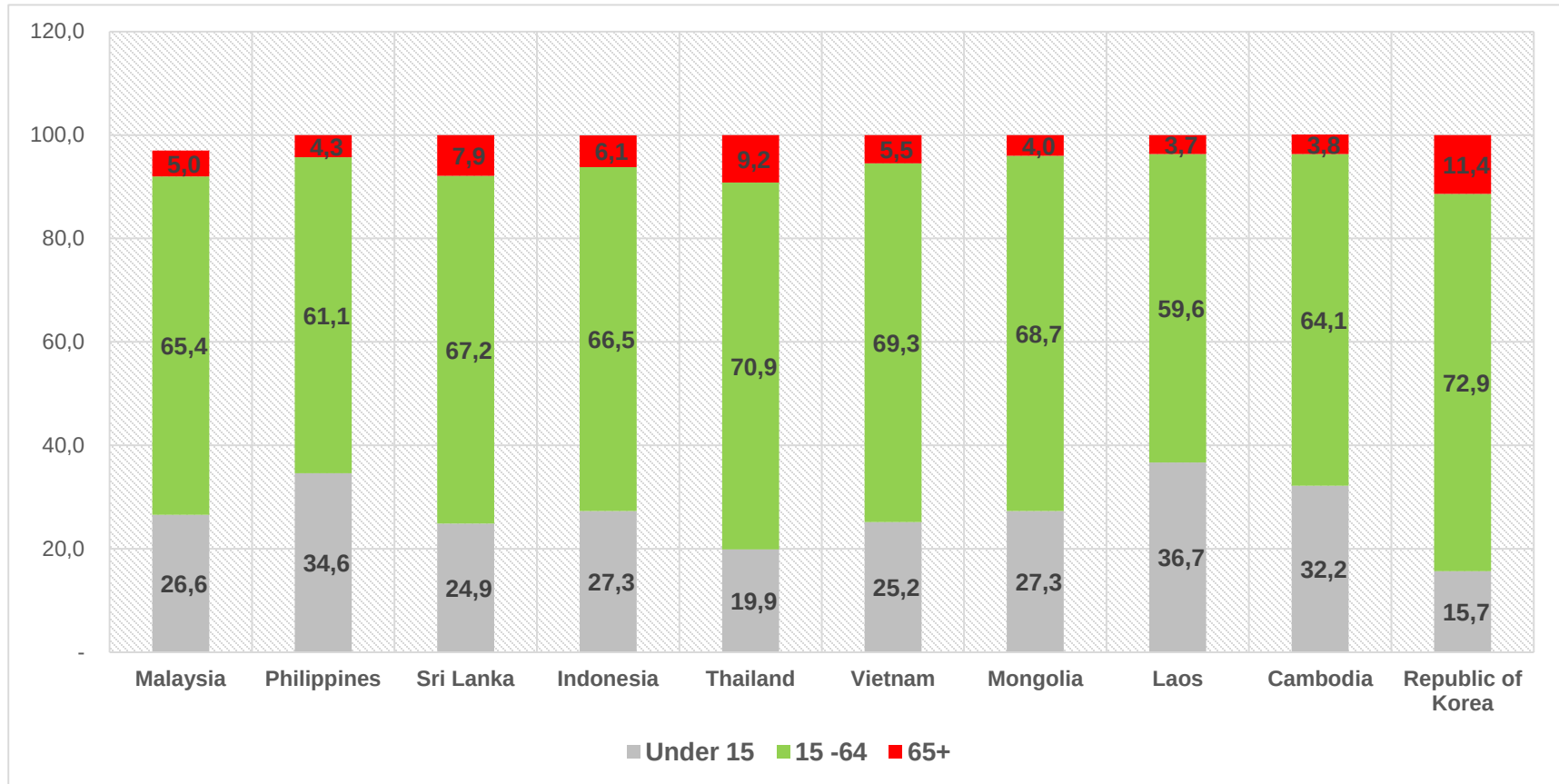
AWCF AT A GLANCE



Asia has 60% of world population which dominated by productive age.

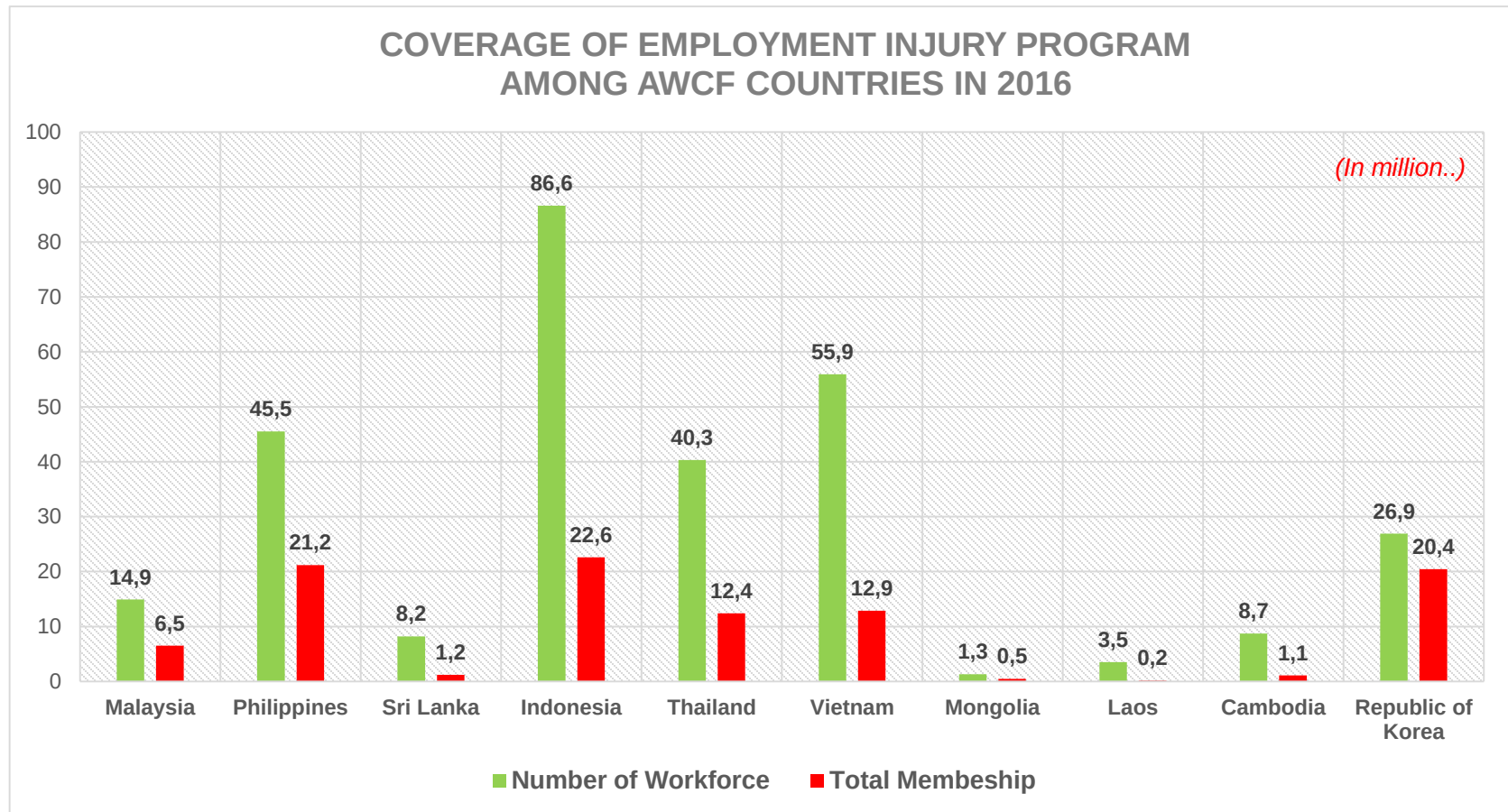
Demography Structure of AWCN Countries

% POPULATION AS OF MAY 2017



AWCN Countries are experiencing with **bonus demography which are relatively dominated by young population.**

Employment Injury Coverage Among AWCf Countries



**Coverage rate of employment injury scheme among AWCf countries is 34%.
Thus, membership expansion still the main challenge of AWCf.**

- | | | | | |
|-----|---|-------------------|---|--|
| 1. |  | Malaysia |  | Social Security Organization |
| 2. |  | Philippines |  | Employees Compensation Commission |
| 3. |  | Sri Lanka |  | Office of the Commissioner of Workmen's Compensation |
| 4. |  | Indonesia |  | BPJS Ketenagakerjaan |
| 5. |  | Thailand |  | Social Security Office |
| 6. |  | Vietnam |  | Vietnam Social Security |
| 7. |  | Sri Lanka |  | Department of Labour |
| 8. |  | Mongolia |  | Social Insurance General Office |
| 9. |  | Laos |  | Social Security Organization |
| 10. |  | Laos |  | Ministry of Labour & Social Welfare |
| 11. |  | Cambodia |  | National Social Security Fund |
| 12. |  | Republic of Korea |  | Korean Workers' Compensation & Welfare Service |
| 13. |  | Philippines |  | Social Security System |

**BPJS Ketenagakerjaan,
Indonesia**
(Chairman)

**Employees' Compensation
Commission, Philippines**
(Vice-Chairman)





EMPLOYMENT INJURY PROGRAM AMONG AWCF COUNTRIES

Big Picture of Employment Injury Scheme

Legal Basis

Mostly employment injury scheme among AWCF Countries is implementing as mandated by the Law. However there is a Presidential Decree and Government Decree.

Type of Program

Dominated by Social Security and Social Insurance with mandatory membership. While, there is an employer liability scheme such as in Sri Lanka.

Membership

All formal workers obligate to be a member of employment injury program in AWCF country. In addition in some countries, informal workers are also required, especially in Indonesia and South Korea.

Risks Covered

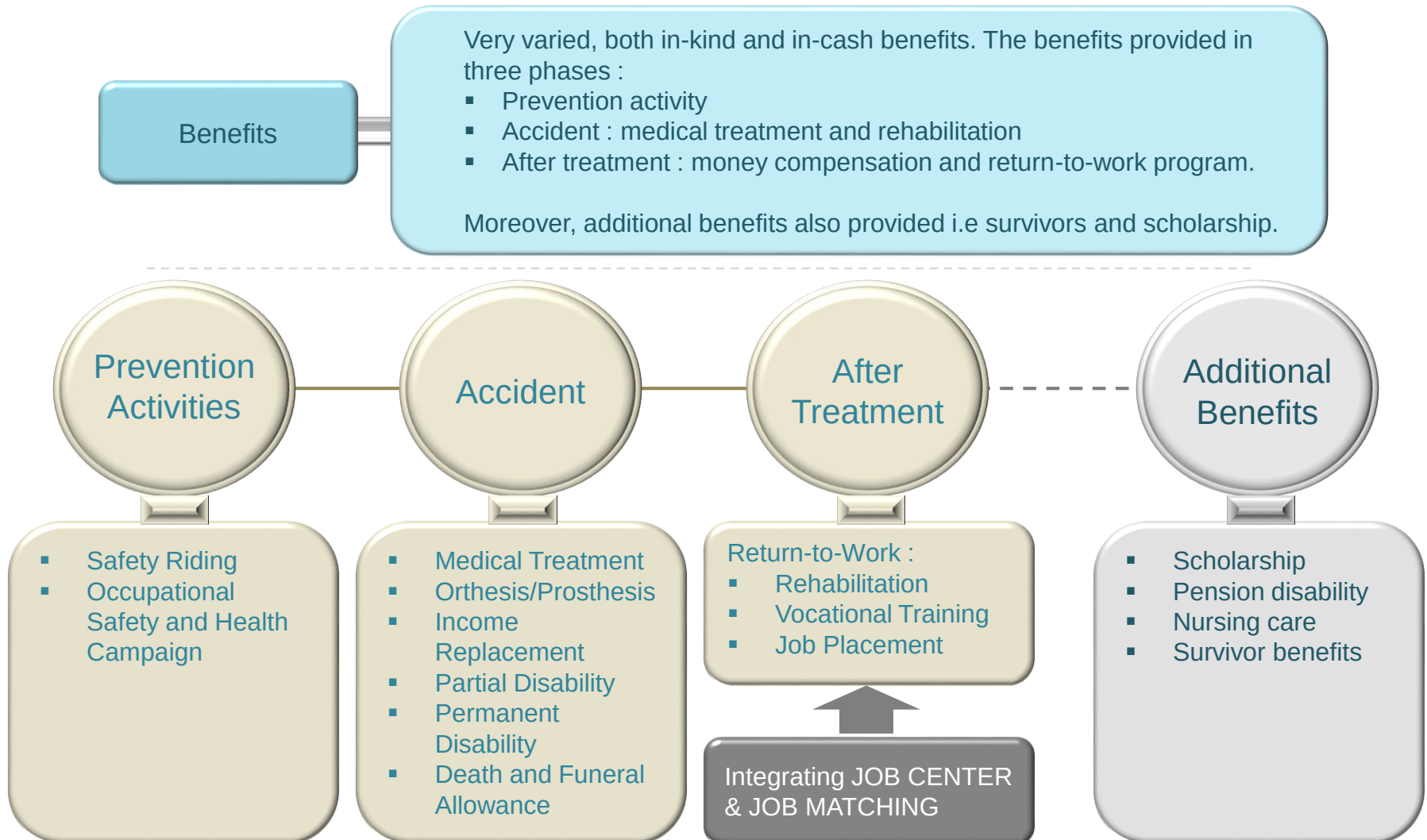
Three main risks :

- Accident at Work
- Commuting Accident
- Occupational Disease

Contributions

Mostly paid by employers for formal sectors.

Big Picture of Employment Injury Scheme



No	Country	Legal Basis	Type of Program	Type of Membership	Eligible Member	Contributions/ Premium	Risks Covered
1	Malaysia	By Law	Social Security	Compulsory	Workers. Excluded self employed and Public Servants	Employer only	▪ Accident at work ▪ Commuting Accident ▪ Occupational disease
2	Philippines	Presidential Decree	Social Security	Compulsory	▪ Private Sector ▪ Government Sector, Army and Police	▪ Government Budget ▪ Employer	▪ Work-related sickness ▪ Employment Injury ▪ Death
3	Sri Lanka	Workmen's Compensation Ordinance	Employer Liability System	Voluntary	Public and Private sector	Non-Contributory Basis	▪ Accident at work
4	Indonesia	By Law	Social Security	Compulsory	All workers	▪ Employer for formal sector ▪ Employee for informal sector	▪ Accident at work ▪ Commuting Accident ▪ Occupational disease
5	Thailand	By Law	Social Security	Compulsory for private sector	Private sectors	Employer only	▪ Accident at work ▪ Occupational disease

No	Country	Legal Basis	Type of Program	Type of Membership	Eligible Member	Contributions/ Premium	Risks Covered
6	Vietnam	By Law	Social Insurance	- Compulsory - Voluntary	- Employee with minimum 3 months contract. - Civil servants - Army - Vietnam overseas workers - Self employed (voluntary)	- Employer - Employee (voluntary)	- Accident at work - Commuting Accident - Occupational disease
7	Mongolia	By Law	Social Insurance	- Compulsory - Voluntary	- White collar and blue collar workers - Self-employed person	- Employers - Self-employed person	- Accident at work - Commuting Accident - Occupational disease
8	Laos	Government Decree	Social Security	Compulsory	All workers working in the Employers with 10 or more workers	Employer only	- Accident at work - Occupational disease

No	Country	Legal Basis	Type of Program	Type of Membership	Eligible Member	Contributions/ Premium	Risks Covered
9	Cambodia	By Law	Social Security	Compulsory	Employee in private sector	Employer only	▪ Accident at work ▪ Commuting Accident ▪ Occupational disease
10	Republic of Korea	By Law	Social Security	Compulsory	All workers	Employer only	▪ Accident at work ▪ Occupational disease

Employment Injury Benefits

(Disability Management – inkind benefits)

No	Country	Prevention Responsibilities	Medical Treatment	Orthosis/Prosthesis	Rehabilitation	Vocational Training	Job Placement
1	Malaysia	√	√	√	√	√	√
2	Philippines	√ (Occupational Safety and Health Center)	√	√	√	√	√
3	Sri Lanka	No	Health Insurance provided by Government	No	No	No	No
4	Indonesia	√	√	√	√	√	√
5	Thailand	√ (Prevention Commission)	√	√	√	√	No
6	Vietnam	No	√	√	√	No	No
7	Mongolia	√	√	√	√	No	No
8	Laos	No	√	√	√	No	No
9	Cambodia	√	√	√	√	√	No
10	Republic of Korea	√ (Ministry of Labor)	√	√	√	√	√

Employment Injury Benefits

(Compensation – in cash benefits)

No	Country	Transportation Cost	Income Replacement	Partial Disability	Permanent Disability	Death Allowance	Funeral Cost	Others
1	Malaysia	√	√	√	√	√	√	- Scholarship for children - Survivors benefits
2	Philippines	√	√	√	√	√	√	Disability pension (survivors)
3	Sri Lanka	No	√	√	√	No	√	No
4	Indonesia	√	√	√	√	√	√	- Scholarship for children - Disability pension (survivors)
5	Thailand	No	√	√	√	√	√	Survivors benefits
6	Vietnam	No	√	√	√	√	√	- Survivors benefits - Care giver benefits
7	Mongolia	No	No	√	√	No	√	Disability pension (survivors)

Employment Injury Benefits

(Compensation – in cash benefits)

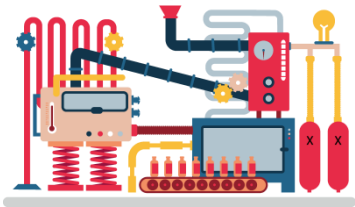
No	Country	Transportation Cost	Income Replacement	Partial Disability	Permanent Disability	Death Allowance	Funeral Cost	Others
8	Laos	No	√	√	√	√	√	- Survivors benefits - Invalidity care giver benefits
9	Cambodia	√	√	√	√	√	√	Survivors benefits
10	Republic of Korea	√	√	√	√	√	√	- Survivors benefits - Nursing care Benefits

The background is an abstract composition of geometric shapes. A large green area occupies the top and left. A yellow shape, resembling a stylized sun or a large triangle, is on the right. A blue shape, also a triangle, is at the bottom. The text is white and positioned on the green background.

EMPLOYMENT INJURY IN INDONESIA

Employment Injury Cases Based on Location and Gender in 2016

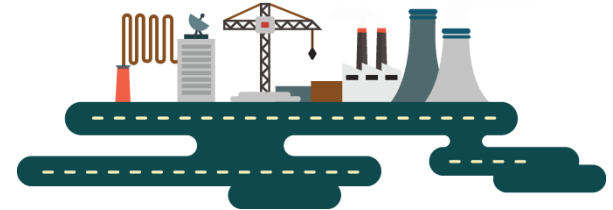
Based on **location**



Inside working
area **66.430**



Traffic
20.925



Outside working area
5.795

Based on **gender**



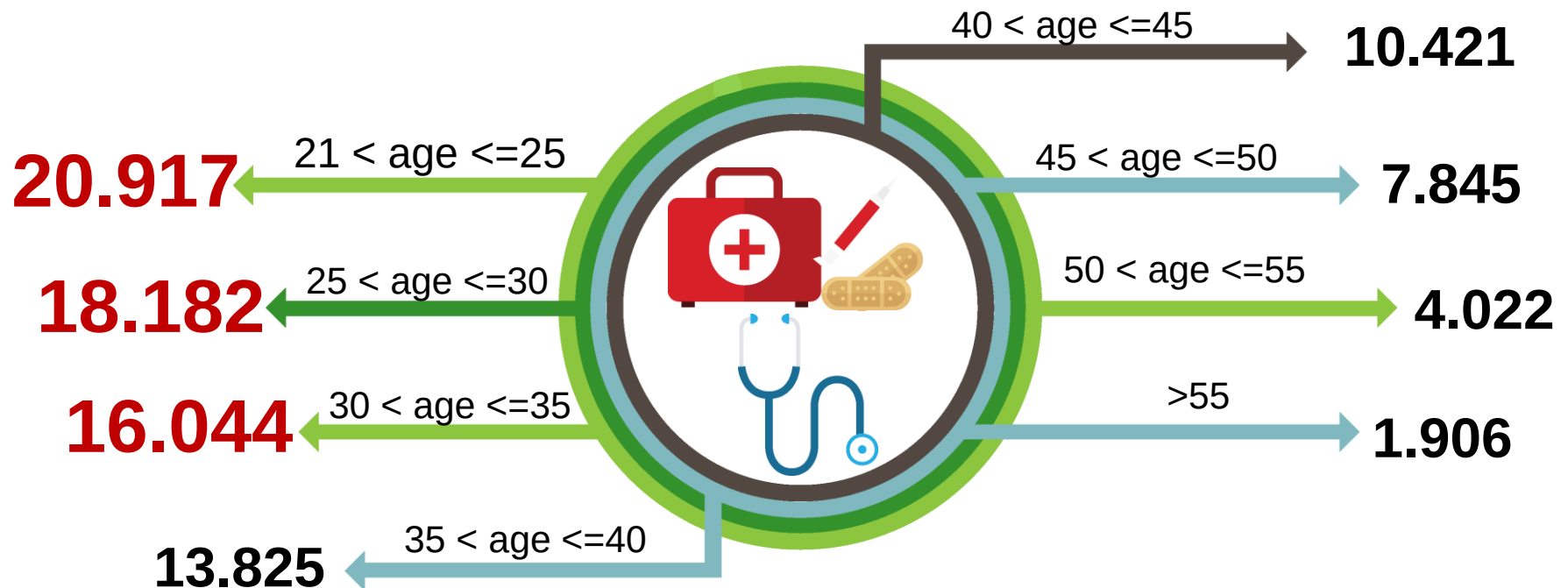
M a l e
71.236

F e m a l e
29.927



Employment injuries mostly happen inside the working area. However, there is a huge number contributed by commuting accident.

Employment Injury Cases Based on Age in 2016



Most cases occurred in productive age



Employment Injury in Indonesia in 2016:

255 cases a day

15 out of handicapped

6 out of death

1 out of permanent
total disability



EMPLOYMENT INJURY BENEFIT

(Act 44/2015)

Formal Workers
(including Foreign Worker)

Contribution

0.24% - 1.74% (depends on the
business risks)

InFormal Workers

Contribution

Nominal amount as
calculated in table



Benefits :

- a. Unlimited medical treatment.
- b. Allowance in cash :
 - Replacement cost of transporting : IDR 1-2,5 million.
 - Temporary not able to work :
 - ❑ 1st six month 100% monthly wages
 - ❑ 2nd six month 75% monthly wages
 - ❑ 3rd six month 50% monthly wages
 - Permanent disable : 56 x monthly wages.
 - Partial disable : % disability x % table x monthly salary.
 - Death benefits : 48 x monthly wages.
 - Funeral : IDR. 7,8 million.
- c. Scholarship for children IDR. 12 million for member who die or get permanent disabled.

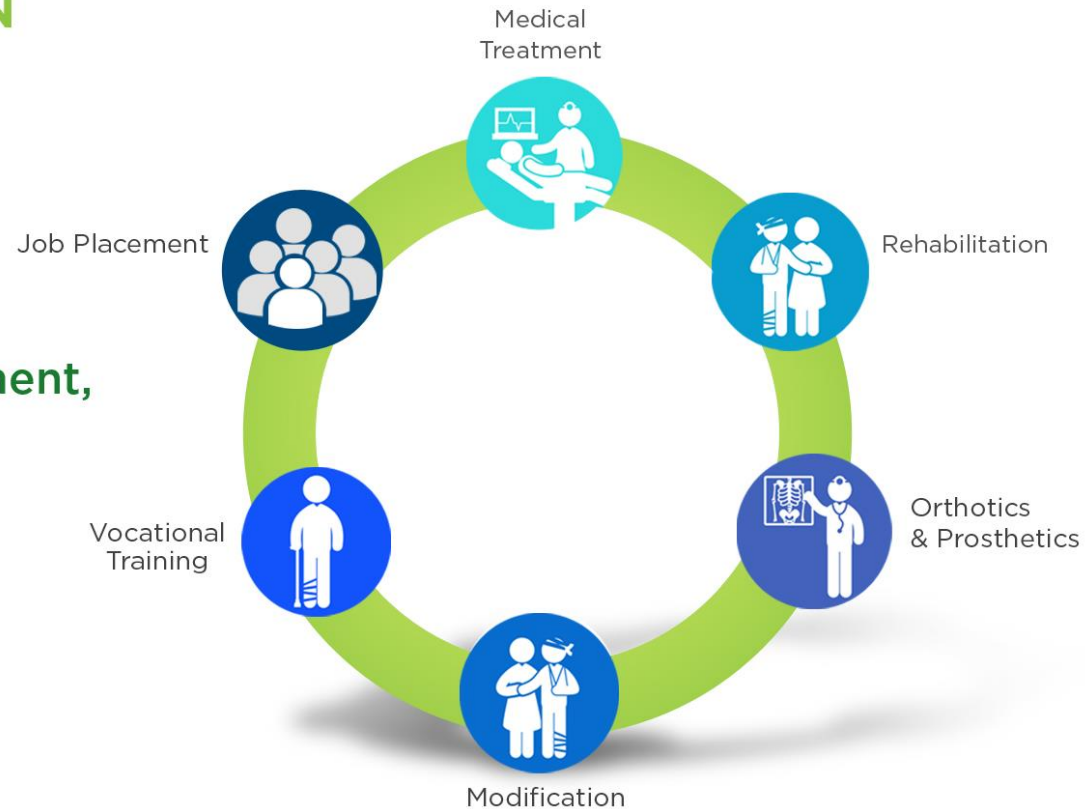


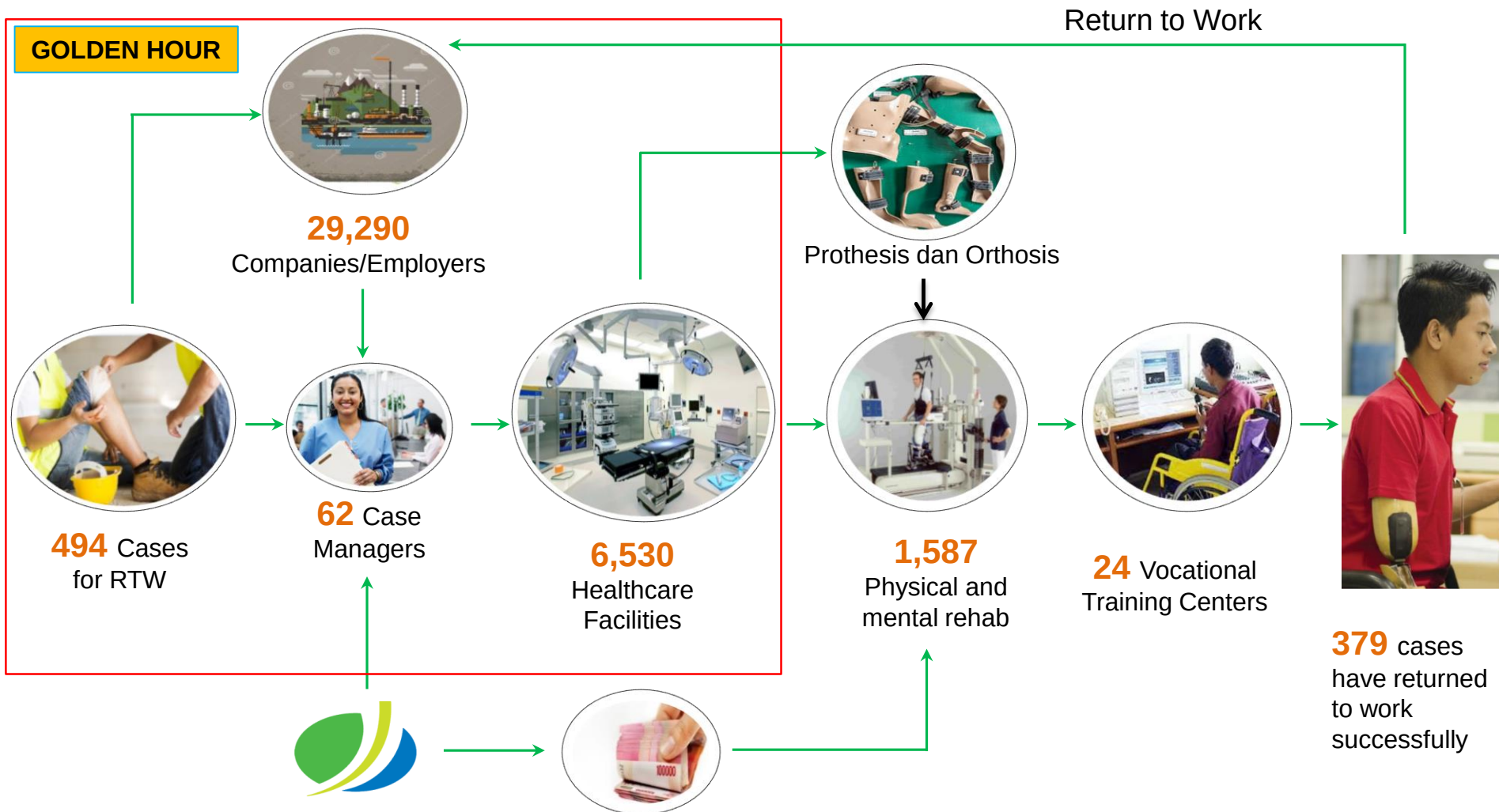
JAMINAN
KECELAKAAN KERJA

THE CYCLE OF RETURN TO WORK PROGRAM

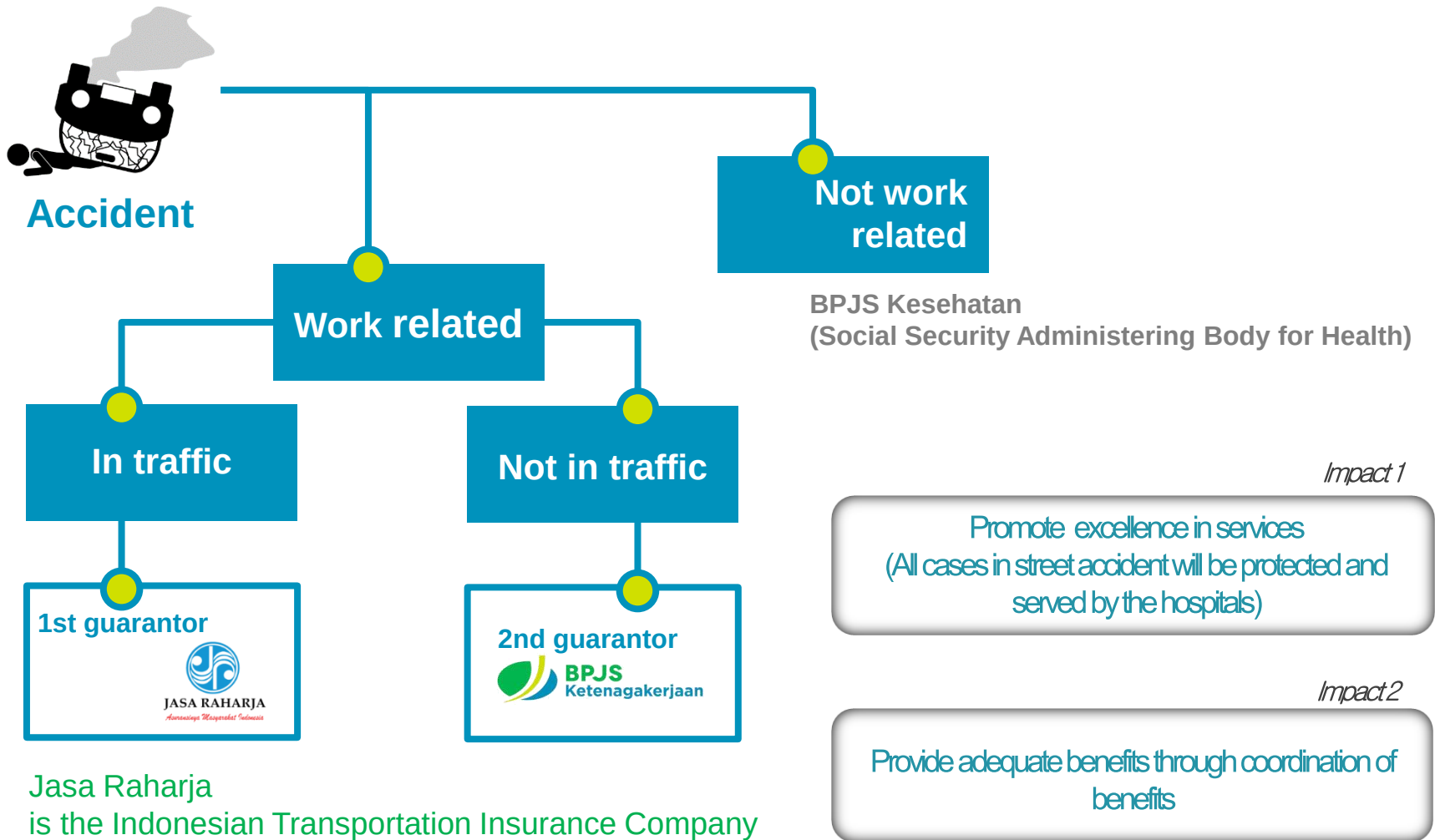
Integrated Benefit of :

**Promotion, Prevention,
Compensation, Medical treatment,
Rehabilitation, Scholarship
for the children
and “return to work”**





Coordination of Benefit to Anticipate Case of Street Accidents



Safety Equipment

Safety Riding

Collaborating with relevant institutions, BPJS Ketenagakerjaan organized “Safety Riding” events for its members to promote traffic safety and to prevent its member from experiencing traffic accidents



Facilitate safety equipments such as safety helmet, safety glove, glasses, earing plug to prevent injury and disease.

FUTURE DEVELOPMENT

Proposal to Improve Employment Injury in AWCN Countries



Encourage homogeneous scheme and benefits regarding the implementation of program schemes and benefits of workers compensation in the Asian region.

- Establish standar guideline
- Joint research

To strengthen the capacity of the social security institution.

- Joint training or seminar
- Knowledge exchange program
- Certification on disability management

Building advanced benefits of return-to-work.

- Integrating Job Center
- Incentive to employer for zero accident or for supporting return-to-work

“Social security is not just an ideology but an inherent lifestyle”
(Agus Susanto)



**As a bridge towards
workers' welfare**

Thank You

Gedung BPJS Ketenagakerjaan
Jl. Jend. Gatot Subroto No. 79
Jakarta Selatan – 12930
T (021) 520 7797
F (021) 520 2310
www.bpjsketenagakerjaan.go.id