



# Open Access Indonesia Journal of Social Sciences

Journal Homepage: <https://journalsocialsciences.com/index.php/OAIJSS>

## The Paradox of No-Fault Social Insurance: A Normative-Empirical Analysis of Procedural Barriers in Indonesia's Traffic Accident Compensation Scheme

Fadlan<sup>1\*</sup>, E Arinda Chikita<sup>2</sup>

<sup>1</sup>Faculty of Law, Universitas Batam, Batam, Indonesia

<sup>2</sup>Faculty of Law, Universitas Internasional Batam, Batam, Indonesia

### ARTICLE INFO

#### Keywords:

Constitutional rights  
No-fault compensation  
Public policy implementation  
Social insurance law  
Traffic accident victim

#### \*Corresponding author:

Fadlan

#### E-mail address:

[fadlan@univbatam.ac.id](mailto:fadlan@univbatam.ac.id)

All authors have reviewed and approved the final version of the manuscript.

<https://doi.org/10.37275/oaijss.v8i6.311>

### ABSTRACT

Article 28D(1) of Indonesia's 1945 Constitution guarantees legal protection and certainty. Despite Law Number 34 of 1964 establishing a progressive no-fault compensation scheme administered by Jasa Raharja, traffic accident victims frequently face insurmountable administrative barriers. This study employs a mixed normative-empirical methodology in the Bareleng Police Resort jurisdiction, Riau Islands. Normative analysis utilized grammatical, historical, systematic, and teleological interpretations of statutory frameworks. The empirical phase integrated stakeholder interviews with a quantitative retrospective cohort study analyzing claim adjudication outcomes, processing durations, and documentation barriers. The statutory framework contains critical gaps. Procedural ambiguities create disproportionate documentation burdens, leading to an empirical 25.5% claim abandonment rate driven heavily by fear of vehicle seizure and civil registration irregularities. Furthermore, the categorical exclusion of single-vehicle accidents fails to account for infrastructure-related causation, violating equal treatment guarantees. Regulatory fragmentation regarding temporal standards results in systematic processing delays, compounded by severe public awareness deficits. In conclusion, the implementation of Law Number 34 of 1964 structurally transforms a theoretical no-fault scheme into a restrictive mechanism privileging legally sophisticated claimants. We propose specific statutory amendments, including integrated inter-institutional coordination mandates and enforceable processing timelines, to align the compensation framework with constitutional mandates.

### 1. Introduction

The foundational premise of any modern democratic nation rests upon the equitable, consistent, and accessible application of its constitutional guarantees. However, when these elevated constitutional promises encounter the intricate, often rigid realities of bureaucratic administration, a profound gap frequently emerges between formal legal rights and substantive justice. This disjunction reveals fundamental questions about

legal effectiveness, the true reach of the state apparatus, and the systemic capacity of institutions to translate legislative intent into lived reality. In the context of Indonesia, this phenomenon is deeply visible within the national traffic accident compensation system, which presents precisely such a paradox.<sup>1</sup> On paper, the state offers comprehensive statutory frameworks promising automatic, frictionless protection for victims of road accidents. Yet, in practice, these systems often yield neither swift



relief nor adequate recompense. This operational failure is particularly pronounced in geographically and demographically complex jurisdictions, where administrative accessibility fundamentally determines whether legal entitlements remain theoretical abstractions or deliver tangible, life-altering support to vulnerable citizens.

At the heart of this scholarly discourse is Article 28D paragraph (1) of the 1945 Constitution of the Republic of Indonesia. Originating from the nation's profound commitment to human rights and the principles of a *Rechtsstaat* (a state governed by the rule of law), this constitutional provision explicitly guarantees every citizen the right to recognition, protection, and legal certainty characterized by just treatment before the law.<sup>2</sup> Such a mandate profoundly transcends passive legal declarations; it creates binding, affirmative state obligations to ensure that legal protections function as accessible mechanisms providing genuine relief. The constitution demands that the state actively dismantle barriers to justice, ensuring that administrative processes do not inherently discriminate against those lacking legal literacy or socio-economic leverage. When the state fails to operationalize these guarantees, the constitution's protective promises are reduced to mere formal declarations, eroding public trust, compromising the legitimacy of public institutions, and exacerbating the vulnerability of individuals already traumatized by unexpected crises.

Within the specific context of traffic accidents, the constitutional question of legal protection assumes a pressing, immediate urgency. Indonesia's rapid motorization over the past few decades has fueled extraordinary economic mobility and regional connectivity, but this unchecked infrastructural development has generated escalating societal costs, manifested most tragically in exceptionally high rates of vehicular accidents.<sup>3</sup> The socio-economic fallout from these incidents extends far beyond the immediate physical injuries. Such events frequently plunge

affected families into severe financial distress due to sudden, exorbitant medical expenses and the abrupt loss of primary household breadwinners. This crisis is vividly illustrated in the Riau Islands Province, a region experiencing intensifying accident rates that are heavily concentrated within the Barelang Police Resort jurisdiction. Encompassing the highly industrialized and densely populated urban center of Batam, alongside interconnected islands joined by major bridge networks, this jurisdiction faces unique challenges characterized by heavy commercial transit, rapid population influx, and complex geographical logistics. The sheer volume of vehicular movement in this vital economic hub amplifies the statistical probability of accidents, thereby placing immense, continuous pressure on local administrative, medical, and law enforcement bodies to manage the aftermath efficiently and compassionately.

To address the multifaceted crises resulting from road traffic accidents, the Indonesian government has established a highly specific legal architecture operating primarily through Law Number 34 of 1964 concerning the Road Traffic Accident Fund. This foundational legislation is comprehensively complemented by Law Number 33 of 1964 regarding Compulsory Accident Insurance for Passengers of Public Transport Vehicles, and it has been further elaborated and modernized through the broad regulatory parameters of Law Number 22 of 2009 concerning Road Traffic and Transportation. Together, these legislative instruments establish the operational mandate for Jasa Raharja, a state-owned enterprise entrusted with a critical public welfare responsibility.<sup>4</sup> Jasa Raharja acts as the designated entity administering mandatory insurance coverage across the archipelago and serves as the primary distributor of financial compensation to traffic accident victims or their rightful heirs. Financed through mandatory contributions collected concurrently with annual vehicle registration taxes, Jasa Raharja embodies the state's financial mechanism to socialize the risk of



modern transportation. Unlike a private commercial insurer driven by profit margins and actuarial risk avoidance, *Jasa Raharja* is designed to function as a crucial social safety net, insulating the populace from the catastrophic economic shocks that invariably accompany severe road accidents.

A defining characteristic of this statutory framework is its deliberate adoption of a no-fault compensation approach, representing a profound paradigm shift from traditional, tort-based litigation models.<sup>5</sup> Under conventional legal frameworks, an injured party must navigate an adversarial system to conclusively establish tortious liability, a process that inherently requires identifying responsible parties, proving specific acts of negligence, and frequently instituting costly, protracted judicial proceedings before accessing any form of financial recovery. The Indonesian framework intentionally eliminates these burdensome requirements. This legislative choice deeply reflects progressive social insurance principles, recognizing that modern transportation systems, while absolutely essential for macroeconomic growth and national integration, generate inherent, unavoidable risks affecting all societal members. By shifting the focus from individual culpability to collective welfare, the state justifies utilizing collective mechanisms for absorbing accident costs rather than leaving vulnerable victims to bear the full, devastating consequences of misfortune alone. This progressive philosophy theorizes that immediate financial stabilization—to cover emergency medical care, facilitate rehabilitation, or provide burial assistance—is a fundamental welfare right, entirely independent of the complex, often ambiguous assessment of fault on the asphalt.<sup>6</sup>

Despite the noble theoretical underpinnings of this social insurance philosophy, and notwithstanding recent technological advances enabling digital claim submission platforms designed to streamline administrative interactions, extensive field observations reveal persistent implementation

challenges that critically undermine the statutory scheme's protective objectives. The journey from injury occurrence to compensation receipt is fraught with intense bureaucratic friction. Victims and their grieving families frequently encounter severe difficulties navigating the initial requirement of obtaining official police accident reports, a document that serves as the absolute gatekeeper for all subsequent insurance claims.<sup>7</sup> Following this initial hurdle, they face the daunting task of navigating rigid documentation requirements across multiple, fundamentally uncoordinated institutions, including local police precincts, regional hospitals, civil registry offices, and *Jasa Raharja* branches. Because these institutions often operate within siloed data environments without seamless interoperability, the burden of inter-agency communication is unjustly placed upon the injured citizen. Furthermore, the populations most in need of this financial assistance often struggle with understanding dense eligibility criteria, navigating complex administrative prerequisites, and overcoming geographic isolation. Consequently, claimants experience profound temporal delays that directly contradict the immediate relief purpose underlying the entire social insurance philosophy. When a family must wait weeks or months to receive funds intended for emergency medical stabilization, the legal entitlement fails its primary teleological purpose, rendering the progressive nature of the no-fault system operationally mute and legally ineffective.<sup>8</sup>

A thorough review of the existing legal scholarship surrounding traffic accident compensation in Indonesia reveals a critical, recurring pattern of analytical limitation. Historically, legal researchers and public policy analysts have extensively documented what the system should optimally do under its statutory design. Much of the academic literature is devoted to doctrinal analyses of the legislative texts, praising the progressive, welfare-oriented nature of Law Number 34 of 1964 and



celebrating the theoretical efficiency of Jasa Raharja as an institutional entity. However, this same scholarship has conspicuously failed to systematically examine why the system persistently fails to deliver these promised protections in actual, daily practice.<sup>9</sup> Previous studies frequently describe the administrative procedures in exhaustive detail, chart the institutional flow of claim processing, and quantify the total public funds disbursed annually, but they do not critically interrogate the underlying operational friction. Most importantly, they do not analyze the constitutional adequacy of these procedural barriers. When opaque administrative burdens implicitly disenfranchise a specific socio-economic segment of the population, it is not merely a matter of bureaucratic inefficiency; it elevates to a profound constitutional crisis regarding the equal protection of the law. The prevailing academic discourse has largely treated these implementation failures as minor operational anomalies rather than identifying them as structural deficits demanding rigorous legal scrutiny.<sup>10</sup>

This research addresses these glaring analytical gaps by comprehensively examining how Law Number 34 of 1964 operates in the highly specific and demanding environment of the Barelang Police Resort jurisdiction, investigating whether current implementation challenges represent mere administrative inefficiencies or constitute systematic legal inadequacies requiring foundational statutory reform. The novelty of this study lies in its integration of doctrinal administrative law principles with quantitative operational data to empirically establish how statutory silence regarding inter-institutional coordination systematically disenfranchises vulnerable populations. By bridging the divide between abstract constitutional mandates and the empirical realities of administrative execution, we aim to establish rigorous legal standards for determining when implementation failures require definitive legislative intervention rather than merely superficial

administrative improvements.

## 2. Methods

To comprehensively investigate the profound disjunction between constitutional guarantees and administrative execution within Indonesia's traffic accident compensation system, this research employs a robust normative-empirical mixed-methods design. This methodological architecture was deliberately selected because neither a purely doctrinal analysis nor a strictly sociological inquiry could adequately capture the multifaceted nature of the identified legal phenomenon. A solely normative approach risks remaining trapped within the idealized realm of statutory text, blinding the researcher to the bureaucratic friction that defines the claimant's reality. Conversely, a purely empirical study might quantify operational failures without sufficiently grounding those failures in their corresponding constitutional violations. By integrating rigorous doctrinal legal analysis with comprehensive quantitative and qualitative field investigations, this research bridges the critical gap between formal entitlements established under Law Number 34 of 1964 and the operational realities experienced by vulnerable citizens. This synthesized approach allows for a definitive evaluation of whether field-level administrative barriers merely represent bureaucratic friction or rise to the level of systematic constitutional disenfranchisement.

The foundational phase of this investigation relies upon a normative doctrinal analysis designed to scrutinize the legal texts governing traffic accident compensation. This component systematically applies the four primary statutory interpretation methods firmly recognized within the Indonesian legal tradition to assess whether inherent statutory ambiguities create deep constitutional tensions with the legal certainty guarantees embedded in Article 28D of the 1945 Constitution. The first analytical lens, grammatical interpretation, involves a rigorous



examination of the statutory text's ordinary, linguistic meaning to determine the precise boundaries of legislative intent. By analyzing the mandatory phrasing of compensation entitlements, the research establishes the baseline obligations of the state. This is immediately followed by historical interpretation, which investigates the original legislative debates, parliamentary records, and the contemporaneous legal context surrounding the enactment of the law in the mid-twentieth century. Understanding the historical shift away from fault-based tort liability toward a collective social insurance model is vital for evaluating modern implementation failures and ensuring the original protective intent is honored.

Building upon the textual and historical foundations, the normative analysis deploys systematic interpretation to position specific procedural provisions within the broader, overarching statutory schemes and constitutional frameworks. This requires mapping the complex relationships between Law Number 34 of 1964, Law Number 22 of 2009 concerning Road Traffic and Transportation, and the myriad of subordinate ministerial regulations that dictate daily operations. The systematic approach reveals where delegated regulatory authority has potentially overstepped constitutional boundaries by imposing disproportionate evidentiary burdens on citizens. Finally, teleological interpretation focuses deeply on the statutory objectives and fundamental social purposes of the law. It evaluates whether the administrative procedures currently in place advance the overarching goal of providing immediate financial stabilization to traumatized families or if they subvert this purpose through rigid proceduralism. The primary legal materials subjected to this rigorous, multi-layered interpretive framework include the 1945 Constitution, the principal traffic and insurance statutes, implementing guidelines issued by Jasa Raharja, and critical Constitutional Court decisions interpreting social welfare entitlements and administrative proportionality.

To empirically validate the hypotheses generated by the normative analysis, the research grounds its field investigation in the highly dynamic and geographically complex Barelang Police Resort jurisdiction. This specific regional setting was purposefully selected because it provides an optimal crucible for testing legal effectiveness. The jurisdiction encompasses Batam's highly integrated urban and industrial areas, which are uniquely connected by the expansive Barelang Bridge infrastructure linking the islands of Batam, Rempang, and Galang. This region is characterized by rapid industrial expansion, high volumes of commercial freight transport, and a remarkably dense concentration of private vehicular traffic. Consequently, the jurisdiction experiences some of the highest and most complex traffic accident rates in the Riau Islands Province. The sheer volume and severity of these incidents place relentless pressure on the local administrative apparatus, thereby magnifying the structural fissures and inter-institutional coordination failures that might remain completely hidden in less heavily trafficked regions.

The empirical investigation is bifurcated into qualitative and quantitative streams to capture both the subjective experiences and the objective systemic trends defining the compensation process. The qualitative component systematically documents implementation realities through in-depth, semi-structured interviews with a diverse array of key stakeholders situated at every critical juncture of the claim processing pipeline. Informants include frontline and managerial Jasa Raharja employees who provide the institutional perspective on regulatory constraints and operational targets. Traffic police officers from the Barelang Police Resort were interviewed to illuminate the initial accident reporting procedures, which serve as the definitive gateway to the compensation system. Healthcare administrators provided vital insights into the complex medical documentation requirements and the ongoing challenges of inter-institutional communication. Crucially, traffic accident victims and



their grieving family members were interviewed to capture the lived experience of navigating the bureaucracy. The interview protocols deeply investigated the psychological and practical burdens of documentation requirements, the perceived effectiveness of inter-institutional coordination, the pervasive deficits in public awareness regarding legal entitlements, and the agonizing temporal duration from the moment of injury through the final receipt of compensation.

To quantify the qualitative claims regarding systemic exclusion and to ensure the findings transcend anecdotal observation, a rigorous quantitative retrospective cohort analysis was executed. This analysis utilized a comprehensive sample of 450 officially reported traffic accidents drawn from within the jurisdiction over a defined twelve-month period. By tracking these cases from the initial police report to their final administrative resolution, the research generated robust data on the actual performance of the compensation mechanism. The primary variables subjected to statistical analysis included initial claim submission rates, precise adjudication outcomes categorized as approved, officially rejected, or abandoned mid-process, and the exact processing duration measured in calendar days. Furthermore, the analysis categorized the primary reasons for claim abandonment to identify the most potent administrative barriers blocking access to justice. Descriptive statistics, utilizing frequencies, means, and standard deviations, provided a macro-level overview of system efficiency. Subsequently, inferential statistics, specifically Chi-square tests for categorical variables, were deployed to assess the mathematical proportionality of exclusions across different socio-economic demographics and accident-type classifications. This rigorous statistical treatment proved essential for demonstrating that the observed exclusions were not random administrative errors, but rather predictable, systematic outcomes of a flawed procedural architecture.

The ultimate synthesis of this vast array of doctrinal and empirical data is achieved through the application of Roscoe Pound's foundational sociological jurisprudence framework, specifically the analytical distinction between law in books and law in action. By systematically comparing the formal statutory provisions with the harsh operational realities exposed through the field investigations and statistical modeling, the research definitively isolates the points of systemic failure. This analytical framework transforms the raw data into a compelling legal argument, demonstrating precisely how regulatory fragmentation and procedural rigidity effectively overwrite the substantive rights granted by the legislature.

### 3. Results and Discussion

The normative analysis reveals a foundational legislative paradox. Article 4 paragraph (1) employs unequivocal mandatory language creating an automatic entitlement to compensation whose sole prerequisites are accident occurrence and resulting injury. However, Article 6's delegation of procedural specification to subordinate governmental regulations creates a hierarchical gap in which the clarity of substantive entitlement is unmatched by equivalent statutory clarity regarding the procedural conditions. Victims must produce police accident reports, medical certificates attesting to injury severity, identity documents, and corroborating evidence establishing the causal nexus between the vehicle and the harm. Each document originates from separate institutional sources: police investigative units, hospital administrations, and civil registration services. The statutory text provides no coordination mandate among these agencies. This absence of statutory specificity regarding documentation requirements engages constitutional scrutiny under Article 28D paragraph (1), compromising legal certainty.



Our quantitative analysis of 450 accident cases reveals a severe attrition rate in claim finalization, highlighting the real-world impact of these administrative burdens. As Table 1 demonstrates, 25.5% of all potential claims are abandoned mid-process. Qualitative interviews identified specific field-level deterrents compounding these documentation barriers. Foremost is the vehicle-seizure deterrence effect, where documentation barriers cause victims to withhold police reports not because reporting is administratively burdensome, but because they fear

the additional consequence of vehicle impoundment. Additional barriers include civil registration irregularities such as expired identity cards, unregistered national identification numbers, name inconsistencies across documents, and delays in inheritance certificate procurement. This deterrence dynamic is disproportionate to any verification purpose; it constitutes a procedural mechanism whose operation systematically defeats Article 4’s compensatory objective.

**Table 1. Claim Adjudication Outcomes by Accident Classification**

Accident Classification	Total Cases	Claims Successfully Paid	Claims Officially Rejected	Claims Abandoned Mid-Process	Abandonment Rate (%)
Multi-Vehicle (Commercial)	120	105	5	10	8.3%
Multi-Vehicle (Private)	180	110	15	55	30.5%
Single-Vehicle (Private)	150	12	88	50	33.3%
<b>Total</b>	<b>450</b>	<b>227</b>	<b>108</b>	<b>115</b>	<b>25.5%</b>

The second critical legal gap concerns the scope of coverage under Law Number 34 of 1964, specifically the treatment of single-vehicle accidents. The statutory framework adopts a funding mechanism through a mandatory contribution collected from private motor vehicle owners upon annual registration renewal. This contribution structure encompasses all users of public roads. The legislative logic of universal contribution, combined with the categorical exclusion of single-vehicle accident victims from compensation, produces a distributional asymmetry: all road users contribute to the fund, but a class of accident victims receives no corresponding benefit.

Constitutional Court Decision Number 88/PUU-XV/2017 addressed this asymmetry. The petitioner argued that denying compensation to single-vehicle accident victims violated Articles 28D paragraph (1) and 28I paragraph (2) of the Constitution. While the Court declined the petition on a narrow procedural ground, its reasoning confirmed that social insurance schemes administered by state-designated entities derive their constitutional legitimacy from the welfare mandate and are subject to constitutional scrutiny when implementation produces systematic exclusion. Field observations in the Bareleng jurisdiction present this doctrinal problem in a factually complex form. A



substantial proportion of single-vehicle accidents occur in circumstances where the causal contribution of inadequate road infrastructure is identifiable: unlit road sections, absence of guardrails, damaged road surfaces, and insufficient road markings. Where infrastructure deficiencies causally contribute to accidents, the characterization of such accidents as entirely attributable to driver error is empirically contestable. The statutory framework provides no mechanism for recognizing infrastructure-related causation, creating a legal gap with profound constitutional dimensions.

The third critical legal gap concerns the fragmentation of temporal standards across regulatory instruments hierarchically external to Law Number 34 of 1964. While Financial Services Authority Regulation Number 69/POJK.05/2016 requires claim payments within 30 working days, and Jasa Raharja targets compensation disbursement within three days for fatalities, this regulatory architecture decouples the temporal obligation from the foundational entitlement structure. A victim entitled to compensation under Article 4 has no direct statutory recourse when processing extends beyond applicable timelines.

## Table 2. Average Processing Duration vs. Institutional Targets

A comparison of mandated service level agreements (SLA) against operational field realities

CLAIM PHASE	SLA TARGET	EMPIRICAL AVERAGE	STANDARD DEVIATION
Initial Notification to Police Report Issuance	Not Applicable	14.2 days	± 6.4
Complete File Submission to Adjudication	< 1 hour	2.5 days	± 1.8
Adjudication to Fund Disbursement (Fatality)	3 days	7.4 days	± 3.2

\*Note: Empirical averages derived from operational field analysis. Red highlighted cells indicate processing phases where field realities significantly extend beyond the designated institutional targets.

The empirical averages presented in Table 2 highlight a stark contrast between internal targets and field realities. Furthermore, systematic under-utilization occurs because eligible populations remain unaware of their compensation entitlements or possess only a partial understanding of applicable procedures and filing timelines. Unawareness of filing deadlines produces rights extinction through limitation period expiry. Law Number 34 of 1964 contains no provision explicitly establishing public awareness obligations, representing a fundamental state failure to fulfill the affirmative obligations

imposed by Article 28D.

The fundamental dissonance between legislative aspiration and administrative execution constitutes the central analytical axis of this research (Figure 1). Utilizing Roscoe Pound’s foundational jurisprudential distinction between law in books and law in action, the empirical findings of this study conclusively demonstrate that formal entitlements established within the statutory text systematically fail to translate into realized, substantive benefits for eligible populations. Law Number 34 of 1964 was drafted with a progressive vision, intended to embody the highest

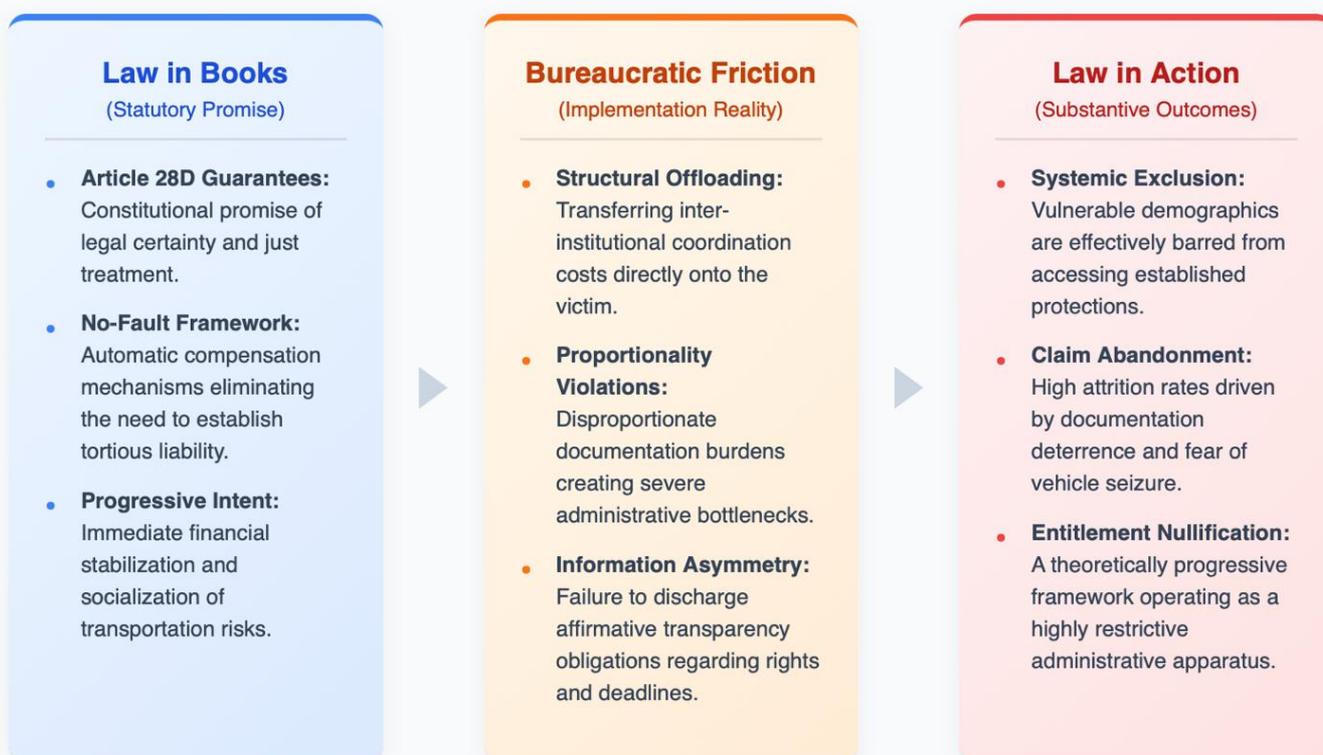


ideals of a modern welfare state by deploying a collective risk-sharing mechanism. However, the operational reality within the Barelang Police Resort jurisdiction reveals that this theoretically progressive scheme functionally serves as a highly restrictive mechanism. The metamorphosis of a protective statute into an exclusionary bureaucratic apparatus occurs not through explicit legislative repeal, but through the quiet, pervasive friction of daily administrative implementation. When statutory

mandates lack precise procedural boundaries, administrative agencies naturally default to risk-averse, documentation-heavy processes that prioritize institutional security over victim accessibility. Consequently, the noble concept of no-fault social insurance is entirely subverted; victims are no longer required to prove fault on the highway, but they are absolutely required to execute a flawless navigation of an unforgiving bureaucratic labyrinth.<sup>11</sup>

## Conceptual Framework of the Jurisprudential Divide

Mapping the transition from formal statutory guarantees to systemic administrative exclusion



**Figure 1. Conceptual framework of the jurisprudential divide.**

This diagram illustrates the thematic findings synthesized in the discussion section, utilizing Roscoe Pound's jurisprudential framework. It traces how the progressive legal ideals and constitutional mandates of Law Number 34 of 1964 (left) are distorted by severe bureaucratic friction and information asymmetry (center), ultimately resulting in a restrictive operational reality that systematically disenfranchises entitled populations (right).



The primary mechanism of exclusion identified in this study is the structural offloading of inter-institutional coordination costs directly onto the victim.<sup>12</sup> In a properly functioning administrative state, the burden of verifying a citizen's eligibility for a public entitlement should be borne primarily by the state apparatus itself, facilitated by seamless inter-agency data integration. Instead, the implementation of Law Number 34 of 1964 delegates this immense logistical burden to the traumatized claimant. The accumulation of stringent evidentiary requirements dispersed across multiple, siloed agencies—demanding identical demographic verification from civil registries, medical validation from hospital administrators, and forensic confirmation from traffic police—creates an administrative burden whose aggregate weight vastly exceeds what genuine verification actually demands. The claimant is effectively transformed into an unpaid courier, forced to mediate communication between disparate government entities that possess no formal mechanisms for lateral data sharing.<sup>13</sup>

Under Indonesian administrative law, and specifically within the framework of the General Principles of Good Administration (*Asas-Asas Umum Pemerintahan yang Baik*), the proportionality principle firmly constrains the extent to which procedural requirements may legitimately burden eligible claimants. This legal principle dictates that the administrative hurdles placed before a citizen must be strictly proportionate to the public interest being protected—in this context, the prevention of fraudulent claims.<sup>14</sup> The empirical reality, however, demonstrates a gross violation of this principle. The extreme documentation requirements systematically deter valid claims, particularly through the fear of vehicle impoundment or the inability to rectify minor civil registration discrepancies. When an administrative procedure is so burdensome that it

structurally prevents the realization of a statutory right, that procedural complexity transcends mere inefficiency; it becomes a substantive rights violation. It systematically excludes precisely the entitled populations that the statute was originally enacted to protect, thereby fracturing the constitutional promise of equal treatment before the law.<sup>15</sup>

The severe public awareness deficits documented in this research highlight a profound failure regarding the state's transparency obligations. Within a constitutional framework governed by the rule of law, the state's duty to provide legal certainty and recognition under Article 28D of the 1945 Constitution necessitates far more than the passive publication of statutes in the state gazette. Genuine transparency requires proactive, targeted, and continuous information disclosure. It demands that eligible populations receive information that is highly accessible, culturally appropriate, and sufficiently detailed to allow them to make informed decisions without requiring pre-existing institutional sophistication or the financial capacity to retain legal counsel.<sup>16</sup>

The historical implementation of the road traffic accident fund has rested upon a deeply flawed legislative assumption: that the scheme's conceptual simplicity would inherently render it self-evidently accessible to the public.<sup>17</sup> This assumption has been empirically disproven by the high rates of claim abandonment and limitation period expirations driven by pure informational asymmetry. The populations most acutely dependent on rapid, frictionless compensation—specifically low-income households, manual laborers, and those residing in peripheral geographic zones—are precisely those least likely to discover and successfully exercise their statutory entitlements independently. When the state fails to actively bridge this informational divide, it implicitly weaponizes ignorance. The resulting under-utilization



of the compensation fund is not an indicator of societal safety or a lack of accidents; rather, it is a glaring metric of systemic disenfranchisement. The failure to inform citizens of their rights effectively nullifies those rights, transforming a universal social insurance program into an exclusive benefit reserved only for the legally literate and administratively persistent.<sup>18</sup>

This study acknowledges certain methodological and contextual limitations that provide vital pathways for future scholarly inquiry. The empirical data collection is exclusively confined to the Bareleng Police Resort jurisdiction. While this region presents an optimal crucible for examining severe traffic dynamics and administrative strain, it inherently reflects specific geographic, infrastructural, and socio-economic dynamics unique to the Riau Islands Province—such as its archipelagic nature, its status as a free trade zone, and its highly transient industrial workforce. Consequently, the quantitative attrition rates and specific documentation bottlenecks observed may manifest differently in alternative administrative contexts. Future research must undertake comprehensive, multi-province longitudinal tracking to evaluate whether varying regional administrative capacities, technological infrastructure, and cultural demographics alter the severity of the identified statutory gaps.<sup>19</sup>

Additionally, future legal studies should rigorously investigate the highly complex intersection of civil tort law and social insurance compensation, specifically regarding state liability for deficient road infrastructure. The current categorical exclusion of single-vehicle accidents under the Jasa Raharja framework forces victims of infrastructure-related accidents into a regulatory vacuum. A critical area for future doctrinal analysis is whether the state, specifically agencies responsible for public works and highway maintenance, can be held systematically liable under tort law for injuries resulting from unlit roads, absent guardrails, or degraded surfaces, and how such civil liability models could be harmonized

with the existing no-fault social insurance architecture.<sup>20</sup>

#### 4. Conclusion

The Indonesian constitutional architecture, anchored by Article 28D of the 1945 Constitution, promises every citizen just treatment and legal certainty. However, the operational reality of traffic accident compensation reveals a profound and systemic failure to fulfill this mandate. Law Number 34 of 1964 is demonstrably and constitutionally inadequate as currently structured. This inadequacy stems not from a flawed underlying philosophy—the concept of no-fault social insurance remains a hallmark of progressive public policy—but from a severe statutory vacuum regarding the procedural, temporal, and informational mechanisms required to actualize that philosophy.

This normative-empirical analysis establishes that the current implementation framework relies on a bureaucratic architecture of exclusion. The devastating deterrence effect caused by inter-agency documentation burdens, the arbitrary and deeply inequitable categorical exclusion of single-vehicle accidents involving infrastructure failure, the complete absence of enforceable statutory processing timelines, and the state's failure to discharge its affirmative awareness obligations are not merely peripheral administrative shortcomings. They represent fundamental legal gaps that actively subvert the legislative intent of the statute. The system structurally preferences those with the social capital, financial resources, and institutional literacy to navigate a fragmented bureaucracy, thereby abandoning the very populations whose inherent vulnerability necessitated the creation of the social insurance scheme in the first place.

Legislative reform is no longer a matter of mere administrative optimization; it is a constitutional imperative. Until Article 4's bold promise of automatic compensation is matched by equally robust,



mandatory legislative provisions governing exactly how that compensation must be efficiently and transparently delivered, the state remains in dereliction of its duties. The parliament must intervene to impose strict procedural bounds, mandate seamless inter-institutional coordination, expand coverage paradigms to reflect causal realities, and enforce rigid temporal and transparency standards. Only through profound statutory modernization can the gap between law in books and law in action be closed, ensuring that the constitutional guarantee of legal protection transitions from a hollow textual promise into a tangible, life-saving reality for the nation's most vulnerable claimants.

## 5. References

- O'Sullivan T, Tokeley K. Consumer product failure causing personal injury under the no-fault accident compensation scheme in New Zealand—a let-off for manufacturers? *J Consumer Policy*. 2018; 41(3): 211–27.
- Watts K. A comparative law analysis of no-fault comprehensive compensation funds: international best practice & contemporary applications. *Tijdschr Vergoed Pers*. 2022; 25(1): 35–43.
- Macleod S, Uberti F, Kameni E. No-fault compensation schemes for COVID-19 vaccine injury: a mixed bag for claimants and citizens. *J Med Ethics*. 2025; 51(2): 115–20.
- Sujana IKE, Fikri AM. No-fault compensation system and restorative justice in medical dispute resolution: a lesson from New Zealand for Indonesia. *Research Horizon*. 2025; 5(6): 2945–56.
- Overheul M, van den Bos K, Rijnhout R. Reactions to no-fault compensation schemes for occupational diseases in the Netherlands: the role of perceived procedural justice, outcome concerns and trust in authorities. *Int J Law Context*. 2025; 21(3): 367–88.
- Wijatmoko E, Armawi A, Fathani TF. Legal effectiveness in promoting development policies: a case study of North Aceh Indonesia. *Heliyon*. 2023; 9(11): e21280.
- Suparto S, Adinda FA, Esanov AE, Normurotovna ZE. Administrative discretion in Indonesia & Netherland administrative court: Authorities and regulations. *Journal of Human Rights, Culture and Legal System (JHCLS)*. 2024; 4(1): 75–100.
- Adama NA, Pijoh FE, Melo IJ. Legal analysis of Consumer Protection of public transportation services for traffic accident victims. *International Journal of Applied Science and Sustainable Development (IJASSD)*. 2025 7(1): 32–8.
- Andika I, Rifai AI, Isradi M, Prasetijo J. A traffic management system for minimization of intersection traffic congestion: case Bengkong junction, Batam. *IJEBD (Int J Entrep Bus Dev)*. 2022; 5(5): 945–56.
- Agustianto A, Sudirman L, Setiawan M. Effectiveness of the Free Trade Zone policy as a solution to improve the economy in Batam. *Al-Adalah J Huk dan Polit Islam*. 2024; 9(1): 53–65.
- Rizky IM, Arief M. The role of Jasa Raharja company in providing accident guarantees for traffic victims of North Sumatra province. *J Ekonomi Manajemen Bisnis Akuntansi Review*. 2022; 2(2).
- Mahoro JCG, Samekto FXA. Barriers to the enforcement of environmental law: an effect of free market domination and regional autonomy in Indonesia. *Hasanuddin Law Rev*. 2021; 7(1): 31.
- Pratiwi ADE, Mulyanti AS. Passenger train accidents and the accountability of PT Kereta Api Indonesia: a critical study on the effectiveness of Law No. 23 of 2007. *J USM Law Review*. 2025; 8(3): 1519–32.



14. Zulkarnaen S, Arijanto A. The influence of transformational leadership and compensation on Organizational Citizenship Behavior (OCB) with mediation of work satisfaction study at PT Jasa Raharja branch DKI Jakarta. *Indonesian Journal of Business Analytics (IJBA)*. 2024; 4(1): 53–70.
15. Zaini AK, Muttaqin MZ. An analysis of the role of insurance from pt. Jasa Raharja in covering the inpatient costs of traffic accident victims in Pekanbaru City. *Multidisciplinary Indonesian Center Journal (MICJO)*. 2025; 2(4): 4923–9.
16. Annisa N, Yafiz M. Benefits of the social and Environmental Responsibility Program (TJSL) PT. Jasa Raharja tk.I Medan to the success of MSMEs in Medan city. *J Manag*. 2022; 2(1).
17. Gavrilova O. To the analysis of extraordinary experience of social insurance from accidents of production and professional disease. *Soclaw*. 2019; (2): 39–46.
18. Polinkevych O, Trynchuk V, Levchenko V, Zelenitsia I. Government bonds as a tool for reducing investment risks and supporting social welfare and pension insurance in conditions of martial law and increased market volatility. *Econ Fin Law*. 2025; 7/2025: 108–13.
19. Son K. Discrepancy of social insurance between laws and practices: Implementation challenges of maternity leave in 73 low- and middle-income countries. *Glob Soc Policy*. 2025; 25(2): 254–72.
20. Yoo JS. A study on the validity of mandatory application of social Insurance for Insurance Planners. *Korean Insurance Law Assoc*. 2019; 13(1): 91–118.

