

Bawa the Ambassador



MINISTRY OF
EDUCATION



SOCIAL SECURITY
AND NATIONAL
INSURANCE TRUST

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FOREWORD

This book is one of two reading materials designed by National Council for Curriculum Assessment (NaCCA) under the Ministry of Education (MoE) in collaboration with Social Security and National Insurance Trust (SSNIT) for use as supplementary readers at the junior high school (JHS) and the senior high school (SHS) levels. This title, *Bawa the Ambassador*, is for junior high schools, and *When My Father Fell Into Trouble*, is meant for senior high schools. Both supplementary readers are accompanied with a teacher's guide.

The primary aim of producing this supplementary reader is to inform junior high school students on social security issues with the view that they would apply the knowledge they acquire from reading in their future working lives. It is also to promote financial literacy among the students and make them change agents in their communities.

Although social security is already integrated in the current curriculum in relevant career subjects, this supplementary reader, being in the form of a story that relates to the everyday context of the Ghanaian society, will help pique students' interest in the activities of SSNIT, and social security matters in general, and aid their understanding of them.

Teachers are to assist and encourage their students to use this book. The accompanying teachers' guides will help to explain the key issues and concepts regarding social security as discussed in the book, including the laws and the technical terms involved where necessary. Teachers should adapt the recommended learning and teaching approaches in the guide to make their lessons enjoyable.

The Ministry of Education (MoE) is grateful to SSNIT for funding the development and printing of the supplementary readers and to the writers for a good job done.

Felicia Boakye-Yiadom (Mrs)
Ag. Exec. Secretary, NaCCA
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SSNIT Core Values



Professionalism

Ethical conduct, confidentiality and discipline



Leadership

Empowerment



Customer Focus

Service Excellence and Empathy



Commitment

Passion



Innovation

Creativity



Teamwork

Collaboration and Participation

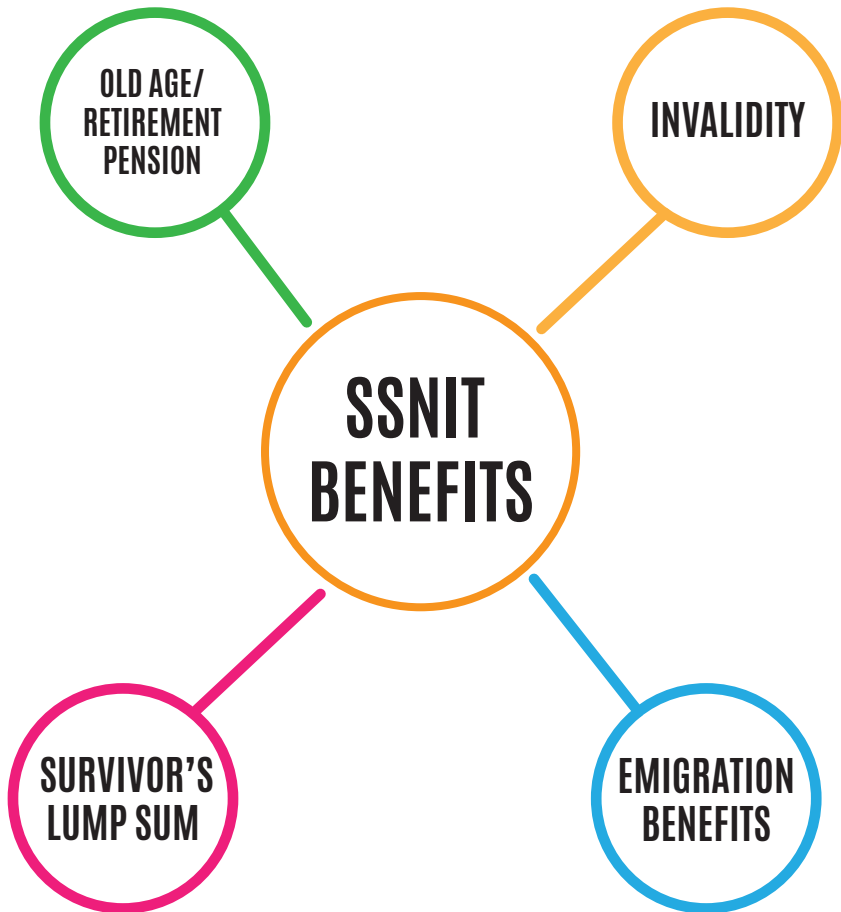


Integrity

Accountability and Transparency



SSNIT BENEFITS AT A GLANCE



SSNIT PENSION HOUSE



Chapter One

Bawa is Inquisitive

The dry November wind blowing indicated that the Harmattan was just setting in. It was a cool Saturday morning and Bawa who was in the first year in junior high school (JHS) had just finished doing his homework, supervised by his grandmother who was sitting close by. Bawa and his parents shared the home with his grandparents. Bawa's mother was a teacher in a basic school and his father a civil servant in Accra.

Every day mother and son left home early for school. Even on Saturdays there were classes but they were more relaxed. The weekend was therefore an opportunity to spend some quality family time together. Bawa enjoyed the company of his grandmother and so, having finished his homework, he was ready to chat with her.

Bawa had quite an inquisitive mind and liked to ask his grandmother questions. Grandma used to work with the Information Services Department (ISD) and therefore had a lot of information to share. She enjoyed passing her knowledge to her

grandson Bawa. She had patience for him and loved to satisfy his curiosity.

Bawa closed his exercise book and shot off his first question, “Grandma why don’t you go to work like my mother? She goes to work every day from Monday to Friday but you and Grandpa are always at home.”

Grandma laughed. She said, “Well, your Grandpa and I are on retirement. We need to have our rest after working so many years for the nation.”



Bawa was not satisfied with the simple answer.

“Then why wouldn’t my mother also go on retirement and rest, instead of coming

home late every day? She is always taking on extra classes, even going to school on Saturdays and coming home after three o'clock in the afternoon."

"Bawa, your mother is doing her best as a hard working citizen. She's only just started working. She is young and strong. She has many years to work before she goes on retirement too. Don't worry. Your mother will go on retirement when she is sixty years old."

Bawa asked further questions, "But where do you get money to buy things for us when you're not working?"

Grandma replied, "Because I'm retired I get pension every month."

"What is this pension and how can my mother also get it?" Bawa asked.

Remembering her days with the ISD, Grandma smiled and explained, "Pension is periodic payment made to one who is on retirement. The money I get at the end of the month is my pension. It is paid from the contributions I made during my working life. Everyone must go on retirement when they are sixty years. Sometimes a person may not yet be sixty but cannot work again because of

ill-health. Your grandfather for instance went on retirement long before he was sixty years because of ill-health.”

Talata, Bawa’s mother, came to bid them goodbye. She was on her way for extra classes at her school. Grandma rebuked her in a jocular way, “Talata, stop all these ups-and-downs and retire.”

They all laughed. Even Grandpa who was hoping not to be caught eavesdropping gave himself away when he chuckled and cleared his throat. “Atinpaga,” he called out to Grandma, “Are you sure Talata herself is properly educated on the SSNIT Pension Scheme?”

Talata did not wait for her father-in-law to continue. She quickly chipped in, “Oh, last Friday an officer from SSNIT visited our school and his visit seemed to have created problems for our proprietor. The officer was wearing a SSNIT-branded polo shirt and he spent quite some time with the proprietor in his office. When they came out I noticed the proprietor looked confused and troubled. It appeared all was not well with him. Anyway, I am getting late, so let me run. The students will be waiting by now.” Talata turned to go.

“What is SSNIT, Grandma?” Bawa asked, even before his mother closed the door. “Are they the people paying you the pension money? Where are they? Are they in the bank where you collect your money from?”

“Oho! quizmaster Bawa, your questions are too many. You won’t even give me time to answer,” Grandma complained. “These days I wonder what they teach you in school. You’re in JHS 1, your teachers should have taught you about SSNIT by now. But as your Grandpa observed, they themselves might not know much about SSNIT. Anyway, I’ll give you answers to all your questions, but let me attend to your Grandpa first. He has not yet taken his bath.”

Chapter Two

What is SSNIT?

Now it was time for Bawa to attend his Saturday classes. He set off, his mind full of questions about SSNIT. At school, Bawa went straight to his English teacher, saying, “Madam Nkuma, good morning. Please what is SSNIT?”

Madam Nkuma was a very good teacher who was always ready to explain things to her students. Immediately she said, “SSNIT is the acronym for Social Security and National Insurance Trust. It is the organisation in charge of managing and administering the Basic National Pension Scheme in Ghana.”

Bawa nodded.

“But Bawa, how did you hear of SSNIT?”

Madam Nkuma asked.

“They have been paying money to my grandparents who are on retirement,” replied Bawa.

“Oh, I see,” the teacher said. “There is much more you need to know about SSNIT, but leave that to me. I will organise a programme here for



all of you JHS students to learn about SSNIT and what they do.”

Assured that his curiosity would be satisfied, Bawa settled down with the rest of his mates for the day’s lessons.

By the next Wednesday,

Madam Nkuma had been able to arrange to have some officers from SSNIT to come to the school and educate them on the SSNIT Scheme. She first broke this news to Bawa before telling the rest of his mates.

Bawa beamed. He was very excited. “What time will they be here, Madam?” he asked.

“Soon after morning assembly,” she replied.

While they were still talking a SSNIT branded pickup and a branded red saloon car pulled to a halt on the compound, just as the bell went for morning assembly. Bawa was standing beside the teacher's desk, listening to her. The rest of the students started running out of the classrooms to the assembly ground.

"Well, today is your day, Bawa," Teacher Nkuma said. "As you can see the Branch Manager of SSNIT is here already with his officers to give a presentation to educate all of us." She went on, "At a staff meeting, we agreed that you should be the SSNIT Ambassador in this school since the idea for them to be here came from your eagerness to know more about SSNIT.

"The presentation is going to take place this morning. It will be announced at assembly that you are the chosen Ambassador for SSNIT. I want you to walk confidently when you are called to come forward. Now run and join your classmates."

This was real music to Bawa's ears. Grinning from ear to ear, he ran off to join his mates. The assembly was in session on the big compound in front of the administration block. All the teachers

were standing in the front facing the students who stood in neat lines according to their classes. The headteacher Mrs Atiso, tastefully dressed in her stylish kaba and skirt, appeared from the rear to join her staff. She always delivered the final announcement before the students marched to their classrooms for the day's lessons to commence. Today she appeared to be excited as she stepped forward with measured steps, and said in a clear, melodious voice, "Good morning students."

The students chorused in return, "Good morning Madam."

Their headteacher always had a serious appearance and was strict but she looked approachable today, beaming all over. There was excited murmuring among the students who were anticipating some good news. She waited for silence to prevail before speaking again. "Today we have officers from the Social Security and National Insurance Trust, which is popularly known as SSNIT. They are here to educate us on the National Pension Scheme. You are all going to be workers in the near future. You need this education about what SSNIT does to guide you during your



working life.”

The students were all listening attentively when Mrs Atiso turned towards the Form One class and called gently, “Bawa Kudewura.”

“Yes Madam,” Bawa responded.

She said, “Come forward and stand by me.”

Bawa trotted to the front and stood by the headteacher.

“My dear students, our Bawa is a good example of a student who wants to learn,” the headteacher said. “As students you must not restrict yourselves to only what is taught in the classroom. You should explore for more knowledge from your teachers,

family and friends. Bawa heard about SSNIT and wanted to know more about the organisation. So they are here to educate all of us today. We have therefore chosen Bawa as the SSNIT Ambassador of this school.” There was a long applause at this announcement and shouts of, “Bawa! Bawa! Bawa the Ambassador!”

“Yes, Bawa is our SSNIT Ambassador,” the headteacher repeated. “Now, you are all going to be agents of change in your communities. Therefore, pay attention to what the officers from SSNIT will tell us. You will learn and carry the message to your families and friends alike. So, you should all go to the school’s assembly hall immediately after assembly.”

The students were dismissed and they marched away to the assembly hall which had neatly arranged chairs. It was used for long meetings and entertainment. Many of them admired the SSNIT branded vehicles which were parked in front of the assembly hall. Bawa and some of the students assisted the SSNIT officers to collect learning materials from the pickup truck and carried them into the hall.

The teachers were standing in twos and threes discussing the functions and activities of SSNIT. Many of them did not have enough knowledge about the scheme.

“Have you been checking your contributions with SSNIT?” one teacher asked his colleague.

“No, I think I should go for my statement,” the other teacher replied.

Soon the headteacher entered the assembly hall with the visitors. They all took their seats at the high table without any delay. Teachers and other non-teaching staff of the school took the front seats in the hall. Introductions were brief as the agenda for the occasion was already clear. Both students and staff were expectant.



Chapter Three

Securing Your Future

The three SSNIT officers were introduced as Mr. Asante, the Branch Manager, Ms Gariba, Public Education Officer, and Ms Lamptey, the benefits officer. The Branch Manager was the first to speak.

He said, "I want to thank the leadership and students of this school for inviting us to talk about SSNIT. We also came along with two SSNIT Ambassadors, who will share their experiences with us. Social security is a public programme that society has established to provide income protection for its members in the event of loss of income. Income is lost as a result of certain situations such as old age, invalidity or death. Social security is the state's assistance to those who have lost their income."

Mr Asante stressed that the main benefit provided under a social security package was money to beneficiaries. According to him, the money or the income was to assist the beneficiary, who because of invalidity or old age cannot continue to work to earn a living. Then he called on

Ms Gariba to continue with the presentation.

“Thank you sir,” she said and turning to the students and teachers continued, “What I would like to add is that social security is so important that every society must ensure that its members have it. Because of the pressure to provide for our immediate needs such as food, clothing and shelter, very few people under normal circumstances set aside money to take care of future health bills and provision for old age.”

Both the students and staff were quietly absorbing everything that was being said. Ms

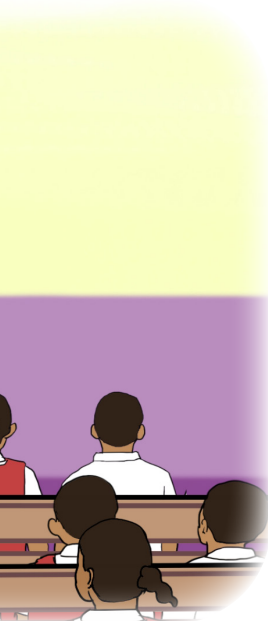


Gariba went on, “Meanwhile, nobody knows what will happen in future. Because of that, societies and governments all over the world recognise the need to have a social insurance programme to ensure that citizens contribute to a fund to secure their future. Without social security, citizens who suffer loss of income could fall into severe hardships. They may become destitute and be an embarrassment or a nuisance to the society. The active involvement of society and, specifically government, in the provision of social security is necessary. This ensures that vulnerable groups, that is, those people who can easily be harmed, are well covered in any social security arrangement.”

The manager took the floor again. He said, “Thank you Ms Gariba. I am sure we are all learning a lot of things about social security today.”

“Yes, we are,” the students and staff responded.

“Great. Now let us look at the benefits contributors stand to gain by being members of SSNIT in more detail. As I



said initially, social security is a programme to benefit the public. It provides income protection for contributors in case of occurrences like old age... and what else?" he asked the audience.

Bawa raised his hand. "Yes Ambassador Bawa?" the manager said, smiling.

Bawa said, "The other situations are the death of a breadwinner, invalidity or illness, like in the case of my grandfather."

"Good, thank you Bawa; you will be a good SSNIT Ambassador indeed. As I have explained, the benefits provided under a social security package come in the form of money to the beneficiaries. This money or income is to assist the beneficiary who has a total disability or is old and cannot work, to get an income. Is that understood?" he asked.

"Yes sir," his audience responded.

"Okay. Now, there are four main benefits a SSNIT contributor stands to gain. We have the Old Age Pension, Invalidity Pension, Emigration Benefit and Survivor's Lump Sum Benefit which is paid to nominated survivors of contributors when they die." A pension is a fixed amount of money

paid regularly to a person who does not work anymore following retirement from active service.

The manager paused briefly and continued. “Now where does this regular payment to retired persons come from? There is a scheme to which a worker and his or her employer contribute during the person’s active working life. A social security scheme is an official plan intended to help people. So for the pension scheme, both the employee and the employer make contributions toward a pool of funds set aside for the workers’ future benefit. The money that is collected into this pool is then invested on behalf of the employees. When we talk about investment, we mean the money is put to work to gain profit. The investment grows the money and allows an employee to receive benefits upon retirement or disability.”

The manager paused to let his explanation sink in. He then beckoned Ms Lamptey, the other lady in his team, to join him. He said, “At this juncture, I want to hand over to my colleague to explain the various benefits of the pension scheme one by one to us.”

Chapter Four

Benefits of SSNIT Membership

Ms Lamptey said, “Thank you sir,” and turned to the audience. “As my manager has said, the four main benefits for contributors under the SSNIT Pension Scheme are:

- (i) The Old Age or Retirement Pension
- (ii) The Invalidity Pension
- (iii) The Survivor’s Lump Sum
- (iv) Emigration benefits

Now let me explain. There are two types of Old Age Pension, namely, the full pension and the reduced pension. If you are a contributor you qualify for the full pension when you are 60 years old, and have made contributions of, at least 180 months. That means that throughout your working life, if you contributed money to the fund every month for at least 15 years, you would qualify for full pension when you reach 60 years. Isn’t that a very good deal for contributors?” she asked.

“Yes, it is,” the audience responded. She went on. “On the other hand, a contributor gets a reduced

pension if he or she retires between fifty-five and fifty-nine years but has made the same minimum SSNIT contributions of 180 months or 15 years.”

She paused briefly and continued, “When it comes to the Invalidity Benefit, age does not apply. All that is needed is that the contributor has been declared permanently ill by a medical board and therefore cannot do normal gainful work. That person should have made a minimum of 12 months’ contributions in total to SSNIT within the last 36 months of being declared permanently ill. “In other words,” she continued, “if the person has contributed for 12 months in aggregate to the scheme in the last three years before he or she became invalid, he or she would qualify for Invalidity Benefit.”

Mr Asante stepped forward and chipped in, “Yes, we only have to make sure that people do not come up with false claims for the Invalidity Benefit. Now Ms Gariba will talk about the last two benefits.”

Ms Gariba came forward and said, “The last two benefits are what we call the Survivor’s Lump Sum and Emigration Benefits. Regarding the Survivor’s Benefit, it is one, big, fat sum paid to the children and families of a contributor or a pensioner in the



event of death. It's just like an inheritance. That is, it is paid to a contributor's dependants when he or she dies before retirement or when a pensioner dies.

It is important for us to bear in mind that, when a contributor dies having made at least 12 months' contribution within the last 36 months before death, a lump sum payment of the total pension for the deceased member will be made to the nominees.

However, when the death of the member occurs before making the 12 months' contribution within the last 36 months, a lump sum equal to his total



contributions plus interest will be paid to the nominees.”

Now she paused to look at the faces of her audience, “I hope I am understood?”

One teacher raised up his hand. Ms Gariba said, “Yes? Do you have a question, sir?”

He said, “Could you please explain the Emigration Benefit? Thank you.”

“I am happy you are getting more curious,” said Ms Gariba.

“Emigration Benefit is a type of benefit that a foreigner earns when he

or she contributes to the scheme and is returning permanently to his or her home country. I hope you understand now.”

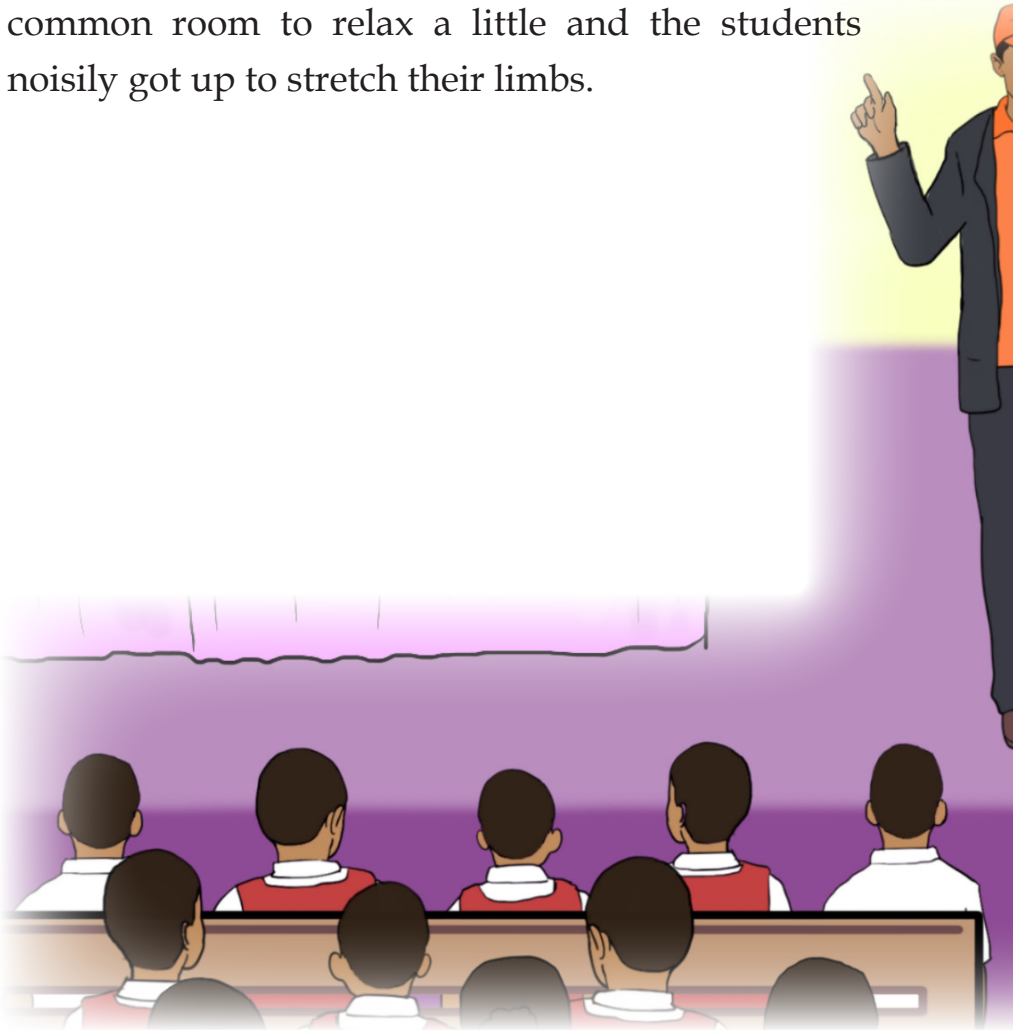
“Yes, Madam,” the students replied.

She gave them the thumbs-up sign with both hands, giggled and said, “Okay, that’s it then.”

“Yeah, well done,” the manager congratulated her. Then turning to the audience he said, “That’s all for now. We will have a workshop next, where we shall take some more questions. We shall also

officially acknowledge the SSNIT Ambassador for this school at the workshop. And then we shall give you all some flyers and souvenirs to remember our visit. So thank you and see you at the workshop.”

The headteacher led the team out to the staff common room to relax a little and the students noisily got up to stretch their limbs.



Chapter Five

The Workshop

After a fifteen-minute break, everybody got back into the hall. The students were separated into three groups for the discussions. Each group had a SSNIT officer and teachers were assigned to them. Each group had leaflets about SSNIT and reference materials to help the discussions. Within each group there were further divisions of three smaller groups. This was to ensure that every student took part in the discussions. Each group was to think about the issues raised in the earlier presentations by the SSNIT officers and write down any questions they may have for the officers to answer.



Twenty minutes were allocated for the group discussions. First, the smaller groups met for a few minutes to discuss and put their questions together for discussions in the larger groups. Each of the smaller groups selected a leader who wrote down their questions. When they got together into the three main groups, each group again selected one leader among the three leaders to write down their questions. Three teachers acted as moderators for the three main groups. That is, the teachers made sure that the discussions went on well without getting out of hand.

After the group discussions, everybody came back together again with questions for the SSNIT team. The three leaders from the three groups came forward to read out their questions. Bawa was the leader of the JHS 1 students, a girl, Afiba led JHS 2, and another boy, Elorm, led JHS 3.

The headteacher was back for the question and answer time. She looked at the three leaders standing to her right and addressed the gathering, "I can see the group leaders are ready with your questions. The SSNIT officials are also ready to answer as many questions as time will allow.

Your teachers will continue from where the SSNIT officials will leave off. What we are going to do now is, every leader, starting from Bawa, will ask one question first, and our SSNIT officials will answer each of them. Then the leaders will begin another set of questions.”

She then made way for the Branch Manager to take over. He was greeted with a round of applause.

Mr. Asante said, “Right, we want to hear your questions now. Let me assure you that my team will address all your challenges and concerns as much as time will allow. In fact, I know most of your questions will have their answers in the leaflets we have provided. So later you can refer to those leaflets and be more informed.” He turned to his team and said, “Okay ladies, over to you.”

Ms Gariba moved to the front and said, “Alright, your first question.”

Bawa asked, “Some of us students are fifteen years and above, can we also come to your office to register and get a social security number?”

“No,” Ms Gariba replied, wagging her right forefinger. “It is true that the minimum age at which one can contribute or become a member of

the Scheme is 15 years, but you should be working and receiving income. I think, as students you are not ready to work yet, you need to focus on your books. This will help prepare you with essential knowledge and skills for good paying jobs in future. Good income will mean that your monthly social security contributions will also be high during your working life. And that, my dear students, will give you a good pension in your retirement. But if you are



working or you are an apprentice and you receive some income, then of course you have to register.”

Afiba had a question from the JHS 2 group, “How is a person nominated to become a beneficiary, and how will I know I have been nominated as a beneficiary?”

“This is also an important question,” Ms Gariba said. “Usually when registering into the SSNIT Scheme, one is made to nominate his or her dependants. So the nomination is done when filling out the registration form. The nomination can be updated as and when the contributor’s situation changes. Otherwise the contributor is obliged to review the nomination every five years.”

Elorm, on behalf of JHS 3 asked, “How are you able to know how much to pay someone who is on retirement?”

Ms Lamptey came forward. She said, “Let me answer that for you. We have what we call the pension right. By the time you go on retirement you would have earned a pension right which is based on the number of months you contributed. You have all done averages in Maths right? Okay, we multiply one’s pension right by an average of their

three best years' salary to arrive at the amount due to the person."

Each of the three leaders was able to ask two more questions before the question-and-answer session was brought to an end. Mr Asante thanked his staff for answering all the questions well, and then turned to address the school again. "I told you I have brilliant officers to answer all your questions. Was that not true?"

"True," the audience responded.

Chapter Six

The Ambassadors Speak

The manager said, “Good. Now we have come to another important part of our work here today. Let me tell you about a retired teacher, Kwamena who was teaching in a senior high school. He worked for forty years and ensured that his SSNIT contributions were paid. Today on retirement, he is enjoying a good pension and according to him he is very satisfied. He has therefore offered to speak about his retirement experience at SSNIT engagement platforms. He has become a SSNIT Ambassador. As we speak, he has gone with some SSNIT officers to Damongo JHS to share his experience.

We invited two other official ambassadors of SSNIT to come with us and share their stories with you. Without wasting too much time let me introduce you to Mr Forson and Madam Kabuki. Let’s welcome them with a round of applause.”

The audience clapped loudly as the two people, a tall man and a woman in a wheel chair moved forward. “Now I want you two to tell our audience

your stories and how you came to be SSNIT Ambassadors,” the manager told them.

The man spoke first, “My name is Ato Forson. I am forty-five years old. I am a driver and a bus owner. About ten years ago, a man I knew very well had an accident and died instantly. It was a very sad event, but the good thing was that, he had been contributing to SSNIT, so his wife and children received Survivor’s Lump Sum from SSNIT and that money has helped the man’s wife and children up to today.”

The audience started clapping. Mr Forson continued, “I was only a driver so I was not contributing to SSNIT. But seeing what SSNIT did for the man’s family I went to their office and said I wanted to register with them so that in case anything unfortunate happened to me, my wife and children would not suffer.”

The audience started murmuring. Mr Forson said, “Yes oh. My eyes had been opened. The SSNIT officers informed me that since I was self-employed as a driver, I could voluntarily join SSNIT so they could register me. I quickly went ahead and registered. And since then I have always



paid my contribution.

“Not only that, recently I was made the drivers’ union chairman at my station. And I used my experience to convince all the drivers under me to register with SSNIT. Today,

they are all very happy contributors. So seeing my seriousness about SSNIT, their managers called me one day and said they had decided to make me their ambassador.

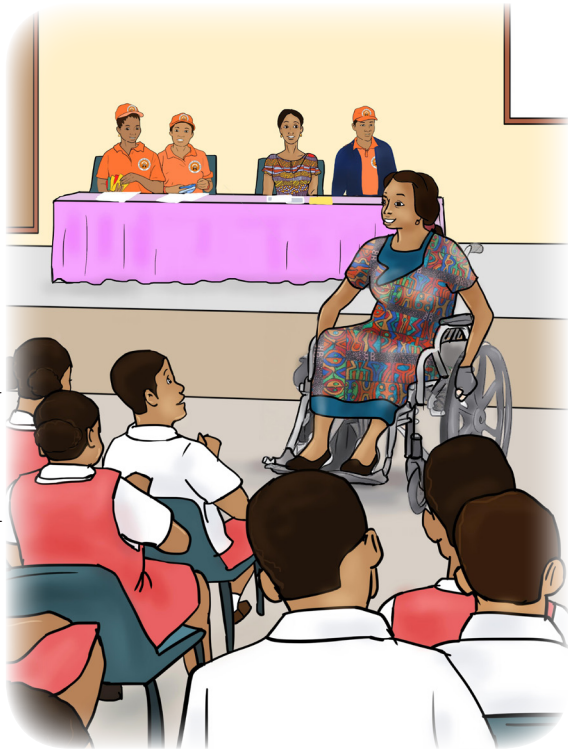
“I thought, why not? So that is how I became a SSNIT ambassador and I am very proud I am one because it is a good cause,” he concluded.

As the audience’s applause ended, the lady in the wheel chair began to speak.

“My name is Kabuki Ocansey. As for me, I am only lucky to be called a SSNIT ambassador today. I was also self-employed as a seamstress and in fact I was earning very good money. But I didn’t think I should register with SSNIT and contribute to their scheme. Then the unfortunate thing happened. I fell down the stairs of a storey building and broke my backbone.”

“Ohhhh!” the audience cried.

She continued, “I became paralysed and was told I would not be able to move my limbs. A few years after I was discharged from the hospital I spent all the money I had and became so poor that even



what to eat was a problem. I had no choice but to go on the street and beg for alms. It was while begging on the street that I came across a good man who asked me what had happened to me. I told him my story. Then he asked if I had registered with SSNIT, and I told him I hadn't. He explained that I would have been enjoying Invalidity Benefit if I had registered with SSNIT. He asked if I could use my experience to advise other people not to make the same mistake. Little did I know that I was talking to one of the managers at SSNIT.

“He turned me into a SSNIT Ambassador and offered me the opportunity to use my story as a lesson for others. So when you young ones grow up, whatever you find yourself doing, try to register with SSNIT and contribute to the fund. It is very important. Again, when you find yourselves in employment, insist that your employers pay your SSNIT contributions,” she concluded.

The SSNIT Manager stepped forward again and thanked the two ambassadors for their contributions. Then he turned to the audience. “As you can see, our ambassadors share their experiences during public education on social



security. Today we have one ambassador to officially name right here, right now. Shall we invite Bawa here?" he called.

Bawa went to the front to stand beside the manager.

"Now, I understand Bawa is the one whose intelligent questions made your school invite us here today. Bawa has therefore been chosen as our ambassador, and we are proud to have him represent us in this school and wherever he goes. We have an interesting package for him. But that will come later, when we get to meet his parents.

Right now, we have this parcel of goodies for him. Please give him a round of applause,” the SSNIT Manager said as he presented Bawa with his parcel. The people clapped for Bawa. The SSNIT Manager called the other two group leaders as well and handed them similar parcels. “We have two more parcels to give away. This time, any of you students who will answer a question correctly will have one. My first question is, at what age does one qualify for full pension?”

“At age 60,” one JHS 2 boy answered and went for one of the two remaining parcels.

“Mention any one procedure we follow to ensure that people do not use false claims to enjoy Invalidation Benefit,” the SSNIT Manager asked.

“Invalid persons need to be certified by the medical board,” one of the JHS 3 girls answered eloquently, and went for the last parcel.

The manager thanked everyone present for a successful programme and assured them that the team would always be available to answer any questions they may still have.

The headteacher thanked the manager and his team for the education. She called the girls’ prefect

to give the vote of thanks. The school chaplain then prayed to bring the programme to a close.

So, dear reader, that was how Bawa became a SSNIT Ambassador. Bawa made himself very useful to his school because he had an inquiring mind. He liked to ask questions. It is very important that when we have questions we ask



them. Even when you think people may say it is a silly question, don't worry. Ask anyway. By asking questions and getting answers, we become more knowledgeable. Because Bawa asked questions, in the end, the whole school learnt a lot of things about SSNIT. I am sure you have learnt a lot yourself. Now let me recap some of the things we learnt and also give you a little more information about SSNIT that you need to know.

Chapter Seven

History of Social Security in Ghana

The Social Security and National Insurance Trust (SSNIT) simply called 'The Trust' was established in 1972 under NRCDC 127 to administer the National Social Security Scheme. Prior to 1972, the Scheme was administered jointly by the then Department of Pensions and the State Insurance Corporation.

The Trust administered the Social Security Scheme as a Provident Fund Scheme until 1991, when The Trust converted to a Social Insurance Pension Scheme, governed by the PNDC Law 247. The Scheme was reformed by an Act of Parliament, Act 766 of 2008 and was implemented in January 2010 to replace all pension schemes in Ghana including Cap 30.

Act 766 makes provision for a contributory 3-Tier Pension Scheme and the establishment of a National Pensions Regulatory Authority (NPRO) to oversee the administration and management of the Pension Schemes. Under the Act, SSNIT is to manage the basic National Social Security Scheme

referred to as the 1st Tier of the contributory 3-Tier scheme. In this regard, SSNIT is actively operating to promote the economic security, including income protection, social life and health support as well as dependant relief in case of untimely death.

The core functions of SSNIT are:

- Registration of employers and workers
- Collection of contributions
- Managing records of workers
- Managing the funds of the scheme
- Processing and paying benefits to eligible members and declared dependants.

SSNIT operates a Social Insurance Scheme to which members contribute during their working life. In return members receive benefits in the event of old age, invalidity, emigration, or in case of death, a survivor's benefit for their dependants. The Social Insurance Scheme is financed through employee and employer contributions. The employee when registered under the Scheme contributes only 5.5% of his/her basic salary and the employer supports this with 13% making a total of 18.5% for the employee. Out of the 18.5%

contribution,
13.5% is paid to
SSNIT and the
5% to 2nd-tier
fund managers.
Membership
of the Pensions
Scheme is
opened to
all workers
employed in
establishments
and institutions.
The Police and
other security



service can also contribute. But officers and men
of the Ghana Armed Forces and those expressly
exempt can not contribute. The Scheme is however,
currently optional to the self-employed. The self-
employed contributor is responsible for the full
payment of the 18.5% of his/her declared basic
salary. It is to be noted that any person at the age of
15 years (allowable minimum age) and above can
walk into any SSNIT office in the country and get

registered if he or she declares a basic salary.

In 2014, the National Pensions (Amendment) Act, Act 883 was passed to amend portions of Act 766. This introduced Emigration Benefit for foreigners who contribute to the SSNIT scheme and will have to return permanently to their home country.

It is compulsory for every employee, apart from the self-employed, to register and contribute to the mandatory Social Security Scheme. After registration, each employee of an establishment or institution shall have contributions made on their behalf to the Scheme. Also, every member is to ensure that he or she is registered under the Scheme and issued with a membership number. Contributions are then paid on behalf of such employees by their employers to the Trust. If, on the other hand, the member is self-employed, he or she is required to regularly pay his or her contributions to the Trust. Every member of the Scheme is expected to keep only one Social Security number throughout his or her working life. The member is also required to ensure that the right contributions are paid on monthly basis. Benefits

paid to members are dependent on the salaries on which contributions were made.

Remember to encourage your parents to make sure their employers pay their SSNIT contributions. If they are self- employed they should still make their monthly contribution payments.

GLOSSARY

- Acronym** – a word made up from the first letters of the name of an organisation, e.g. SSNIT
- Beneficiary** – Is one who enjoys benefit payment(s) from SSNIT
- Destitute** – having no money, no food, no home, etc.
- Essential** – completely necessary
- Genesis** – beginning
- Inquisitive** – curious; showing interest in knowing things
- Invalid** – disabled by illness or injury
- Invalidity** – state of being unable to work
- Jocular** – because of illness or injury
- Moderator** – joking or humorous
a person who is in charge and conducts discussions
- Nuisance** – causing inconvenience or annoyance
- Occurrences** – events or incidents
- Scheme** – a plan officially adopted and followed for something particular

Wagging — causing to move from side to side rapidly