SOCIAL SECURITY CHALLENGES AND ITS STRATEGY DURING PANDEMIC COVID-19 IN INDONESIA

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ABSTRACT
In early 2020, the coronavirus disease or Covid-19 pandemic hit the world, including Indonesia. This pandemic triggered the emergence of a policy of lockdown or limitation in the operation of public facilities and Large Scale Social Restrictions (PSBB) which aim to reduce the spread of the virus. Covid-19 pandemic and PSBB policy had been affected social security institution seriously due to massif resigned from social security membership as the consequences of massif lay off in many companies. The worsening pandemic situation caused to decline in social security coverage and created an obstacle to provides its service in due time. This paper aims to explain the challenges which have been facing by BP Jamsostek as social security operator during the pandemic and how they adapt to new circumstances while keep maintaining their obligation to provide service as regulated while refraining from spreading of virus covid-19. By using a method of description which is taken from empirical experiences of BP Jamsostek and some international experiences, the paper is expected to arrive with the result of the conclusion that in time of the pandemic, the social security role remains vital and even more relevant to prevent more workers falling deeper into poverty. Based on BP Jamsostek experienced during the pandemic there was an unprecedented increase of claims asking for their Old Age saving. The problem is social security office was also under lockdown in an early stage of the pandemic and then after some months only allowed half of the employees to work from the office. This situation forced management to find a new model of services that suitable for the pandemic situation. Learning from other social security international practices, BP Jamsostek now can serve workers through a technological innovation called "Lapak Asik" or to serve without physical contact by utilizing digital technology.

Introduction

COVID-19 has changed lives around the world. It has been identified in more than 200 countries around the world, while the global transmission rate continues to increase at an exponential rate (Dutta & Fischer, 2020). All countries are trying different ways to deal with the current crisis, there is still a lot of uncertainty about how the situation will develop in the future. Pandemic COVID-19 will present two major waves of these disruptions. The first is the supply-side disruptions. Supply disruptions will spread caused export supplies will fall with declines in production. The second wave will be the result of declining demand (Kerr, 2020). Apart from the direct effects of disease transmission, decreased health and mortality, widespread social and economic disruption will have a far-reaching impact on human well-being. A developing country like Indonesia will need more investment in public health where healthcare systems are less developed and population density is high (Khoo & Lantos, 2020). Escalation of Pandemic Covid-19 in Indonesia continues growing since started spreading in March 2020, included in the area of social security services. As being mandated in the basic constitution 1945 article 28H paragraph 3 and article 34 paragraph 2 mentioned "all workers are entitled to social security". For the implementation of these rights, the government has formed the Employment Social Security Operator Body or called BPJS Ketenagakerjaan through Law number 24 of 2011. BP Jamsostek provides social security programs for four types of programs, namely; Work Accident Benefits (JKK), Death Benefits (JKM), Old Age Benefits (JHT), and Pension Benefits (JP).

In the BP Jamsostek report on December 31, 2019, it has succeeded in recruiting 54.9 million workers as participants, out of the 90.9 total workers targeted according to the road map set by the government (Book of strategic plan BPJS Ketenagakerjaan, 2017). So there are still 40 million participants who have not been able to be acquired due to several obstacles, such as weak law enforcement, regulatory inconsistencies, low awareness of participants, especially informal workers, inadequate services, and weak recruitment strategies. In efforts to meet the target of expanding participants to all workers, Indonesia is experiencing new problems with the emergence of the Covid 19 pandemic which began to spread in March 2020. This new problem adds to the burden of BP Jamsostek in meeting the universal coverage target as stated in the road map BP Jamsostek. Expansion of membership 2017-2021. From March to September 2020, there has been a decrease in BP Jamsotek participants as many as 4.9 million people whose data can be seen from taking Old Age Security claims, as a result of many companies that go bankrupt, laying off their workers which subsequently leads to massive layoffs.

Tabel 1.
Membership Data of BPJS Ketenagakerjaan

Description	Target year	realization	realization		
	2020	31-Aug-20	%	%	+/-
active workforce					
a. Wage earner	27.330.848	18.638.286	69.86%	19.629.927	(991.686)
b. Indonesian migrant workers	650.000	487.451	74.99%	544.500	(57.049)
c. not wage earner	4.962.748	1.911.670	38.52%	2.712.031	(800.361)
d. construction service	8.309.104	7.853.359	94.52%	11.279.754	(3.426.395)
total	40.602.736	28.890.766	71.15%	34.166.257	(527.5491)
non-active workforce					
a. Wage earner		20.577.419		20.431.445	145.947
b. Indonesian migrant workers		11			11
c. not wage earner		531.536		369.756	161.780
d. construction service					
total		21.108.966		20.801.201	307.765
active e & non-active workforce					

a. Wage earner	39.215.705	40.061.417	(845.712)
b. Indonesian migrant workers	487.462	544.500	(57.038)
c. not wage earner	2.443.206	3.081.787	(638.581)
d. construction service	7.853.359	11.279.754	(3.426.395)
total	49.999.732	54.967.458	(4.967.726)

Source; BP Jamsostek, September 2020 (BPJS, 2020)

Several studies on social security have been carried out by several countries. for example with India focusing on the Small medium enterprise aspect (OECD, 2020), China focusing on social insurance, social assistance, and social welfare (Lu et al., 2020). However, the Indonesian social security context has not been much studied. This study focuses on exploring the Indonesian context in dealing with Covid 19 in social security in the labor aspect.

Research methods

Methods: The research method used in writing this journal is a descriptive method. Researchers used secondary data from BP Jamsostek. Besides, researchers used literature data from the OECD, ILO, and ISSA which discussed strategies in dealing with the Covid-19 pandemic related to social security. Secondary data and literature that the researcher used as a reference, then the researcher compared it with the context of social security in Indonesia to then conclude.

Results and Discussion

All countries are currently facing labor-related problems as a result of the Covid-19 pandemic. In light of the enormous challenge that firms across all sectors are facing in dealing with a combined supply and demand shock, immediate measures are needed to secure jobs and incomes and grant firms flexibility to quickly recruit staff replacements, where necessary (OECD, 2020). Various countries have taken various strategic actions related to the threat of the Covid-19 pandemic, especially those related to social security. Some are using Financial protection in accessing health care, Leave benefits, Unemployment insurance, wage subsidies. and others, Changes in social security contribution and benefits, Cash transfers, in-kind transfer, Other mechanisms to support household incomes. The table below is a summary of the government's strategy in Middle Eastern countries in dealing with the effects of the COVID-19 pandemic in terms of social security.

Table 2.
Strategies To Deal With The Covid-19 Pandemic In Middle Eastern Countries Relate To Social Security

Country	Financial protection in accessing health care	Leave benefits	Unemployment insurance, wage subsidies. and others	Changes in social security contribution and benefits	Cash transfers	in-kind transfer	Other mechanisms to support household incomes
Algeria		√	√	√	√	√	
Bahrain	√		√	√	√		√
Djibouti		√	√			√	√
Egypt		√	√	√	√	√	√
Iran	√	√	√		√		√
Iraq		√			√	√	√
Jordan		√	√	√	√	√	√
KSA	√	√	√		√	√	√
Kuwait		√		√	√	√	√
Lebanon	√		√	√	√		√
Libya							√
Mauritania					√	√	√
Morocco	√		√	√	√	√	√
Opt		√	√	√	√	√	√
Oman	√	√		√		√	√
Qatar	√	√	√				√
Sudan					√	√	√
Syria			√		√	√	√
Tunisia			√	√	√		
UAE	√	√					√
Yemen							√

Source: processed based on (IBC-SP, 2020)

Other countries have their methods of dealing with these challenges, for example, the United States emphasizes employment, cash transfers, emergency grants (Bowers, 2020). Then Singapore emphasized employment by doing jobs growth incentive will support firms when they hire local employees over the next six months, by subsidizing the salaries of all these new local hires for one year (Oh, 2020). South Africa doing some incentives in the form of cash transfers in dealing with similar problems with Uni Emirat Arab, namely making cash transfers with certain criteria, for example, the fund offers Dh15,000 to Dh50,000 grants to individuals and small businesses in the creative fields who are undergoing financial difficulties because of the pandemic (Chaves, 2020). Saudi Arabia protects its workers related to covid-19 (Salama, 2020). Meanwhile, based on the World Bank report (Gentilini et al., 2020) overall, cash transfers include 222 countries COVID-related measures representing one-third (32.4%) of total COVID-related social protection programs. Based on this report, cash transfers have been the most policy taken by many countries in dealing with this problem.

A. Government efforts to help economic sustainability through social security

Various countries are facing so many problems related to the Covid-19 pandemic. The latest OECD projections suggest that 2020 will witness the worst recession in the 60-year history of the OECD, with the global economy contracting by 4.5%. Many countries will not restore 2019 to 2022 output levels at the earliest. The crisis has taken away jobs created since the global financial crisis of 2008 (GURRÍA, 2020). The impact of the Covid-19 pandemic on employment might be short-term, but it is more serious and complicated than the situation of SARS in 2003 (Lu et al., 2020). Governmental departments in many countries have formulated various policies for different regions and different types of enterprises to reduce social insurance contributions. Likewise, Indonesia has its policy to provide economic relaxation through the BPJS Ketenagaerjaan. To reduce the burden on companies due to COVID-19, the government issued 2 policies to help BP Jamsostek participants and assistance to employers. The first policy is to provide contribution relaxation assistance through government regulation (PP) Number 48 of 2020. Through this policy, entrepreneurs receive the following concessions. Indonesian government policies regarding relaxation which are executed by BPJS Ketenagakerjaan include the following:

1.) Extension of the Contribution Payment Deadline

    If in the laws and regulations governing the Jamsostek program, the deadline for payment of JKK, JKM, JHT, and JP contributions is no later than the 15th of the following month, then in this PP it is changed to be no later than the 30th of the following month. This means that the entrepreneur gets a 15 days postponement. If the 30th falls on a holiday, contributions are paid on a working day before the 30th.

2.) Work Accident Security Contribution (JKK) and Death Insurance (JKM) Contribution relief by 99%.

    The government provides a reduction of JKK and JKM contributions by 99% so that the company's monthly payment obligation is 1% of the contribution. The changes in JKK fees are as follows:

    - The risk level is very low, from 0.24% to 0.0024% of wages

- Low-risk level, from 0.54% to 0.0054% of wages
- The level of risk is moderate, from 0.89% to 0.0089% of wages
- High-risk level, from 1.27% to 0.0127% of wages
- The level of risk is very high, from 1.74% to 0.0174% of wages.

Meanwhile, the JKM contribution decreased from 0.30% to 0.0030% of the monthly wages. This waiver requirement applies to participants who register for BPJS Ketenagakerjaan before August 2020, provided that they have paid the JKK and JKM contributions until July 2020. Participants who register after July 2020 also receive the above relief, provided that they pay the JKK and JKM contributions for two. the first month and the waivers take effect in the third month.

3.) Postponement of Pension Security Contribution (JP)

The amount of JP contributions is not reduced, or according to the prevailing provisions, which is 3% of a month's wages, with details of 2% being paid by the employer and 1% borne by the worker. However, PP No. 49/2020 provides concessions in the form of postponing payment limits with the following conditions:

a.) As much as 1% of JP contributions must be paid by the employer to BPJS Ketenagakerjaan every month according to the deadline set by PP, namely the 30th of the following month.

b.) The remaining 99% of JP dues are paid in full or in stages, starting no later than 15 May 2021 and completed no later than 15 April 2022.

This relaxation of BPJS Ketenagakerjaan contributions has received positive responses from business actors. The hope is that this policy will help extend the company's resilience amid the uncertain business climate.

Conclusion

Based on the description above, to deal with the Covid-19 pandemic where it is not yet known when it will end, BP Jamsostek as a mouthpiece for social security in Indonesia with a role as an institution that protects workers in Indonesia needs to do several strategic things as follows Continue to improve the service system without physical contact that can be accessed easily and cheaply by participants, both informal workers and, formal workers. The online service system without physical contact has not been able to solve the claim problem, so offline service without physical contact still needs to be done to accommodate participants who have not been able to adapt to the online system.To expand the membership coverage that drastically decreased due to the COVID-19 pandemic, BP Jamsostek needs to increase collaboration with the central and local governments and other stakeholders, to re-recruit participants who have left BP Jamsostek. The subsidized assistance provided by the government to workers and relaxation assistance for employers should be used to promote the good name of BP Jamsostek to convince them to register as participants.

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