



## Mains Practice Question

**Q.** In countries like India, social security in its modern form has been a response to many issues arising out of the development process. Discuss. (250 words)

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### Approach

- Introduce by defining Social Security.
- Mention the steps and policies by government to address the issue.
- Conclude with challenges and suggestions with a way forward.

### Introduction

- Social security is the **protection** that a **society or nation provides** to the individuals and citizens to **ensure access to healthcare and to guarantee income security, particularly in the cases of old age, unemployment, invalidity, maternity, work injury or loss of breadwinner.**
- Social security protection is clearly defined as a **basic human right in the International Labour Organisation's** various conventions.
- Social protection is relevant in contingencies such as retirement, resignation, retrenchment, death, disablement which are beyond the control of the individual members of the Society.
- State as an agent of the society has an important mandate to harmonise such differences through protective cover to the poor, the weak, the deprived and the disadvantaged.

### Body

- The spike in informal sector of Indian economy after the LPG reforms brought into the picture, the vulnerabilities of population working in this sector. This called for a fundamental shift in the need for social security for the marginalised.
- Haphazard urbanisation, migration and changes in demographic arrangement further placed a need for better and more inclusive social security measures.

### Social Security Measures Taken By India

#### Pension

- **The Employees' Provident Fund Organisation** under the **Ministry of Labour and Employment** has three schemes to ensure the social security-
  - **The Employees' Provident Fund Scheme, 1952**
  - **The Employee's Pension Scheme, 1995**
  - **The Employees' Deposit Linked Insurance Scheme, 1976**
- These schemes apply to specific scheduled factories or establishments with 20 or more employees and ensures terminal benefits to provident fund, superannuation pension, family pension in case of death during service and also to civil services, coal mine and tea plantation workers.

## Health Insurance and Medical Benefits

- **The Employees' State Insurance Act, 1948 & the Employees' State Insurance (Central) Amendment Rules, 2017** covers factories and establishments with 10 or more employees and provides for comprehensive medical care to employees and their families, cash benefits during sickness or maternity and monthly cash payments in case of death or disability.
- **Pradhan Mantri Jeevan Jyoti Bima Yojana:** life insurance scheme for people between 18 and 50 years of age with bank accounts. It especially targets the workers in informal sector.
- **Pradhan Mantri Suraksha Bima Yojana:** Accident insurance scheme for people between 18 and 70 years of age.
- **Atal Pension Yojana:** It primarily targets the unorganised sector. All subscribing workers below the age of 40 years are eligible for pension upto Rs. 5,000 per month on attainment of 60 years of age.

## Disability Benefit

- **The Employees' Compensation Act, 1923** requires the employer to pay compensation to the employees or their families in case of death or disabilities caused by the employment.

## Maternity Benefit

- **The Maternity Benefit (Amendment) Act, 2017** increased some of the key benefits mandated under the previous **Maternity Benefit Act, 1961**.
- It provides for **paid maternity leave of 26 weeks** for the **first two children** and of **12 weeks for the third child** to the women employed in organised sectors.
- It also offers other benefits as well like providing for a crèche facility near the office, allowing women to negotiate work-from-home and making strict rules for the establishments to take care of the pregnant women.

## Gratuity

- **The Payment of Gratuity Act, 1972** directs establishments with ten or more employees to provide 15 days of additional wages for each year of service to employees who have worked for five years or more.

## Conclusion

- The government controlled security system applies **only to the organised sector**, covered by **the Factories Act, 1948, the Shop and Commercial Establishments Acts of the State Governments, the Industrial Employment Standing Orders Act, 1946** etc and it is **linked to wage employment**.
- The **unorganised sector** (landless agricultural labourers, horticulturists, rural artists, all forms of manual labour in urban areas) **needs to be addressed and included** under a cohesive approach because a large number of population works in unorganised sectors making it difficult for them to avail the social security benefits.
- Even the developed countries have **very less secure employment lacking social security** coverage such as casual labour, home work and other self-employment. People with disabilities, old people without family support and women of all ages are the most vulnerable. So, India can learn from them and introduce necessary changes here.
- Social Security has the potential to **contribute to social cohesion** and a **nation's growth and development** by **uplifting and supporting living standards, mitigating the adverse technological and structural changes** and thereby providing a **base for a more positive growth towards globalisation and personal development**.

