

KEYNOTE ADDRESS BY THE HON. IGNATIUS BAFFOUR AWUAH (MP), MINISTER FOR EMPLOYMENT AND LABOUR RELATIONS AT THE LAUNCH OF UNITED PENSION TRUSTEES MOBILE PENSION PRODUCT "MY OWN PENSION" HELD ON WEDNESDAY, 9TH MAY, 2018 AT THE KANESHIE MARKET, ACCRA AT 10:00 AM.

The Board Chairman, United Pension Trustees;

The Managing Director and Management of United Pension Trustees;

Representatives from the National Pensions Regulatory Authority (NPRA);

Representatives from Fidelity Bank;

Representatives from MTN Mobile Money;

Distinguished Invited Guests;

The Media;

Ladies and Gentlemen;

I am very happy to be a part of this gathering on the launch of **“My Own Pension”**, an innovative mobile pension product which is timely and relevant in this technological age and changing World of Work. I see my presence here today as an opportunity to interact with stakeholders to champion a cause vital to the Ministry and the nation at large. I say this because, the informal sector is very dear to us due to its contribution to Gross Domestic Product (GDP) and job creation potential among others.

Ladies and Gentlemen, statistics show that, the informal sector accounts for approximately 86% of the labour force. In addition, most of the businesses in this sector are micro, small and medium enterprises (MSMEs). However, the rate of unemployment among the youth and the general population is alarming. It is for this reason, government attaches so much importance to the welfare of informal sector operators. The growth of this sector is crucial to job creation and economic transformation.

Distinguished Invited Guests, let me use this unique opportunity to commend the management of United Pension Trustees Limited, MTN Mobile Money, Fidelity Bank and all other partners for their crucial role in the creation of this laudable product. Pensions are important component of social protection, a key pillar of the decent work agenda we seek to promote. Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families for which pensions are integral. Sadly, in Ghana, coverage of pensions is very limited and largely confined to workers in the formal economy. This reflect the fact that, only a small minority of workers are in the formal economy, whilst most workers in the informal economy are not covered.

For United Pension Trustees to have a flexible pension scheme of this nature which is targeted at the informal, most vulnerable and social excluded persons in the society is more than laudable and epitomizes the conviction that, formalisation of the informal economy will be an all-inclusive one.

Ladies and Gentlemen, it is worthy to note that, government is unwavering in its commitment to expand pension coverage to all workers in all sectors of the economy to achieve financial inclusion and ensure retirement income security. As part of these efforts, TUC-UNIWA launched an informal workers' pension scheme for its members last year at the National Theatre in fulfillment of the recommendations of the Informal Economy Stakeholder Consultative Forum. In addition, consultations are ongoing for the establishment of a pension scheme for cocoa farmers. These and many more interventions are being put in place to expand pension coverage to all workers in accordance with the National Pensions Act, 2008 (Act 766) which saw the creation of the 3-Tier Pension Scheme. The 3-Tier Pension Scheme makes specific provision for the informal sector under the 3rd Tier. This is designed to cater for peculiar needs of workers in the informal sector. Once this process is completed, we can be assured that, the retirement income security of all workers particularly those in the informal sector would be guaranteed.

Ladies and Gentlemen, on the other hand, permit me to use this platform to convey a message to all gathered here on Occupational Safety and Health (OSH). A few weeks ago, the “World day for Safety and Health at Work” was commemorated at the Royal Nick Hotel in Tema. Safety and Health at work, over the years has been a major concern for us where standards and compliance remain paramount. We have lost a significant number of our scarce labour force through occupational accidents and diseases. We cannot continue like this and government cannot reverse this deadly trend alone. We need the support of all workers, employers, safety organisations, private sector and trade unions among others to reverse this situation. I therefore call on you, the informal sector operators and all other stakeholders to champion this cause so that, the scarce resources available to us will be used for investment and business expansion and not compensation and rehabilitation.

Ladies and Gentlemen, let me reiterate that, all these efforts are in tandem with government’s vision of formalizing the

economy to accelerate economic growth and sustainable development. This has been demonstrated by the ongoing key policy initiatives such as the National Identification Programme, the National Digital Property Addressing System and Financial Inclusion through interoperability among others. The objective is to broaden the tax base for revenue mobilisation towards policy and development planning. It should be also noted that, the Ministry of Employment and Labour Relations in collaboration with its key stakeholders has developed an informal economy roadmap to facilitate the transition from the informal to the formal economy. This will be validated and launched in due course for mainstreaming and implementation.

Going forward, it is my humble appeal that, United Pension Trustees, MTN Mobile Money, Fidelity Bank and all other stakeholders will extend this innovation to other vulnerable groups within the economy so that they can also benefit from the experiences and opportunities of contributing to a pension scheme.

The Board Chairman and Management of United Pension Trustees, Distinguished Invited Guests, The Media, Ladies and Gentlemen;

Having said this, it is now my singular honour and pleasure to declare this innovative Mobile Pension Product "**My Own Pension**" duly launched.

I thank you all for your rapt attention and for having me.

GOD BLESS US ALL.