

## **Socso to extend protection for the self-employed**

KUALA LUMPUR: The Social Security Organisation (Socso) is ramping up efforts to improve protection for informal workers through proposed amendments to the legislative act, according to chief executive officer Datuk Seri Dr Mohammed Azman Aziz Mohammed.

“Already in our pipeline, is to extend employment protection for self-employed individuals under the Employment Insurance Act 2017. The EIS (Employment Insurance System) will provide a form of income replacement for the self-employed when the business is closed or loss of income,” said Mohammed Azman at the online International Public Employment Forum 2021 (IPEF 2021).

He added that Socso is cooperating with key players in the self-employed sectors to facilitate social protection coverage for their members.

“The collaborations with key players, such as Grab, MDEC (Malaysia Digital Economy Corp) and HappyFresh, is to make social contribution as part of the registration process of self-employed workers with these platforms. This requirement will safeguard the self-employed under a solid and comprehensive social security protection system for a minimal cost,” said Mohammed Azman in his keynote address.

He also noted that only 12.3% of the 2.5 million self-employed individuals are covered for employment injury.

“There is a big coverage gap here where many self-employed individuals out there are not aware of the basic protection that they need to have in the event of an adversity.

“Matching incentive and contribution grants were introduced during the pandemic to address the immediate protection gap faced by self-employed individuals,” Mohammed Azman pointed out, adding that statistics as of August 2021 on the occurrence of incidents where 56 employment-related commuting accidents had taken place and 597 happened during non-working hours, showed that the involved workers are not covered. For workplace-related accidents, 567 cases were reported to Socso, of which 103 were non-employment injury.

Meanwhile, based on the Department of Statistics data, only 14.8% of the 764,400 unemployed individuals are covered by EIS.

“It is a huge concern to us on the remaining 85% of unemployed individuals if they are actively involved in some form of employment but not covered within the social protection system,” said Mohammed Azman.

He explained that a structural issue contributing to this gap is the absence of an avenue to capture the information of the potential labour force that will allow Socso to track them from the time they complete education until they are at work.

“Nevertheless, some of the initiatives from the government’s stimulus package allowed Socso to fill these gaps, especially for employees who do not have sufficient qualifying conditions as well as non-contributors who are about to enter the labour force,” said Mohammed Azman.

Human Resources Minister Datuk Seri M. Saravanan said as of August 2021, job losses stood at 40,680 cases with an average of 5,811 cases of loss of employment per month.

Meanwhile, national job portal MyFutureJobs has to date recorded 1.29 million vacancies from 21 sectors.

<https://www.thestar.com.my/business/business-news/2021/09/08/socso-to-extend-protection-for-the-self-employed>