

Emergence of Myanmar Social Security Board

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Abstract

The constitution of the Union of Myanmar, 1947, included doing planning the insurance system for farmers and labours to support assistance. Additionally, in the 2-Years Planning of the Economic Department of Labour to establish an insurance system for labours. Then, the Department of Labour which is concerned with Social Security Board was built with the Department of Transportation and Construction in the Government Body which was built on 4th January 1948. The Social Security Board which is rooted in that time was built strongly stated from 1951-52 and has stood as an organization which always been eager to help the labour issues to the current time.

Introduction

After World War II, Anti-Fascist People's Freedom League (AFPFL) Government drew a two-year economic plan for the recovery of Myanmar's economy. In this economic plan, a social insurance system has been included to implement and protect the right of labour.

In consequence, chapter 8, session (10) of the 1948 Myanmar Economic Development two-year project has been enacted that "We must establish an insurance system to prevent various kinds of poverty with the aim of protecting the labours". In Chapter 3, Session (31) of the Constitution of the Union of Myanmar, the Constitution has been enacted that the Government has to do planning the insurance system for farmers and labours to support assistance at a convenient time by the policy and rules. Thereupon, it was proved that the Social Security Scheme is crucial in rebuilding the nation. Hence, it had been rooted to become Social Security System before the time of Myanmar's Independence.

The labour Act¹ was passed and amended. Social Security Scheme has been implemented for labour force although the Social Security Board has not existed particularly.

Social Security Scheme has laid down the policy regarding the labour's rights Myanmar government requested to help the technical assistant from International Labour Organization to implement the Myanmar Social Security Scheme. In 1949, Mr. M Strack,² the Head of the International Labour Organization³, discussed with the government of Myanmar to implement a Social Security Scheme after discovering the situation of Myanmar⁴. And then, the agreement for assisting was signed in Geneva on June 29th of 1951, after informing again to support to Director General of the International Labour Organization.

And then, Mr. D.S.Gerig⁵ and Dr. K.C E. Fischloutz⁶ who were permanent officers from International Labour Organization arrived in Myanmar from 5 March to 20 April 1952 and analyzed the situation of finance, economic status, the establishment of the industry, labour force and administrative sectors of Myanmar to draw a Social Security Scheme. And the Director General of the International Labour Organization summited a report to the Myanmar Government on August 15th, 1952. After the Government of Myanmar accepted the suggestion of the report, he started to draw a law and then informed the International Labour Organization

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¹ The History of Ministry of Labour, the ministry of labour, Immigration and population, 2018, Computer printing, page No.5-6, (Later it will be referred as "the History of Ministry of Labour")

² Mr. Strack

³ International labour Office (ILO) ILO was formed on the April of 11th, 1919. Myanmar became a participant country of ILO on 18 May 1948, after the time of Myanmar Independence.

⁴ The History of Ministry of Labour

⁵ Mr. D.S.Gerig

⁶ Dr. K.C E. Fischloutz

to give technical assistance to implement the Social Security Scheme. In consequence, the Director General of the International Labour Organization assigned the duty to Dr. E. Fischloutz.¹ Therefore, on 15 February 1954; he arrived in Myanmar to draw the executive policy for a draft of the Social Security Law and the Scheme and drew the 1954 draft law in cooperation with Myanmar representative group on March 24th, 1954. U Sein, the second Directive Minister of labour, cooperated as a special officer. On June 24th, 1954 in Geneva, the draft law was given to U Rarshit, the Minister of Public Housing and Labour.² Social Security Act, 1954³ was been enacted by Parliament on October 22nd, 1954.⁴ The Social Security Act was announced by the President with Act No. (76) on 22 October 1954. Then, from September 1954 to March 1955, U Sein, a specialist officer of Social Security and U Tun Aung, second manager from the government of labour communication Office, were sent to England and India to learn how Social Security Scheme was implemented.⁵ U Sein took the responsibility of administration deputy officer and U Tun Aung served as an administrative officer.

Dr. E. Fischloutz came back to Myanmar in 1955, March to implement Social Security Scheme in Myanmar in accordance with Social Security Act, then he drew Rules and Regulations. Administrative Professor Mr. Moss Dancerger⁶ from International Labour Organization participated to train in respective regions and to organize the groups to enquire about the promoting of the benefits.⁷

On 22 October 1955, the President of the Union of Myanmar assigned Social Security Board to implement the Social Security Act and the policy of its scheme and to monitor it according to Session 88(1) and 89(1), Social Security Act. Union Minister of Labour, U Rarshit was appointed as the president of the Social Security Board which included eighteen members according to gazette No.50 which was announced on 26th April 1955 by the Ministry of Labour, part of the Government Body.⁸

The President of the Union amended Social Security Act by Act No 50 on October 12th, 1955. The declarations from this Act were amended and enacted by the Ministry of Labour with Announcement No. 120 in 1955 on 15th October. Thus, although it was previously hoped to implement Social Security Scheme on 1955 1st October, it was denoted Social Security Act on 1955 on 27th, September.⁹ On 26th November 1955, Announcement No. 141 overwhelmed the announcement No. 120 and started from 1956 1st January, the Social Security Act 1954 was enacted in Yangon suburb regions such as Myoma Council of Inn Sein township, airport region of Mingalardone township, Kamaryutt township, Thamaing, Kanbae' and Thin Gann Gyun township.¹⁰ Accordingly, Myanmar Social Security Scheme emerged in 1956 after receiving Myanmar's Independence.

Myanmar Social Security Scheme and Social Security Board were placed under the Ministry of Labour. There were 18 leaders participated in the Social Security Board. They were: the minister of Labour took as the chairperson, (5) members from government representatives to take respective duties, (6) members from labour representatives of the Head

¹ Dr. E. Fischloutz

² The History of Ministry of Labour, page No. 11-12

³ Social Security Act, 1954

⁴ Social Security Report, 1954, page No.1

⁵ The report of Social Security Board 1954, page 17

⁶ Mr. Moss Dancerger

⁷ The History of Ministry of Labour, page 12

⁸ The History of Ministry of Labour, page 12

⁹ The report of Social Security Board 1954, page 4

¹⁰ The History of Ministry of Labour, page 13

of Labour Organization, (6) Employer representatives and (1) Myanmar Medical Council representative.¹

These include these persons: as the government representatives are the minister of Labour and as the head of the group leader, Director of Labour instruction, or deputy Director of Labour instruction, Director General of the inspector or Deputy Director General of the inspector Director General of the medicine or Deputy Director General of the medicine, the Union of General Administrative authorized person or the vice Union of General Administrative authorized person.

The six members of labour representative were from the Head of the Labour Organization. These representative labours were appointed by the President of the Union. The representative employers were also appointed by the President. The three representative employers who were out of six persons were from the government industry and another three participants were from private ownership. The representative from Myanmar Medical Council had to work in his clinic. The Head persons could be changed in a particular fiscal year.

Except for the permanent chair members, the duration of other head participants was limited to three years. On the other hand, the duration to serve the responsibility of the head leaders who are not government officers is also restricted to three years starting after the announcement of the appointment order. However, they could be designated again after the duration of their position.

The officers and staffs of the Social Security Board have to obey and serve their duty in accordance with enacted rules and regulations as well as in line with rule and principles of the department. They have to keep certain kinds of departmental secreted principles. In addition, they have to serve to be duty-bound with honesty and respect.

Social Security Board provides the following benefits² –

- (a) Medical care
- (b) Cash benefit related to sickness
- (c) Maternity benefits and its related benefits
- (d) Employment injury benefit and its related benefits
 - (1) Temporary disability benefit
 - (2) Partially permanent disability benefit
 - (3) Totally permanent disability benefit
 - (4) Survivor's pension
- (e) Survivor's benefit

Firstly, to start the planning and administrative activities, Professor Dr. E. Fischloutz from the International Labour Organization opened Social Security Office at the place of the Labour Care Center which is situated in Thakin Mya Park, Ah lone township. Secondly, it transferred to Labour Communication Office located in Lann Ma Taw.³ On June of 19th, 1955, Social Security Head Office moved to the corner of Darla Hosi Road (Bandula Road) and

¹ Ministry of Labour, Bulletin of labour, July 1956, volume 7, no. 7, Yangon, Government printing office, 1956, page 5

² Annual Report of the Social Security Board, 1956-57, page 7

³ The History of the Ministry of Labour, page 13

Botahtaung Road. And the office rooms were extended so the Head Office of the Social Security Board could operate its function.

The new office was opened with the permission of the Development of Firm land Corporation in 1957. During 1957-58, four new office rooms were received. These rooms were applied as contribution session of the Social Security Board Office and office rooms for five officers.¹

The building of Social Security Office has two floors. On every floor, there are three rooms with an “E” shape. The upper part is the Social Security Head office. Social Security Board ran its office rooms in one-six part of that building. There are seven small rooms.² At the time 1956-57 years, as the scheme was extended to Mandalay, meanwhile the numbers of staff also increased so it became so much work to do in this small office and seemed congested. It was really difficult to in and out of a person between one table and another. It was also hard to give a place for a chair for a clerk. Daily office activities were delayed due to the narrow office room. Besides, there was no place to give the insured persons who claimed for their benefits. It is also faced with hardship to find the record of each worker. Similarly, it is also difficult to look for the record of insured workers on the Social Security Board. The Public Housing Board established the building with five floors. It was situated at No 327/367, Mahar Bandula Park street.

In 1962, the Head office was moved to the new building. In 1958, Mandalay Municipal Area and Myit Nge region of Amarapura Township were covered by the extension of the scheme. In 1960, the Social Scheme extended to Tanintharyi Region, Ayeyarwaddy Region and Bago Region. In 1962, the Social Security Scheme has covered to Moneywa Township in Sagaing Division.³

In the Revolution Council of Government (1962-1974), on 1 March 1963: at the Inntaing villages of Insein Township, on 1 November 1963: at Hinnthada Township; on 1 January 1966, at Myingyan Township became under the Social Security Scheme. In the meantime the coverage of the Social Security Scheme is extended, it has been planned to widen the coverage to at least four townships in a year by adhering twenty-year long-term plan starting from 1971-72. It extended the coverage of Social Security Scheme to reach Sittwe, Pyay, Meiktila, Taunggyi, Pyinmana, Pakkhu, Taungoo, Sagaing, Myanaung, Myeik, Phyu, Maoopin, Myaung Mya, Pharamm and Lapattan townships during 1 November 1971 and 1 November 1974.⁴

During the Burma Socialist Programme Party (BSPP) government, by the directive from the 71st Meeting of Union Minister that was held on 4 November 1976, the coverage of the Social Security Scheme was extended up to sixteen townships with the rate of four townships in a year within a four-economic year started from 1978-79 to 1981-82. In the year 1985-86, it was also extended to another eight townships.⁵

At the period of the government of the State Peace and Development Council opened branch office no.1, Yangon; on 1 April 1994, Mandalay branch office no.2; on 1 September 1994, Yangon Regional office; on 1 April 1996, Mandalay Divisional Office; on 1 July 1966, Yangon branch office no.7 was opened in the area of branch office no.1; on 1 October 1996,

¹ Oakkar Mya, Social Security, page 31

² Oakkar Mya, Social Security, page 31

³ Oakkhar Mya, Social Security, page 33

⁴ The History of the Ministry of Labour, page 16-17

⁵ The History of the Ministry of Labour, page 26

Bago Regional office and Mandalay branch office no.3; on 1 December 1996, Yangon branch office no. 8 was opened in the area of branch office no. 4; 1 September 1997, another branch offices were opened in these townships such as Hlaing Tharyar, Shwe Pyi Thar, southern part of new Dagone, northern part of new Dagone, and on 13 December 2002, Kyaukse branch office; on 15 September 2003, Muse branch office were extended.¹

At that time, Social Security Head office ran its activities with five main departments, thirteen regional-level branch offices, 76 township-level offices, 95 clinics and 3 workers' hospitals.²

The function of medicine is necessary to give better health care as well as the extension of the coverage of the Social Security Scheme. Thus, Medical Department was established to take the function of the medical team. The Medical General Officer has to follow the general administrative rules of the administrative officer.³ The responsibility of the Medical General Officer is to monitor and direct medical activities and draw its related draft rule and regulation and identify the limited rate of health care for sickness, maternity and employment injuries, and open social security clinics, medical care center, to build new building for medical care, to draw the design for an office function, to arrange to seat for the insured persons when they come to the clinic, and to prepare essential medicine, medical equipment, and other concerned devices.

The responsibility of the Medical General Officer includes to recipe for the social security medical doctor, monitoring in applying the recipe, deciding whether to immunize or not from the General Insurance system or the right to take medical care which have planned by the employee; to contract with the employers for a medical treatment, to monitor and evaluate on the functions, to arrange the design of the forms for a medical certificate to give disability benefit, to see the history of medical care and other forms for social security doctors.

They also have to decide the unclear cases related to giving medical care, kind of treatment, and duration, and to allow enough time in line with rules and regulations for special issues. When the insured person is filled to take a medical checkup without reliable reason and to follow the instruction of the medical doctor, the administrative officer was requested to allow cash benefit or to stop it. Additionally, better methods for medical treatment have to suggest for the insured persons.

The suggestion of the agreement has to provide to the administrative officer for registering the list of sick persons and death, doing research submitted by the permanent committee, doing budget allocation for the salary of medical staff, taking the responsibility to spend the Funds planning the positions for Social Security doctors and medical staff, appointing the staff and also removing them. This is also the responsibility of the Medical General Officer to enquire about the complaint of the doctors and to serve other assigns in the necessary situation.

There are medical officers no (1) and no (2) apart from Medical General Officer. Medical Session (1), Planning Session, Medical Session (2), and Administrative Session are under the Medical Department. The departmental clinics from the B.O.C Department of Myanmar Railway, Department of Electricity (Yangon), Myanmar National Airline, Yangon Port organization, and the Board of workers form port run under the Medical Session (1). Under the Medical Session (2), Botahtaung clinic, Tarmway clinic, Innsein clinic, Thamaing clinic, and Ahlone Biopsy are included.

¹ The History of the Ministry of Labour, page 33

² The History of the Ministry of Labour, page 101

³ Social Security Rule, 2012, Chapter (4), Session 30, page 36

As well as the Social Security Scheme has been extended, the Medical Advisory Board has also been broadening since to support health support to insured persons. This Permanent Medical Board was organized to give the suggestions to Social Security Board to solve the problems of medical care according to Social Security Rule, chapter (1), session (13).¹ It includes twelve members. They are Director from Medical Department and medical related or Deputy Director selected by him as a member; a representative person from Myanmar Medical Council, the Head of Yangon Public Hospital or his representative; the Head of Yangon Defrin Hospital or his representative; a representative from Myanmar Doctors' Association, five senior Doctors selected by the President of the Union who are serving at the Public Medical Organization and another private two Senior Doctors. A representative person has to be selected to serves as a Chairman. The Medical Director General serve as a secretary of the Board.² The Head leader would be changed according to fiscal year.³

The Medical Advisory Board must support the recommendations for health and medical care to Social Security Board and Permanent Committee when they request it.⁴ The Board has the responsibility for identifying the list of occupational diseases, extending the rate of supporting medical treatment for the workers according to the principle enacted in the Act and rule, and supporting medical equipment after biopsy, enacting the rules to fulfill the necessary treatment, supporting medical checkup frequently, drawing the principle for prevention in health care, enacting the list of medicine to a recipe, taking actions and inquiry on accusing and complaints to the doctors, contracting with employers to support medicine, accepting the agreements with public and private representatives to arrange medical care; and serving other duty commanded by the Board, Permanent Committee, Directors General of Medical Department.

When the registered number of establishment and workers was increased in Social Security Scheme, the three labour care centers run their function under the Social Security Board. They are Ahlone Labour Care Center, Botahtaung Labour Care Center, and Khanato Labour Care Center. At these Centers, the family members of insured workers and other workers who were not insured in the Scheme can get medical care.⁵

Conclusion

Myanmar Social Security Scheme was implemented started form 1956. The significant fact of this Board is that it is organized by the cooperation of employer, employee, and the government. It can be assumed that the Social Security Scheme is the basic which can support the highest progress in re-establishing the Nation. Although there was a few pension fund, there was no private or nationwide insurance scheme for sickness, employment injury, or death, the employers and workers have the opportunity to enjoy medical care and cash benefit, by establishing Social Security Scheme and being registered compulsorily.

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¹ Department of Labour, in January of 19th, 1965, Order No. 9

² Social Security Rule, Chapter (3), Session 20 and 23, page 32-33

³ Social Security Rule, Chapter (3), Session 22, sub session (1) and (2) page 33

⁴ Social Security Rule, Chapter (3), Session 25, page 33

⁵ The Annual Report of Social Security Board, 1956-57, page 10

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