

JAMSOSTEK COVERAGE

Feb 11, 2013

The Constitutional Court issued decision No. 70/PUU-IX/2011 which conditionally revokes Article 4 (1) of Law No. 3 of 1992 re Jamsostek and Article 13 (1) of Law No. 40 of 2004 regarding the National Social Security System (SJSN) if these articles are interpreted so that employees cannot enroll themselves in the Jamsostek institution or the Social Security Provider Institution (BPJS) if their employers have failed to so enroll them. However, the employers still have to bear the contribution. There is no provision in which the employee can ask for a reimbursement to the employer for the contribution paid in advance by the employee to the Jamsostek institution.

The Ministry of Manpower and Transmigration issued Regulation No. 20 of 2012 ("Regulation No. 20") which implements the above Constitutional Court decision, and which states that employers are obliged to participate themselves and their employees in the Jamsostek scheme. In the event that the employer fails to comply, the employee may register him/herself.