

Awareness of Social Security System of Informal Workers in Thailand

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Abstract. This research aimed to examine and compare the levels of awareness of informal workers of the social security system, classified by gender, age, and marital status. The sample group was 500 informal workers in Bangkok in 2013, obtained from systematic random sampling. The research tool used was an awareness test with a reliability 0.93. Obtained data were analyzed using mean, standard deviation, t-test for independent sample, and One-way ANOVA: F-test. The mean difference was tested using Scheffé's method. The findings illustrated that the awareness of informal worker of the social security system was at a high level. The awareness of workers who had social security was at a high level, whereas those who did not have social security were at a moderate level. Moreover, there was no difference in awareness of social security in terms of gender, age or marital status, both by aspect and overall.

Key words: Awareness, Social security system, Informal workers, Thailand.

Introduction

Labor is very significant to Thailand in many ways. For example, in economic areas, labor is a production factor, and products and services are consumers, whereas, in the political area, labor is assembled as a labor union to have bargaining power or to pressure the government agencies to provide welfare or legislate law for their benefit. Further, in the social area, the assembly of labor originates many social activities. Thailand gives priority to labor promotion and development constantly. For instance, in the Eleventh National Economic and Social Development Plan (2012-2016) (Office of the National Economic and Social Development Board, 2011), a social justice construction strategy was suggested to develop and encourage the exercise of basic labor rights in the establishment, especially rights for occupational safety and health, working hours, non-discrimination, fair wages, and welfare systems, including the improvement and development of labor criteria and enforcement for efficient labor protection. In addition, the strategy aimed to upgrade the quality of inclusive social protection, policy set-up, and legal and social measures to offer social security to formal and informal workers fairly, in order to have appropriate and sufficient welfare for their well-being.

The International Labour Association (ILO) (2010) stated that social security systems played a critical role in alleviating poverty and providing economic security, helping people to cope with life's major risks and to adapt to change. They could have a remarkable effect on income inequality and poverty in developing countries through income transfers. However, there were serious problems with access to social security around the world which the financial crisis had thrown into sharp relief, and the financing of systems had been put at risk by shrinking national budgets. This was in line with Holmes & Scott (2016: 26-52), who reported that informal workers face high levels of risks, yet the majority are not covered by social insurance, and Behrendt & Quynh (2018: 34-122), who reported that social protection systems around the world faced challenges to provide full and effective coverage for workers in all forms of employment, including those in "new" forms of employment. While some emerging work and employment

arrangements might provide greater flexibility for workers and employers, they might lead to significant gaps in social protection coverage, at a time when demands on social protection systems were increasing. It was therefore necessary to strengthen and adapt social protection systems, to enable them to continue to fulfil their key role in preventing and reducing poverty, enhancing income security, and limiting inequality.

In Thailand, the term “informal workers” refer to those who are employed, earn income without having an employer, or are not under the protection of social security law. They are classified into those who are employed and earn income, and those who are self-employed (Social Security Office, 2005). In 2015, there were more than 21 million informal workers in Thailand (Ministry of Labour, 2016: 4-18). The main significant problems of informal workers were their non-visibility in society, lack of protection under labor protection laws, unfair compensation and uncertain income, and lack of access to social security (National Center for Labour, 2015). The Social Security Office has reviewed and amended laws to allow informal workers to enter the social security system. In 2014, less than 10% of informal workers were involved in the social security system, which was a low number. The main reason was that the criteria, applying conditions, contribution rate, and benefits were not interesting to, or did not attract, the workers to join the system. Additionally, they were interested in joining a security system with a private company rather than joining the social security system.

Therefore, the researcher would like to study the causes influencing informal workers to enter the social security system by focusing on the awareness of social security of informal workers in Bangkok. This is because Bangkok is the economic center of Thailand, where large numbers of diverse informal workers exist. The research should reveal guidelines for social security system improvement to truly fulfill the workers' demand, and adjust appropriate strategies. This could be done by expanding the scope of protection and coverage inclusively to match the actual demand of informal workers. This would encourage more people to join the social security system and increase confidence in the insurer to pay contributions consistently to retain insurer status.

Research objectives

- 1) To examine the awareness of social security of informal workers in Bangkok.
- 2) To compare the awareness of social security of informal workers in Bangkok, classified by gender, age, and marital status.

Hypothesis

Informal workers in Bangkok, notably workers of different gender, age, and marital status, will have different awareness of social security.

Literature Review

Informal workers

According to the definition by the International Labour Organization (ILO), informal workers are divided into two groups. The first group comprises workers who are independent operators, consisting of own-account operators and unpaid family workers. The second group comprises informal workers in formal or informal enterprises, including workers with no certain employment, including daily worker, sub-contractors in the industry section, contract workers and temporary workers, unprotected part-time workers, and informal workers who are not registered legally (ILO, 2002). In regard to the problems of informal workers in Thailand, the National Center for Labour (2015) reported that this group are invisible to society, not covered by labour protection law, do not earn fair or

certain income, but depend on sales conditions, product marketing, or social circumstances, and are unable to access social security, resources, or government support. Moreover, they do not have representatives or organizations that have bargaining power, have health problems, and work in unsafe work conditions. In Thailand, there are more than 20 million informal workers (Ministry of Labour, 2016: 4-18), both employed workers who earn income, such as workers for work contracts, workers for seasonal agricultural work, fishery labor, maids and housekeepers, and drivers, and independent workers, such as taxi drivers, farmers, agriculturists, merchants, beauticians, hairdressers, and owners of small groceries.

Social security system

The social security system plays a critical role in alleviating poverty and providing economic security, helping people to cope with life's major risks and to adapt to change (ILO, 2010). Behrendt & Quynh (2018: 34-122) stated that social protection, including both contributory and non-contributory schemes and programs, constituted an important element of decent work, as it contributed to preventing and reducing poverty and inequality, including gender inequality. However, a significant proportion of the world's population still have insufficient social protection coverage, or none at all, leaving them vulnerable to social risks throughout their lives, particularly with regard to income security and access to health care. The Social Security Office (2016) stated that the key principle of social security was to offer protection to people; these people involved insurers from all careers and fields. This would cover and ensure that those who earn income to not become dependent people, which costs more expenses, or people who lack income, by providing financial aid or suitable services. Social security requires a huge amount of money, which the annual government statement of expenditure is insufficient to solely support. Thus, individual insurers should contribute contributions to the social security fund. This would be the basis of security for society. Nevertheless, social security needs the cooperation of all related sectors to construct harmony among individual groups, particularly between the employer and the employee. The employer supports the contribution without expecting a return, whereas the employee has more motivation to work. This reliance and complementary action constructs social security.

Awareness

Awareness is the knowledge that something exists, or understanding of a situation or subject at the present time based on information or experience (Cambridge English Dictionary. 2018). Awareness takes the form of different levels, which show the level of awareness of a person. Awareness levels, according to Bull (Djahiri, 1985: 87-135), are categorized into the following: *Anomous awareness*, an awareness which has an unclear reason or orientation; *Heteronomous awareness*, an awareness which is based on the various basic motivations; *Sosionomous awareness*, an awareness which is oriented to the public, and *Autonomous awareness*, an awareness which is based on the awareness concept of one's self. Sayers (2006: 17-69) said that to raise public awareness of a topic or issue is to inform a community's attitudes, behaviors, and beliefs, with the intention of influencing them positively in the achievement of a defined purpose or goal; for example, improving public health, or promoting information literacy. Kutschinsky (1973: 98-174) stated that the indicators of law awareness include law awareness; law acquaintance; legal attitude; and legal behavior.

Methodology

Population and sample group

The population includes 1,293,285 informal workers in Bangkok in 2013 (National Statistical Office, 2016: Online). The size of the sample group was determined using the Yamane method (Yamane, 1973: 19-38); population size ∞ at the reliability 95%, and error 5%, obtaining 400 samples. However, the researcher increased the number to 500 samples and applied systematic random sampling, as per the following steps.

1) to divide administration districts in Bangkok into 50 districts, 10 persons per each district, 500 persons in total.

2) to apply the systematic random to every five informal workers using the services of the Registration Division at each District Office (10 persons per each district). From this number, classification into groups was performed; five people who had social security, and five people who did not have it.

Research tool

A 5-rating scale questionnaire about the awareness of social security was used, consisting of two aspects: context and benefits. The questionnaire was tested with 50 informal workers in Bangkok (not the sample group). The reliability and discrimination of each aspect is shown in Table 1.

Table 1. Numbers, discrimination, and reliability of questionnaire

Behavior/Aspect	Qty.	Discrimination	Reliability
Awareness of Social Security system	12	0.57-0.77	0.93
1. Context	6	0.56-0.79	0.90
2. Benefits	6	0.61-0.79	0.89

Data collection

The researchers collected data from 500 informal workers in Bangkok in 2016 during January to March 2016. Data were collected from every five informal workers who used the services of the Registration Division at each District Office (10 participants for each 50 districts). Five of them had social security while the other five did not.

Data analysis

The percentage, mean, and standard deviation were found and the awareness of the social security system compared with t-test, and One-way ANOVA: F-test. Then, the difference of mean was tested using Scheffé's method.

The mean interpretation criteria were as followed in the Table 2.

Table 2. The mean interpretation criteria

Range	Attitude/Awareness
4.50 – 5.00	The most/Highest
3.50 – 4.49	Mostly/High
2.50 – 3.49	Moderate
1.50 – 2.49	Less/Low
1.00 – 1.49	Least/Lowest

Results

The results of the survey are generalized and systemized in the tables below.

Table 3. Quantities, percentages, and ranks of general information of respondents

Items	Qty.	Percentage
1. Gender		
- Male	253	50.60

- Female	247	49.40
2. Education		
- Uneducated	25	5.00
- Primary School	80	16.00
- Secondary School or Vocational Certificate	177	35.40
- Diploma or High Vocational Certificate	59	11.80
- Bachelor's Degree or higher	159	31.80
3. Age		
- Under or 30 Years old	158	31.60
- 31-45 Years old	158	31.60
- Above 45 Years old	184	36.80
4. Marital status		
- Single	206	41.20
- Married	294	58.80
5. Average Income		
- Lower or 10,000 baht/month	109	21.80
- 10,001-15,000 baht/month	164	32.80
- More than 15,000 baht/month	227	45.40
6. Social Security		
- Yes	250	50.00
- No	250	50.00

Table 4. Means, standard deviations, and levels of awareness of social security system of informal workers

Aspects	Social Security						Total		
	Yes			No			\bar{X}	s	Level
	\bar{X}	s	Level	\bar{X}	s	Level			
Context	4.00	.57	High	3.49	.66	Moderate	3.74	.67	High
Benefits	3.86	.64	High	3.35	.73	Moderate	3.61	.73	High
Total	3.93	.55	High	3.42	.63	Moderate	3.68	.65	High

Table 5. Comparison of means of awareness of social security system of informal workers of different genders

Aspects	Male			Female			t	Sig.
	\bar{X}	S	Level	\bar{X}	S	Level		
Context	3.70	.69	High	3.79	.64	High	1.40	.16
Benefits	3.58	.73	High	3.64	.74	High	.85	.40
Total	3.64	.66	High	3.71	.63	High	1.20	.23

Table 6. Comparison of means of awareness of social security system of informal workers of different ages

Aspect		Sum of Squares	df	Mean Square	F	Sig.
Context	Between groups	.341	2	.171	.383	.682
	Among groups	221.206	497	.445		
	Total	221.547	499			

Benefits	Between groups	.743	2	.372	.694	.500
	Among groups	266.105	497	.535		
	Total	266.848	499			
Overall	Between groups	.214	2	.107	.255	.775
	Among groups	208.156	497	.419		
	Total	208.370	499			

Table 7. Comparison of mean of awareness of social security system of informal workers with different marital status

Aspect	Single			Married			t	Sig.
	\bar{X}	S	Level	\bar{X}	S	Level		
Context	3.69	.66	High	3.78	.67	High	1.42	.16
Benefits	3.57	.74	High	3.63	.73	High	.85	.39
Overall	3.63	.65	High	3.71	.64	High	1.22	.22

Discussion

The findings revealed that the awareness of the social security system of informal workers in Bangkok was at a high level. Considering those who had social security and those who did not, it was found out that those who had social security had a high level of awareness, while those who did not have it had moderate awareness. One factor leading to such a result was that the data was collected from informal workers in Bangkok, with both those with and without social security in equal numbers. Thus, when considering between the two groups, the awareness level was noticeably different; informal workers who had social security had higher awareness than those who did not have social security. This was because paying for social security was insurance for an employed person outside the establishment or insurance for a self-employed person, or a “self-employed insurer”. This reflected that voluntary insurers considered reasons, incidents, or experiences from work based on perception and on thinking about the context and benefits of social security. Therefore, informal workers who had social security had a higher average awareness level than those who did not have it. This is in accordance with the research of Holmes & Scott (2016: 26-52), who reported that informal workers face high levels of risks, yet the majority are not covered by social insurance, and that, increasingly, a number of countries are extending social insurance to informal workers, and Sudtanom (2013: 14-49), who examined the entering into voluntary social security of informal workers in Samut Prakarn Province under Section 40, Social Security Act B.E. 2533. The results indicated that the main reasons were that they had positive attitudes, were confident that the social security system was secure under government operation, and it required low expense.

Additionally, the findings illustrated that there was no difference in the awareness of social security of informal workers in Bangkok of different gender, age, or marital status, both overall and by aspect. This was because they had trust and confidence, and realized the importance of the social security system. Similarly, the research of Chaiwarakorn (2000: 15-67) studied the knowledge and attitudes of the insurer towards the social security system in a case study of Pattani Social Security Office, and found that insurers who had different gender, age, and marital status had the same knowledge and understanding of the social security system. This was consistent with Boonraksa (2013:

56-98) who studied decision making in applying for insurance under the Social Security Act, B.E. 2533, Section 40 of informal workers in Muang District, Nakhon Pathom. The research results showed that informal workers who had different marital status had no difference in their decision making to apply for insurance under the Social Security Act, B.E. 2533, Section 40. Furthermore, Premsuraya (2001: 32-59) examined the factors affecting the decision making of taxi drivers in applying for social security under Section 40, Social Security Act, B.E. 2533, and found that the age and marital status of self-employed taxi drivers had no relation to the decision making on becoming insurers under Section 40. Luangchandavong (2012: 29-41) also studied the preparedness for entering the social security system of small enterprise in Vientiane Prefecture, Laos. She found that age, education, income, job description, and knowledge about social security of the employee had no impact on their preparedness for entering social security system. When considering by aspect, the trust, interest, and awareness of joining the social security system, including the age, education, income, job description, and understanding about social security of the employee, had no influence on their preparedness.

Conclusion

The findings illustrated that the awareness of informal worker of the social security system was at a high level. The awareness of workers who had social security was at a high level, whereas that of those who did not have social security was at a moderate level. Moreover, there was no difference in awareness of social security in terms of gender, age, or marital status, both by aspect and overall.

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