UUM NEWS HIGHLIGHTS

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Small price to pay monthly for 24-hour protection

NOWADAYS, our city streets can flood in an instant, and dealing with extreme heat or surprise thunderstorms is just part of our daily routine.

But as the physical risks to the average Malaysian escalate outside of working hours, there is a glaring blind spot in our financial resilience: our personal risk management gap.

The hard truth is that fewer than half of Malaysian workers – about 42% – carry any form of private personal accident insurance or commercial takaful.

For the majority of the workforce, this means that while they are protected during work hours and on their daily commute, they step into a terrifying financial void the moment they are off the clock.

For decades, the Social Security Organisation's (PERKESO) Employment Injury Scheme has done exactly what it was designed to do: cover injuries related to employment.

But accidents do not adhere to working hours.

Recognising this, a new scheme widely known as Lindung 24 Jam was introduced on June 1 this year, filling the protection gap outside of job hours and making essential safety nets affordable for millions of Malaysians.

To understand the sheer economic value of this scheme, one must look at the commercial alternatives.

Private insurance is excellent for those with the budget but at the end of the day, it is profit-driven. Policyholders often have to clear strict medical hurdles, navigate tricky fine print and pay much higher premiums as they age or change jobs.

For the B40 or lower M40 income earner, these premiums are often the first expense to cut when inflation pinches the household budget.

Instead of focusing on profit, Lindung 24 Jam is about community protection. By chipping in a tiny fraction of their pay – just 0.75% up to a maximum salary of RM6,000 – workers get a low-cost, equal-for-all shield against life's worst surprises.

For an employee earning RM3,000 a month, the premium translates to a mere RM22.50.

For a price equivalent to two cups of coffee, workers get 24/7 protection without having to worry about tricky fine print.

If they get hurt outside of work, the scheme pays their medical bills and provides cash to replace their lost income while they recover. It also pays for a full-time caregiver if their injuries are severe, covers physical therapy to help them get back on their feet, and provides financial help and funeral costs for their families if the worst happens. There is even support to ensure their children can stay in school.

Ultimately, this small deduction is the cheapest, most complete safety net in Malaysia today.

However, the scheme, which started out as compulsory became optional for local employees on July 8.

While having a choice gives workers control over their paychecks, it also opens the door to risky financial decisions.

Choosing to opt out to save a few ringgit each month is understandable when money is tight, but it is a dangerous trap. If an uninsured worker gets seriously hurt outside of work, those medical bills do not just disappear.

The heavy financial load falls on overloaded public hospitals, pushes family members into debt and strains the nation's economy.

With unpredictable weather causing more off-duty risks like flash floods, fallen trees or weekend road crashes, 24-hour protection ensures workers stay financially safe no matter when an accident happens.

The message to the workforce is simple: do not opt out.

Think of this 0.75% contribution not as a salary pay cut, but as a tiny investment in a family's secure future.

While private insurance still has its place, this equal-for-all shield is unmatched.

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