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A STUDY ON SOCIAL SECURITY POLICY IN INDIA

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ABSTRACT

India is a developing nation with one sixth of the world human population. The social security plans implemented in India have been post-independence and has been limited to organize and some sections of the unorganized sector. Extending schemes for the formal sector into the informal sector would bring quite instability in many formal and informal groups. This expands the need to address both the formal and the informal sector, rather implementing same policies for both the groups. Social security acts as an umbrella for people during adverse situations. Social welfare is not possible without social security. It acts as a buffer against all odds in the time of need. It helps in lifting millions of people out of poverty and thus, raises people's standard of living.

KEYWORDS: *Social Security, Protection, Human Rights, Economic Potential, Social Welfare, Improvement, Poverty, Policy, Economic Development, India.*

INTRODUCTION

India's social security system is composed of a number of schemes and programs spread throughout a variety of laws and regulations. Keep in mind, however, that the government-controlled social security system in India applies to only a small portion of the population. Furthermore, the social security system in India includes not just an insurance payment of premiums into government funds (like in China), but also lump sum employer obligations.

Generally, India's social security schemes cover the following types of social insurances:

- Pension
- Health Insurance and Medical Benefit
- Disability Benefit
- Maternity Benefit
- Gratuity

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While a great deal of the Indian population is in the unorganized sector and may not have an opportunity to participate in each of these schemes, Indian citizens in the organized sector and their employers are entitled to coverage under the above schemes. The applicability of mandatory contributions to social insurances is varied. Some of the social insurances require employer contributions from all companies, some from companies with a minimum of ten or more employees, and some from companies with twenty or more employees. In this article, we will discuss each of these social insurances, along with their coverage, contribution rates, and the laws and regulations behind them.

Overview

The first major social security program in southeast Asia came into operation in India on February 24, 1952. The program, which was initiated on a limited basis, will cover about 2.5 million factory employees when it comes into operation throughout the major industrial centers by January 1955. The Employees' State Insurance Act, which established the program, provides for medical services, continuing cash benefits due to employment injury or death, cash sickness benefits during periods of wage loss, and cash maternity beneflts. In addition, legislation providing for a separate system of old-age and survivors savings benefits was enacted in 1952. This program, initiated by the Employees' Provident Funds Act, provides for the establishment on a compulsory basis of company (savings) plans in certain industries. It applies to about 1.6 million employees. India, the second most populous country in the world and the eighth most important industrial nation, thus becomes another of the major countries to put into operation a social security system. Although the coverage of the system is limited, protection is afforded against a number of risks.

Basic human right

In the ILO conventions and UN instruments, it is considered to be a basic human right. The Universal Declaration of Human Rights (UDHR) recognises the right to social security for all. It helps the recipients to ensure their rights to family protection and assistance, an adequate standard of living and adequate access to healthcare.

Importance of social security

Social security acts as an umbrella for people during adverse situations. Social welfare is not possible without social security. It acts as a buffer against all odds in the time of need. It helps in lifting millions of people out of poverty and thus, raises people's standard of living. Need for social security in India

- Rise in population levels
- Rising poverty
- Rising inequality
- Unemployment
- A rise in the number of unorganised sector workers.
- Dangers and risks at the workplace
- Privatization
- Ageing population
- Rise in migration

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Types of social security in India

- Gratuity
- Old-age pension
- Health and medical insurance
- Maternity benefits
- Disability benefits
- Minimum Wages Act
- Rashtriya Vayoshri Yojana– The scheme provides physical aids and assisted-living devices to a senior citizen living below the poverty line. It is a centrally sponsored scheme.
- Senior Citizen's Welfare Fund-Senior Citizens' Welfare Fund (SCWF) was established under the Finance Act, 2015, to be utilized for such schemes for the promotion of the welfare of senior citizens, in line with the National Policy on Older Persons.
- Integrated Program for Older Persons (IPOP-The scheme provides for improving the lives of senior citizens. The scheme is implemented by the government since 1992. The scheme provides various facilities to old age people like food, shelter, medical care etc. The government does this through providing financial help to various NGOs and institutions which run shelter and old age homes for destitute old age people, etc.

For organised sector workers

- Employees Provident Fund Organisation (EPFO) – Launched in1952, it covers the salaried-class through the scheme of employees provident fund. It offers a sense of financial security to the employees for emergency use and after retirement.
- Employees State Insurance Scheme (ESI) –It is a social security scheme which helps the employees during a health emergency. The scheme provides a wide range of benefits like medical benefits, benefits related to disability, maternity, unemployment allowance etc.

For unorganized sector workers

- Atal Pension Yojana – Launched in 2015, the scheme targets unorganised workers like domestic helpers, drivers gardeners etc. It allows such workers to save for their old age. It is administered by the Pension Fund Regulatory and Development Authority (PFRDA).
- Unorganised Workers Social Security Act 2008- The Act was launched to provide social security benefits to workers of unorganised sectors and for their well being. The Act is implemented by the Ministry of Labour and Employment.
- Rashtriya Swasthya Bima Yojana– To meet the health urgencies of unorganised workers, this scheme was launched. It is for the workers living below the poverty line. It is a type of health insurance scheme for unorganized sector workers.
- Aam Aadmi Bima Yojana–This government-sponsored social security scheme has been to protect testing the interests of hundreds of individuals working in occupational groups within the unorganized sector. The scheme provides benefits to the insurer in case of natural or accidental death, in case of disability, etc.

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- The Contract Labour (Regulation and Abolition) Act, 1970– The Act provide des for the introduction of better working conditions for labourers and to protect them from any kind of exploitation on at the workplace.

For women

- Swadhar Greh scheme– The scheme deals with providing basic facilities like food, clothing, shelter and medical facilities for those women who are in distress. The programme is implemented by the Ministry of Women and Child Development.
- Maternity Benefit Act,1961– The Act protects the employment of employed women during the time of their pregnancy and provides for entitlement of maternity benefit (full paid absence from work) during that period.
- Janani Suraksha Yojana-The Act aims the Act is to promote institutional delivery among the poor pregnant women. It consists of cash assistance with deposit-delivery delivery care.

Code on Social Security 2020

Foreign companies should note that when The Code of Social Security, 2020 – one of the four new labor codes introduced by the Ministry of Labor and Employment – comes into force, it will subsume the following enactments:

- The Employees' Compensation Act, 1923;
- The Employees' State Insurance Act, 1948;
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
- The Maternity Benefit Act, 1961;
- The Payment of Gratuity Act, 1972;
- The Cine- Workers Welfare Fund Act, 1981;
- The Building and Other Construction Workers Welfare Cess Act, 1996; and
- The Unorganised Workers' Social Security Act, 2008

Rules for the new labor codes on industrial relations, social security, and occupational safety health & working conditions (OSH) are likely to be finalized by the end of January, according to Labor Secretary Apurva Chandra. If that is the case, it may result in implementation of the labor codes by April 1, 2021 – which was the deadline put by the labor ministry. However, this timeline is subject to change, depending on interventions made by key stakeholders and lobby groups and other exigencies, such as the impact of the ongoing pandemic. The Labor Secretary was also quoted in the media saying that the draft model standing orders for the manufacturing, mining, and service sectors will be finalized by February. These draft orders set the standards for service conditions and employees' conduct in the respective sectors and were notified on December 31, 2020 to seek feedback.

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Life Insurance Corporation of India

Established in 1956, it deals with spreading the importance of life insurance cover to socially and economically backward classes of India and meet the various life insurance needs of the community. It is an important authority implementing various social security schemes in India.

CONCLUSION

The Government of India has given high priority to a program of social security for its millions of workers. The program recently adopted is limited in scope-both in the protection afforded and in coverage-a fact recognized by the Director General of the Employees' State Insurance Corporation. A beginning had to be made somewhere, he has pointed out, and he has expressed confidence that as the system gains experience and as the national income increases, "the scope as well as benefits provided under this measure will be enhanced and it will not be long when other risks such as unemployment, old age, death, etc., will also be covered."

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