

# OCCUPATIONAL RISK

## *& the Urgency for Frontliner Protection*

Photo: World Bank / Henitsoa Rafali



By Research Management Center, INCEIF

Authors and illustrators:

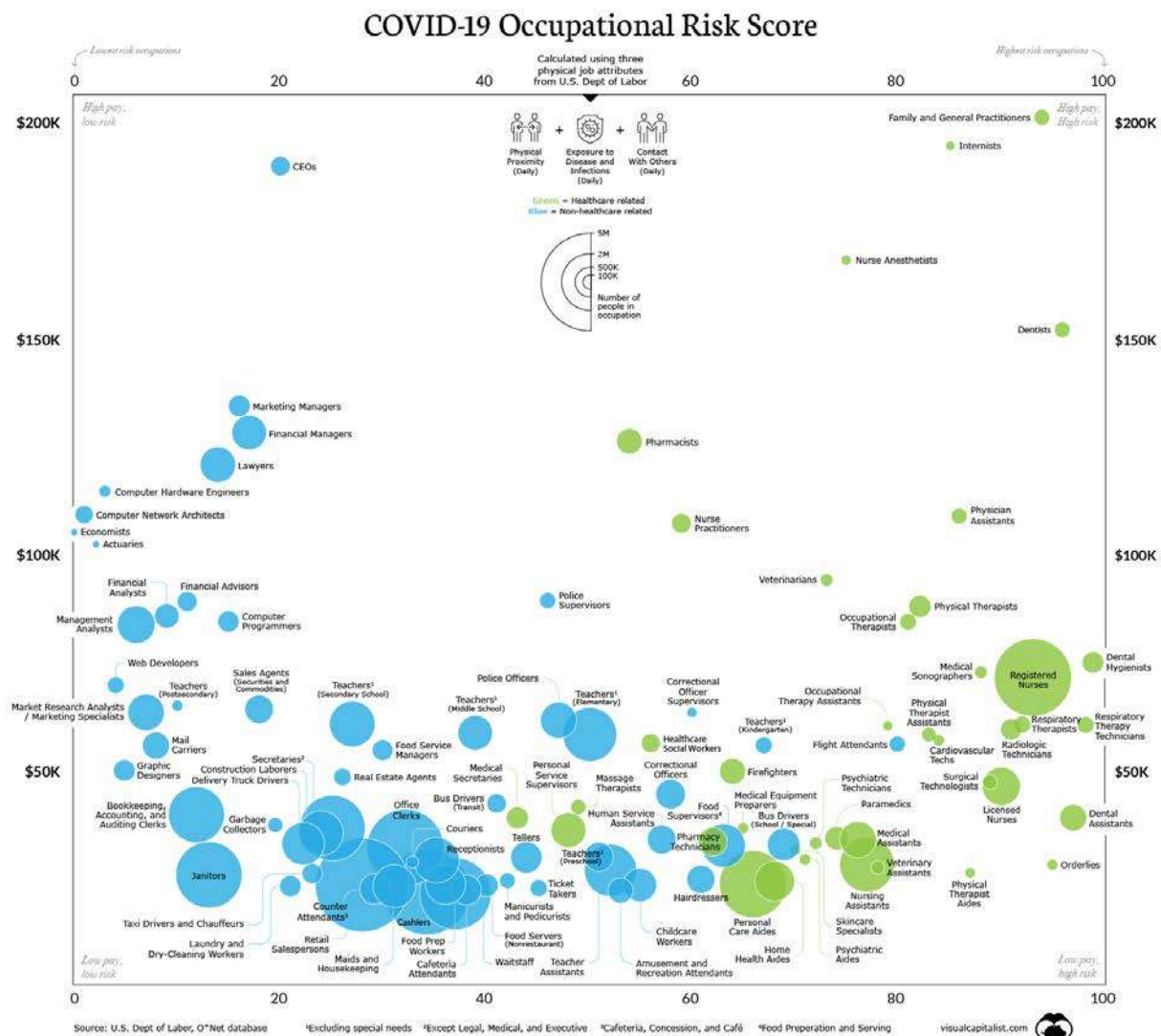
**Assoc. Prof. Dr. Baharom Abdul Hamid**  
**Asst. Prof. Dr. Ziyaad Mahomed**  
**Dr. Shinaj Valangattil Shamsudheen**  
**Wiaam Hassan @ Kamaruddin**

The Department of Labour in the US recently released their COVID-19 Occupational Risk Score. The statistics are based on their Purchasing Power Parity, the homogeneity of the job description and the risk of exposure to COVID-19. The figure above may be used to depict a more generic occupational risk correlated with salary grades, that are experienced internationally, including Malaysia.

The Occupational Risk Score can be divided into four quadrants:

- i. high income-low risk,
- ii. high income-high risk,
- iii. low income-high risk, and
- iv. low income-low risk.

Those with the highest exposure to infection include what is now termed as the 'frontliners'. These include doctors, nurses, and other medical officers and officials, police & army, and volunteers (RELA) entrusted to enforce the movement control orders (MCO). Immigration and other enforcement officers stationed at entry and exit points are also amongst those facing the highest levels of occupational risk.



Unfortunately, many workers continuing to operate during the MCO are often ignored. In the Malaysian context, these include the workforce providing essential services like those involved in the Gig<sup>1</sup> economy. Food and grocery deliverers, grab drivers and care givers all fall within the high-risk category.

Although lockdowns vary from country to country in terms of intensity, geographical location and listing of essential services, the Malaysian MCO may be classified amongst countries with a particularly strict and enforced MCO, and with good merit. However, this has not only exposed many to economic loss, but physical and emotional well-being due to exposure or the potential for it has also increased anxiety and trepidation in the frontliners.

1 The gig economy is based on flexible, temporary, or freelance jobs, mostly involving connecting with clients or customers through an online platform



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Photo: Universiti Malaysia Sarawak

*Figure 1: Frontliners against Covid-19. Let's Protect Them.*

In gratitude to frontliners that have much to lose yet continue to place their nation's interest above their own, it becomes a moral obligation and economic responsibility for those more fortunate to reciprocate. This reciprocation may be expressed first, through compliance with the MCO, by adhering to the restrictions in place except for necessary travel.

Spreading of information is also expected to be responsible, avoiding the dissemination and onward circulation of fake news.

The government has acted swiftly in introducing the movement control order with the intention of containing the pandemic:



Figure 2: Movement Control Order by Phases<sup>2</sup>

Furthermore, the government of Malaysia has taken commendable steps in introducing special allowances and incentives for those directly exposed or whose occupational risk due to COVID-19 is high, including:



Figure 3: The Incentives Given to Frontliners by Malaysian Government<sup>3</sup>

Frontliners have not only risked themselves but have also potentially exposed their loved ones at risk as well. In addition, workers that fulfil essential needs are often required to be physically present due to the nature of their jobs. Services that are offered from behind desks as support or operational staff may easily adapt to working from home using available technology. However, this is not true for many that earn a living through manual labour or work that requires the presence of the individual. These workers are home-bound, and fall in the 'low-income, low-risk' quadrant. Since they may not be able to earn a living during this period, they are most vulnerable to economic fallout, even though their risk exposure probability is also low.

<sup>2</sup> Source: CPRC, Ministry of Health, Malaysia , Illustration: Research Management Centre , INCEIF

<sup>3</sup> Source: Ministry of Finance, Malaysia , Illustration: Research Management Centre , INCEIF

To ensure that economic contraction remains within a recoverable range, the Malaysian government could consider the establishment of a short-term social contract with the more vulnerable groups, by offering financial assistance and support.

Beyond the financial assistance and allowance that the government of Malaysia has allocated for the most vulnerable group, further efforts are suggested to increase the support, ensure financial inclusion, and provide an additional safety net that would be reflective of a responsible government. Some considerations include:

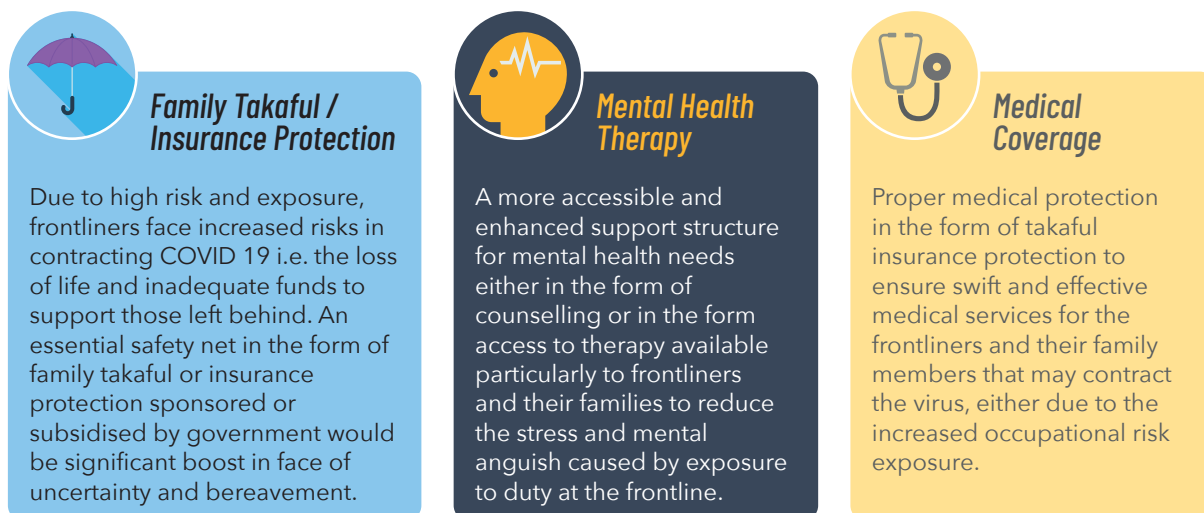


Figure 4: Some Considerations to Protect the Frontliners<sup>4</sup>

Frontliners are essential to the health of the general public. They are also the heroes that ensure the perpetuation and resilience of the Malaysian economy. They become a crucial component in reducing Malaysia's time to economic and social recovery, post pandemic.

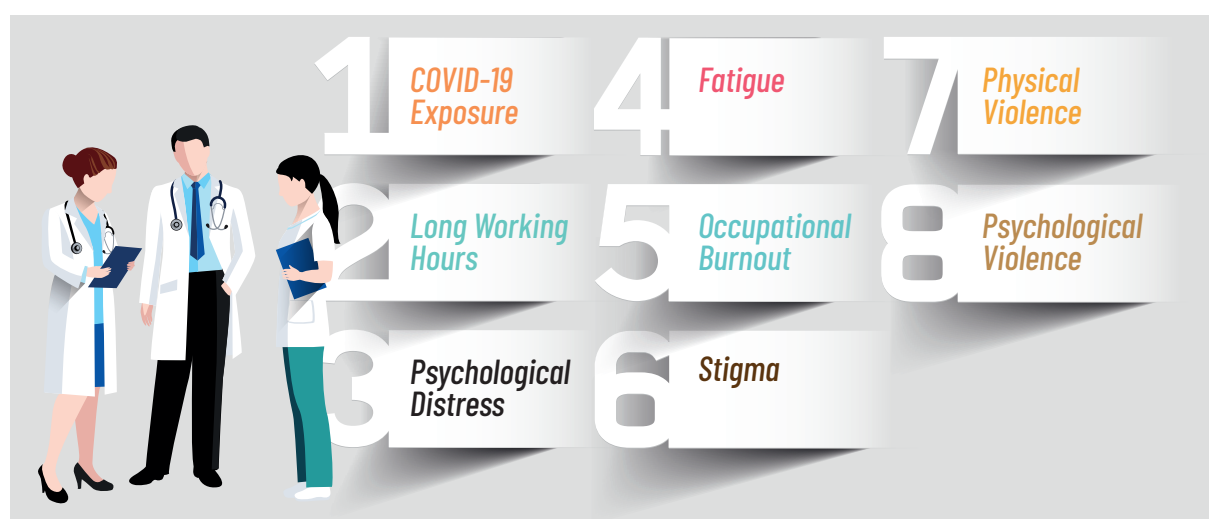


Figure 5: The Exposure Risk Faced by Frontliners<sup>5</sup>

4 Source and Illustration by Research Management Centre, INCEIF

5 Source: World Health Organisation (WHO), Illustration: Research Management Centre, INCEIF



Photo: Universiti Malaysia Sarawak

## COMPLIMENTARY TAKAFUL PROTECTION

In efforts to demonstrate appreciation to the frontliners, the government of Malaysia could consider complimentary takaful protection in collaboration with local Takaful operators. The subscription would be gratis. Simply, takaful (also known as Islamic Insurance), is a prominent pillar of Islamic finance, a financial system that operates according to Islamic law (*Shariah*). The concept of social protection is inseparable from Islamic principles and aims to improve social justice through wealth redistribution and fair financial dealings. Islamic social finance aims to fulfil the objectives of the *Shariah*, or the *Maqasid Shariah*, by providing protections for the most vital aspects of a harmonious existence.

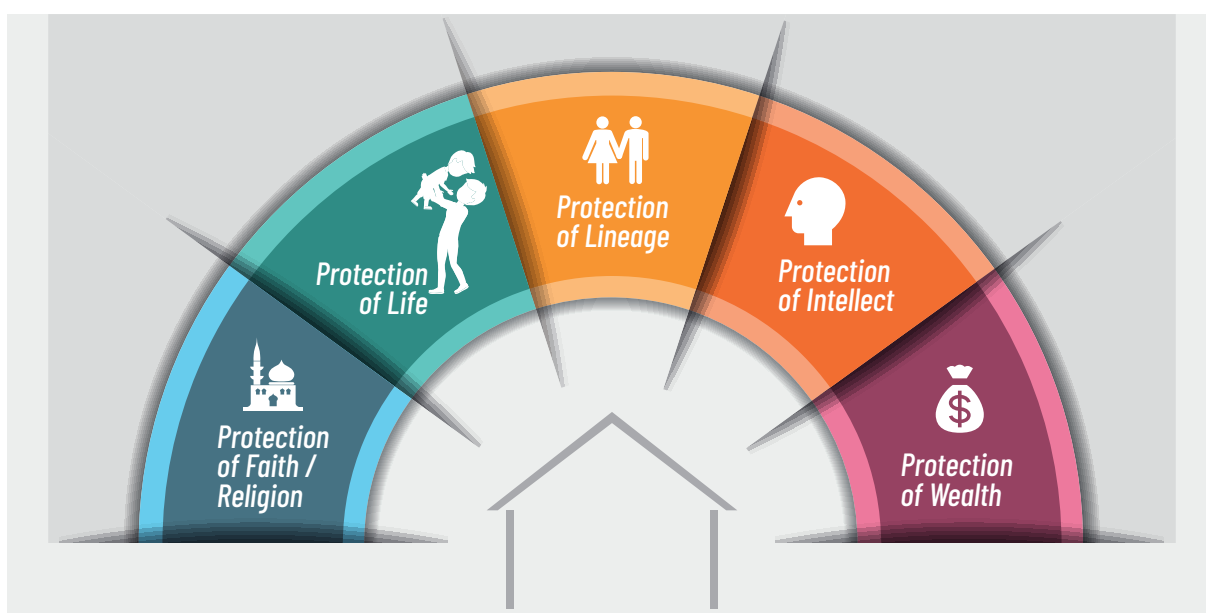


Figure 6: *Maqasid Shariah*<sup>6</sup>

6 Illustration: Research Management Centre, INCEIF



These peculiar ISF features are more sustainable and social impact focused, as they provide financial aid in the context of social disasters such as pandemics that threaten the quality of life and wealth. Hence, ISF instruments could be an effective shield to protect the frontliners and all those that may be impacted by the adverse effects of these unusual events. Proper and adequate takaful protection becomes necessary and vital to ensure financial resilience and security for this vulnerable group. This is also expected to reduce the levels of anxiety caused as a result of financial uncertainty arising from the pandemic.

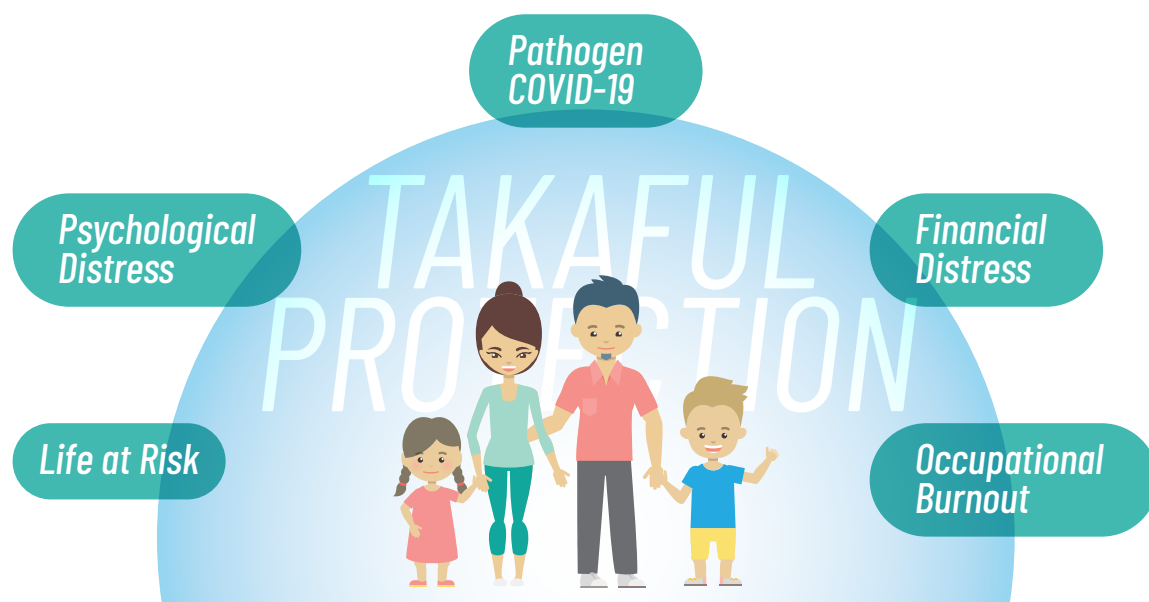


Figure 7: Takaful Protection for Frontliners and Their Families<sup>7</sup>

Mutual assistance and joint brotherhood form the underlying principles of the takaful concept. Since the objective is to have adequate safeguards that protect society in the face of adversity, solutions that incorporate synergistic and communal safety nets that integrate sophisticated risk estimations and economic impact, become crucial. Takaful-based solutions, therefore, may be explored further in the creation of financial and non-financial safeguards for communities.

7 Illustration: Research Management Centre , INCEIF