PROJEK PELHAN

## SOCIAL SECURITY ORGANIZATION: A STUDY ON PUBLIC AWARENESS OF THE INVALIDITY PENSION SCHEME PROVIDED BY THE ORGANIZATION WITHIN KAPIT DIVISION

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### ABSTRACT

The aim of this project paper is to find out the reason(s) for the low number of claims under the Invalidity Pension Scheme received by the Social Security Organization Office in Kapit for the period from August 1992 to December 2000 as compared to similar claims received by other Social Security Organization offices throughout Sarawak. In addition to that, this project will also study on the public awareness of the Invalidity Pension Scheme provided by the Organization within Kapit Division.

The main objectives of this study are to study the level of awareness among the public in Kapit Division in respect of the Invalidity Pension Scheme provided by the Social Security Organization and how the public becomes aware of such scheme. In addition to that, the objective is to determine a more effective type(s) of promotional tool(s) to be employed in carrying out the promotion of the services provided by the Organization.

Prior to writing this project paper, a survey was conducted from 18<sup>th</sup> February, 2002 to 22<sup>nd</sup> February, 2002 through the use of questionnaires and personal interviews on the public within Kapit Division. Desk research on the Organization's reports, magazines, newspaper cuttings and web surfing were also carried out.

The findings of this project clearly show that only about 68.20 % of the public within Kapit Division are fully aware of the existence of the Invalidity Pension Scheme provided by the Organization. Nevertheless, the findings found out that the majority of the public are aware of the existence of the Social Security Organization and the Employment Injury Insurance Scheme that the Organization provides. These findings also show that the Organization is doing very well in promoting its services to the public, though there are rooms for further improvement.

It was also found that the interest among the public concerning the Invalidity Pension Scheme is increasing steadily based on the personal interviews being conducted. Nevertheless, there is a need to take a more proactive promotional approach which recommends the Organization, among others, to produce video tapes and video cassette discs using the Iban language as the majority of the public are Iban. The project also recommended increasing the number of Iban staff to be stationed within Kapit Division.

#### **CHAPTER 1**

#### **INTRODUCTION**

#### 1.1 Background of the study

This project is carried out to find the reason(s) for such low number of claims under the Invalidity Pension Scheme (as provided for under Section 17 of the Employees' Social Security Act, 1969) received by the Social Security Office in Kapit for the period from August 1992 to December 2000. In addition to that, this project is submitted as a partial fulfillment for the requirement of the Bachelor In Business Administration (Hons.) (Marketing) and therefore this study is merely for academic purposes only. A descriptive research approach is used to study on the awareness of the public concerning the Invalidity Pension Scheme provided by the Social Security Organization with special reference to the public within Kapit Division.

The Social Security Organization (hereafter referred to as SOCSO) is being selected due to the fact that it is the authority responsible to implement, administer and enforce the "Employees' Social Security Act, 1969" (hereafter referred to as The Act); an Act responsible to provide social security in certain contingencies and to make provisions for certain other matters in relation thereto. A very important point to note here is that SOCSO administers social security protection only to workers in the private sectors and statutory bodies. With the availability of SOCSO, the employees in the private sector could at least feel very secure in their workplace in the sense that should any untoward events happen to them, at least SOCSO is available to guarantee timely and adequate benefit payments to them, or for that matter, to their dependants in the event of a contingency.

#### **CHAPTER 2**

### LITERATURE REVIEW

#### 2.1 Employees' Social Security Act, 1969

In line with the Government's vision of having a productive and healthy workforce in the country, the Employees' Social Security Act was passed by Parliament on 2<sup>nd</sup> April, 1969 and became known as the **Employees' Social Security Act, 1969**. The objective of this Act is to provide social security in certain contingencies and to make provision for certain other matters in relation thereto.

For this purpose, the Social Security Organization (SOCSO) was set up to implement, administer and enforce the Employees' Social Security Act, 1969 and the Employees' Social Security (General Regulations), 1971.

#### 2.2 The Origin Of Social Security

The term "Social Security" was first officially used in the United States' legislation, the Social Security Act 1935, which initiated programmes to meet the risks of old age, death, disability and unemployment only. Nevertheless, the first broad system of social insurance was introduced by the Government of Germany under Chancellor Bismarch between the period 1883 and 1889 with the establishment of compulsory workmen's compensation which was financed through workers' contributions. Through the years of social security research, the International Labour Organization adopted the German model which eventually became the basis of all social security conventions to be adhered by all nations in the world.