

MTUC calls for talks on Socso protection for casual workers

By Samuel Chua - March 9, 2021 9:00 AM

PETALING JAYA: The Malaysian Trades Union Congress has called for discussions to be held on the state of the so-called "gig economy" of casual and part-time workers as many of them, especially delivery riders, risk their lives every day.

Mohd Effendy Abdul Ghani, deputy president of the labour federation, said delivery companies should bear the cost of protecting their workers through Socso, the workers' insurance scheme.

However, the problem lay with the fact that the workers do not enjoy the rights of employees as they are not full time workers. "That's why we need a discussion on the gig economy but we need to see how the Socso Act can cover gig workers."

Since April last year, Socso contributions have been paid by the Foodpanda delivery company for its riders, under the Self-Employed Social Security Scheme.

A Selangor assemblyman, Rajiv Rishyakaran, had urged the government recently for companies to make Socso contributions on behalf of their casual workers. He said delivery companies had been doing well during the pandemic and should bear the cost of protecting the workers.

However, the Malaysian Employers Federation said there would be legal and economic ramifications if businesses were required to make Socso contributions.

"Once a contribution takes place, you are recognising these people as employees and a host of obligations will arise, such as annual leave, rest days and more," said MEF executive director Shamsuddin Bardan. "These workers are not considered employees. The responsibility and obligation for contributions to Socso does not arise," he said.

Effendy said MTUC could help casual workers with health insurance. "We can also advise and direct them to Persatuan P-Hailing", the association for parcel delivery workers.