

Contributory Pension Schemes Offered by Social Security Board and Its' Impact on Well-Being of Elderly in Sri Lanka

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The social security pension benefit scheme introduced in 1996 play a vital role in respect of self-employment in the informal sector. However, the scheme has not gathered the momentum that creators expected for many reasons. Majority who joined the scheme at the beginning dropped out before completing commitments, attributing to various reasons. The paper investigates the impact of contributory pension on the well-being of informal sector elders who are beneficiaries of self-employed pension schemes operated by the Sri Lanka Social Security Board. Focus is to identify lapses in the schemes and reasons for dropouts. The research design included a field survey conducted in Kaduwela DSD, Colombo district. From a total of 1111 pensioners and dropouts, 150 pension respondents and 150 dropout respondents were selected using stratified random sampling method.

Elderly people in the research area show that pensions significantly impact the income and poverty status of themselves and their households. The survey data provide evidence that pensions enhance elder people's economic standing, social relations, life satisfaction and well-being. Significant observations were: low level of awareness among the self-employed community leads to low willingness to pay and lack of interest in the scheme increases the dropout number. In addition, irregularities in other government sponsored pension payments have caused reluctance in the minds of prospective contributors. Administrative problems such as lack of coordination between the contributors, root level supporting officers and the Social Security Board were identified. Insufficient numbers of field officers and their poor awareness about new policies and decisions on the scheme also contributed to the failure of this scheme. Therefore, suitable propaganda methods should be adopted to make awareness of the benefits of the scheme and to popularize the program. As Such the strategies adopted up to day warrants revamping to enhance the scope of awareness so far conducted to make same more relevant to the target groups. Furthermore the schemes meant for those in the 45–59 age group need be redesigned for same to be convincingly attractive to the would be contributors. Moreover, Social Security Board should avoid delays in issuing policy certificates, pension and insurance payment etc. Follow-up action should be implemented through the

Grama Niladari or Social Security Officers regularly throughout the year in order to improve the well-being of elderly who are emerging in large numbers in the 21st Century Sri Lanka.

Key words: *Contributory Pension; Elderly; Impact; Well-Being.*

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