

Analysis Of The Awareness Of The Sultanate Of Oman Government's Social Protection Coverage Program Among Self-Employed Orange Taxi Drivers

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Abstract: Despite the global push for social security, it is estimated that 73% of the world's population lacks access to adequate social protection plans (ILO 2016), and contributory social insurance programs continue to cover only a small portion of the population—typically only those who are in the standard employment in the public and private sectors. In many countries, the self-employed individuals who engage in non-standard employment are considered ineligible for the government's social security program and so is the case of the Sultanate of Oman. Though the taxi drivers are referred to as a high-risk, underserved, and non-traditional workforce when compared to other sorts of labor due to the nature of the work they perform, their jobs are usually considered as non-standard. Self-employed orange taxi drivers in Oman falls in this category who do not contribute towards the government's social protection program. This study aims to shed new light on Oman's self-employed orange taxi drivers' awareness and access to government's social insurance program.

Keywords: Awareness, Social Security Coverage, Social Insurance, Self Employed Taxi Drivers, Public Authority for Social Insurance (PASI)

1. Introduction

In any country, social security is seen as a mechanism to protect citizens from losing their income in the event of social threats. It is not a brand-new concept. Without social security and stable sustainable development, no social harmony is possible (Mesa-Lago C, 2002). According to the Declaration of Human Rights in 1948, social security is considered as one of the basic human right. Article 25 of the United Nations Charter states that every person has the right to get a good standard of living, which includes access to food, clothing, housing, medical care, and essential social services, as well as security in the event of unemployment, illness, disability, widowhood, old age, or any other loss of livelihood caused by circumstances out of his or her control.

It is common for persons in regular employment to be protected by the government's social safety system. This is especially true for insurance-based programs, which are those that depend on both employee and employer social payments. Regarding access to programs and receiving

insurance-based benefits, people in non-standard employment have always been in a more unstable and uncertain situation (ILO, 2016; Matsaganis et al., 2016). The self-employed, who typically do not enjoy the same level of social protection as those in paid employment, are particularly affected by this. Despite the fact that they are subject to comparable risks related to their economic activity, health, and livelihood, they are frequently denied entry to some insurance-based social safety programs (Slavina S, Denis B, Dalila G & Bart V, 2017)

2. Historical Developments of Pay Related Social Insurance

Pay-Related Social Insurance (PRSI) for the self-employed was first adopted in the majority of developed nations roughly 40 years ago. It has become necessary for all self-employed individuals who are over 16 but under 66 to get covered as self-employed contributors. Following a number of assessments conducted in this regard, the mandatory inclusion of self-employed people was taken into consideration. It was noted in a

discussion paper for the 1978 Green Paper that it would be suitable to include self-employed people in social insurance for long-term payouts such as pensions for old age, widows, and invalidity. Short-term payment extensions, including disability benefits, were not deemed appropriate for independent contractors. The idea that the self-employee's earning pattern would allow them to gradually make up for a momentary loss of revenue in a way that is impossible for working employees is the basis for this claim. Following the discussion, it was determined that the self-employed would not require the same type of social insurance that is provided to workers in the formal sector because their income is solely dependent on their own personal activity.

It is determined that in order to provide temporary benefits, such as the disability pension, to self-employed individuals, it would be necessary to clearly establish the need, which would pose difficulties for the regulatory system.

3. Social Security in the Sultanate of Oman.

On July 1, 1991, the Social Security Law and the Sultan Decree 72/91 amendments to it (the "Social Security Law") went into effect. According to Article 5 of the Social Security Law, a Public Authority called the Public Authority for Social Insurance (or "PASI") was established with administrative and financial independence and in charge of carrying out the Social Security Law. As the Sultanate's first social insurance program for Omanis working in the private sector and between the ages of 15 and 59, the PASI has the responsibility of carrying out the terms of the Social Insurance Law.

The goal of the Social Security Law is to protect the insured and their families from old age, disability, death, or occupational disease by offering security. Only Omani nationals employed in the Sultanate of Oman and abroad are covered by the Social Security Law. Due to the fact that it is not made mandatory for self-employed people to contribute to this fund, a majority of the self-employed people do not make the required social security insurance contributions in Oman and hence they are not guaranteed social security by the Government.

4. Self Employed Orange Taxi drivers and Social Security

Taxi driving is one of the industries in Oman with the quickest growth. Due to the nature of the work

they undertake, taxi drivers are frequently referred to as a high-risk, neglected, and non-traditional workforce when contrasted to other types of labor. Their lengthy work hours, sedentary lifestyles, limited rest periods in between shifts, and stress are some of the job-related risk factors for increasing levels of injuries, illnesses, and even mortality rate (Cotto-Rivera, Edda, 2016). Despite the high risk to the taxi drivers' lives, there are few or no social security programs to shield them and their family from unforeseen events. This is due to the fact that they are not mandated to obtain social insurance.

5. Review of Literature

The fact that people are not participating in the social security program is largely due to a lack of knowledge about the social security plans that are accessible. Informal workers might not be aware that they have a right to social protection or that a service is available; they might not be aware of how to join a program or receive the benefits to which they are entitled; they might not be aware of their responsibilities. Many irregular laborers have inadequate education or are illiterate (RSNF, 2017). There is a gap in the current social security system caused by the near exclusion of the informal sector and lower income groups, which includes relatively small self-employed people especially the taxi drivers (Asomadu K, 2006). The current social security system was built with features that primarily benefit workers in the formal sector and are frequently out of reach for those employed in the unorganized sector (Barrientos & Barrientos, 2002). The majority of the time, it is seen that government officials frequently lack the ability and motivation to educate the public on their rights. The requirements and working circumstances of informal workers are frequently overlooked by officials, and they frequently lack precise information about the number of prospective users (RSNF, 2017). According to Lusardi (2003), those with lower levels of education or illiteracy are the ones who do not adequately plan for retirement and thus do not have assets that are completely funded for it. In addition to income redistribution, social security is a progressive system that uses annuities based on life expectancy to help transfer income from those who live shorter lives to those who live longer. Additionally, it redistributes income from formal to informal employees, from single to married through survivors' benefits, from healthy to disabled through disability insurance payouts

(Cohen & Carasso, 2004). If a person becomes disabled and unable to work, the Social Security coverage offers benefits to them and their family members. If they are injured while working, they may be eligible for work injury benefits. The education of their children will not suffer because they do not have to give up their studies to help maintain the family. Social security coverage is essential since it is the only safeguard against the variety of internal and external shocks that may result from economic operations in the informal sector, including sickness, work-related injury, disability, and old age (Mitzie I P, Conchada & Marites M T, 2016).

6. Objectives

- To study the demographic distribution of the Self-Employed Orange Taxi Drivers in Muscat Governorate
- To understand the job -related details of the Self-Employed Orange Taxi Drivers in Muscat Governorate
- To explore the awareness level and the access to the government's social insurance program (PASI) among the Self-Employed Orange Taxi Drivers

7. Methodology

This study has made use of quantitative research techniques. A combination of primary and secondary sources is used to collect data. Using a five-point Likert scale and divided into four parts, a well-structured questionnaire was developed in order to collect the essential data and information from Orange taxi drivers. General information-related questions were in Part A, social security awareness of orange cab drivers was in Part B, the need for social security insurance was in Part C, and reasons for non-contributors to the PASI social security scheme were in Part D.

Two hundred and one Orange Taxi Drivers from the Muscat Governorate made up the sample for this study. Two hundred and seventy-five Orange taxi drivers were given the questionnaire, and two hundred and one of them returned it with responses—a response rate of 73%. A pilot study was made before the final survey was conducted. Twenty-five taxi drivers participated in a pilot research to evaluate the validity and reliability of the questionnaire. The valuable insight received from the pilot study enabled the questionnaire to be modified to better suit the sample groups and obtain complete information regarding the requirement for social insurance coverage.

Statistical Package for the Social Sciences (SPSS) version 22 was used to determine the descriptive analysis, including the frequency, means, and standard deviations, which formed part of the preliminary data analysis. The data analysis will display the patterns in percentage terms of the respondents' opinions. The data's reliability was tested using Cronbach's Alpha, the result was 0.895, which showed that the data had a high level of internal consistency.

8. Results and Discussions

8.1 Demographic Distribution of the respondents

An analysis of the demographic breakdown of the respondents reveals age group between 36 to 45 years accounts for 30% of the sample as a whole, followed by the age group between 26 and 35 years at 28%, the age group under 25 years at 25%, and the age group 46 to 55 years at 15%. Only 2% of responders are older than 56 years old. This demonstrates that most cab drivers are middle-aged and will become eligible for retirement within the next 15 years.

Majority of taxi drivers had only a high school diploma or less. 37% of respondents, who are the most common, hold a diploma. 16% of respondents have no formal education, 22% have completed secondary education, 21% have only completed primary education. Only 1% of respondents have a master's degree, while only 3% have a bachelors. 31% of respondents are single, 12% are divorced or separated, and 57% of respondents are married. This demonstrates that the majority of respondents have dependents who need maintenance and care.

Among the responses, the taxi driver family with 6–10 people have the highest percentage (48%). Taxi drivers make up 36% of households with five or less members. 16% of them have families with six or more members. It is clear that these large families find it challenging to meet their everyday demands due to their poor income.

Out of all responses, 56% have old family members; 56% of these families have two or less elderly relatives; and 44% of these families have three or more elderly people. The more senior family members there are, the more money is needed for their care and other expenses.

39% of respondents reported having a disabled family member, with 69% of those families having two or fewer disabled members and the remaining having three or more. It has been noted that families with impaired family members must make time for the respondents to be with them,

which interferes with their ability to perform tasks that indirectly influence revenues.

Of the respondents, 48% are the only wage earners in the family, and 52% have a second family member who helps out as well. Although 38% of Orange taxi drivers work for someone else who has registered the cabs in their name, 62% of the drivers own their own vehicles. 25% of respondents have been at their current work for not more than two years. 20% of respondents have been taxi drivers for three to five years, while 34% have been at their current jobs for six to ten years or more. Twenty-one percent of all respondents had been taxi-drivers for at least eleven years.

8.2 Job related information of the respondents.

Only 25% of respondents are able to make a living from taxi driving, while 75% have another work. This leads us to the conclusion that the majority of respondents do not make enough money and must therefore rely on a second job in order to make ends meet. 34% of respondents who work two jobs report that they do not make enough money from taxi driving to cover their daily expenses. Another 30% of the respondents work several jobs out of worry that they may lose their current position. 20% of people in other jobs switch to taxi driving because it is their passion, while 16% work two jobs to expand their network.

40% of respondents work between 36 and 45 hours a week, 25% between 46 and 55 hours, 19% for less than 35 hours, and 16% for more than 56 hours. This data makes it clear that respondents who solely rely on taxi driving as a source of income must put in a lot of overtime to earn enough money to support themselves and their families. 79% of respondents claim that their monthly income is not the same, compared to 21% who claim to make around the same amount each month. This illustrates how sporadic and inconsistent the income of taxi drivers is throughout the year.

According to the research, taxi drivers typically make between 101 and 250 OMR per month, with 40% of respondents agreeing that they do, 23% saying they make less than 100 OMR per month, 18% saying they make between 251 and 350 OMR per month, and 3% saying they make between 451 and 500 OMR per month. Out of the entire respondents, none or just one agrees to make a monthly income greater than 500 OMR. While 44% of respondents claim they have never experienced unemployment, 56% of respondents

claim they were jobless at some point during the past year. 10% of the respondents who are unemployed claim that they rely on their personal savings while they are jobless. 37% of people borrow money from friends, 18% receive family support, 16% sell some of their possessions, 6% rely on the government, and 13% amass debt that they will find difficult to pay back in the near future.

8.3 Respondents' awareness of PASI and the various schemes available at PASI

The results revealed that the respondents know relatively little about PASI. When asked how they heard about PASI, 5% of respondents said they learned about it from family or friends, 34% said they learned about it from friends, and 41% said they learned about it from other taxi drivers. Only 2% of people knew about PASI via government representatives, 17% from marketing, and 1% from other sources.

In terms of the Old Age Pension, 82% of respondents are uninformed of the program, 11% are aware but claim they have no access, 3% have access but haven't used it yet, and 4% have applied for the Old Age Pension. 38% of people are unaware of the fact that if a beneficiary is unable to work because of a sickness or other circumstance, they may be eligible for disability assistance. 56% are aware but cannot access it. 5% have access to the benefit but haven't used it. 1% of applicants have requested disability grants. In the event of any workplace deaths, death benefits are provided to the beneficiaries. 56% of respondents are unaware of it, 26% are aware but claim not to have access, and 17% have access but have not yet claimed it.

The funeral expenditures grant is unknown to 45% of the respondents, it is known to 29% but they do not have access, and it is accessible to 26% but they do not use it. A couple of the responders claim to have used this benefit for another relative who passed away.

41% of the respondents claim to be unaware of the marriage grant, 25% claim to be aware but have no access, 21% claim to have access but haven't used the benefit, and 13% claim to have made use of this grant.

53% of the respondents were unaware that PASI offers an unemployment grant; 13% knew about it but did not have access; 26% had access but had not used the benefit; and 8% had used the grant. 41% of the respondents were unaware of the Work injury grant, 27% were aware but did not have access to it, 28% had access but had not made a claim, and 4% had made a claim.

9. Recommendations

To ensure the safety of the Orange Taxi Drivers and their family members, Government should make the registration to Social Security Insurance mandatory. It is recommended that the Government of Oman take the initiative to popularize the program and make it mandatory for Orange Taxi drivers to participate in the Social Security Insurance Scheme of PASI. By creating such programs with incentives on insurance payment, such as giving them the choice to continue their education while working, the government can encourage a greater number of taxi drivers to become active members. The government should offer skill-based training to the remaining taxi drivers who only have an elementary education and no formal education, so they may work in other jobs and earn more money. The government can also use the taxi drivers who have bachelor's and master's degrees to teach the other taxi drivers how to use the most recent technology, such as online banking and online registration, etc.

Given that the family consists of 6–10 members, it is evident that the taxi driver's limited revenue will be used to cover the family's daily needs. They will lack the funds to pay the premium for Social Security Insurance. Therefore, the government ought to create Social Security insurance plans that are appropriate for them. Less expensive premiums and flexible premium payment terms should be included in the new insurance plans so that taxi drivers can choose when to pay their premiums. Daily, weekly, bimonthly, or monthly intervals are all possible. The members should have the freedom to withdraw money at any moment for any emergencies, just like flexible payment procedures. It is advised to develop microinsurance programs or to subsidize contributions, as large families find it challenging to meet their everyday

demands due to their poor income. The government must inform everyone who registers to become a taxi driver about the social security programs, and it must also raise awareness of these programs through social media marketing, public outreach campaigns, media, films, internet etc.,

Approximately 35% of respondents who were participating the schemes of PASI reported that the PASI office had not timely communicated with them about the payments for renewing their insurance. In order to prevent members from forgetting to pay their premiums, there should be rapid and timely messages and reminders of the renewal of payments sent to the taxi drivers. The government should establish plans to provide a minimum sum that would be enough to cover the beneficiaries' and their families' monthly expenditures.

10. Conclusion

The PASI program is the ideal option to supplement The Orange Taxi Drivers' financial needs in times of old age and unexpected shocks. In light of this, it is suggested that the low membership coverage in this sector be increased. This can be accomplished by increasing The Orange Taxi Drivers' enrollment through a public-private partnership. It implies that those who are not covered by Social Security can be reached by the government, local chief executives, local government units, and non-governmental organizations. Even though it is a challenging effort to reach out to these people, the government should take the initiative utilizing the aforementioned techniques to enroll as many of them as possible so that the nation can witness a sustained improvement in these people's lives post retirement and during emergencies.

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