Social Security is defined by the International Labour Organization (ILO) as “The protection which society provides for its members through a series of public measures against the economic and social distress that otherwise would be caused by the stoppage or substantial reduction of earnings resulting from sickness, maternity, employment injury, invalidity and death; the provision of medical care; and the provision of subsidies for families with children” (1984). The security which society furnishes through appropriate organizations against certain risks to which its members are perennially exposed.

**NEEDS OF SOCIAL SECURITY**

In India 90% of families earn their livelihood from the unorganized sector. Most of the rural and informal sector workers in the world do not have any social security measures. In most of the developing countries the rural and informal sectors constitute the bulk of the population. They do not have any form of insurance or security (e.g. Maternity benefits, retirement benefits, health insurance etc) nor do they have representative organizations that might help them by fighting for these benefits. Poor are particularly vulnerable to the lack of health security measures. They spend a greater percentage of their budget on health related expenditures. During sickness they need to spend large amounts of money for treatment and are unable to earn money while under treatment. Majority of poor households reside in remote rural areas where no government or private medical facilities are available and obtaining treatment at town or district level hospital involves travel costs, which are not insignificant. As a Worker/Employee, you are a source of social security protection for yourself and your family. As an Employer you are responsible for providing adequate social security coverage to all your workers.

**NEEDS THAT NECESSITATES SOCIAL SECURITY**

1. Physical risks: Sickness, invalidity, old age, maternity, accidents, death.
2. Economic risks: Unemployment
3. Economic burden of large family

**SOCIAL IMPACT OF SOCIAL SECURITY**

**Short term effects:**
Provides adequate medical care and prevents accidents and illness which will ultimately benefit the workers and the society.

**Long term effects:**
More efficient workers. Higher productivity and a greater feeling of security. Reduced absenteeism, labour turnover and stabilized working class. Improve the living standards of the people and strengthen livelihoods.

**Significance of Social Security Methods:**
Important step towards the goal of welfare state and helps in the formation of stable and efficient labour force. Tends to reduce the wastage arising out of industrial disputes, sickness, and disability. Social cost of industrialization in the shape of unemployment, disability, frustration and mass dissatisfaction is considerably minimized.

**AIM OF SOCIAL SECURITY**

Measures to be taken to improve the condition of work
- Reduction in the hours of work.
- Better lighting and ventilation.
- Proper disposal of trade waste and adequate provision for bathrooms etc.
- Improve the safety measures to reduce accidents and disability.

Restoration: Early restoration of the workers to their normal occupation as early as possible.

**APPROACHES TO SOCIAL SECURITY (Table 1)**

There are mainly two types:
1. Social assistance
2. Social insurance

**Social assistance:**
A method to provide benefits as of right to persons usually of small means in amounts sufficient to meet a minimum standards of living from general revenues of the state. Characteristics feature of this is the beneficiaries do not make any contribution towards various benefits which are made available to them. It is a “Non-contributory benefits” towards the maintenance of vulnerable groups such as children, mothers, aged peoples, disabled etc. Very much essential for the effective working of the economic system.

**Social Insurance**
A method to provide benefits as a matter of right for persons of small earnings, in amounts which combine the contributions of the beneficiaries with subsidies from
Table 1- Showing difference between Social Assistance and Social Insurance

<table>
<thead>
<tr>
<th>Social Assistance</th>
<th>Social Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>A method to provide benefits as of right to persons usually of small means in amounts sufficient to meet a minimum standards of living from general revenues of the state.</td>
<td>A method to provide benefits as a matter of right for persons of small earnings, in amounts which combine the contributions of the beneficiaries with subsidies from the employer and the state.</td>
</tr>
<tr>
<td>Non contributory</td>
<td>Contributory</td>
</tr>
<tr>
<td>For the vulnerable groups of the community (children, mothers, invalids, aged people, disabled)</td>
<td>For the well-organized, legally regulated, financially stable community.</td>
</tr>
<tr>
<td>Cannot be claimed as a matter of right (Provided)</td>
<td>Can be claimed as a matter of right</td>
</tr>
<tr>
<td>The social security of the employees is organized and financed by the employer and the state. Characteristics feature of this is the beneficiaries, employers and the Government make contributions towards the creation of common pool, out of which benefits are paid to the members in the event of any contingencies. Type of compulsory mutual aid with benefits can be claimed as a matter of right. Suitable where the class of workers to be covered is sufficiently well organized, legally regulated and financially stable.</td>
<td>National Social Assistance Programme (NSAP). Three components of this are:</td>
</tr>
<tr>
<td>National Old Age Pension Scheme</td>
<td>National Family Benefit Scheme</td>
</tr>
<tr>
<td>National Maternity Benefit Scheme</td>
<td></td>
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<tr>
<td>The Act contains an enabling provision under which the “appropriate government” is empowered to extend the provisions of the Act to other classes of establishments - industrial, commercial, agricultural or other-wise. Under these provisions most of the State Govts. have extended the provisions of the Act to new classes of establishments namely: shops, hotels, restaurants, cinemas including preview theatres, road-motor transport undertakings and newspaper establishments employing 20 or more coverable employees.</td>
<td></td>
</tr>
<tr>
<td>Administration: The ESI Scheme is administered by a corporate body called the Employees’ State Insurance Corporation (ESIC). Union Minister For Labour is the chairman of this corporation. It consists of members representing Central and State Governments, employers and employees organizations, medical profession and parliament. The Head Quarters of the ESI Corporation is located at Delhi and has 58 field offices such as 23 Regional Office, 26 Sub-Regional Office and 4 Divisional Office and 2 Camp Office and 3 Liaison Office throughout the county. Besides, there are 610 Branch Offices and 187 Pay Offices for administration of cash benefits to Insured Persons. The Government’s recent decision to raise the pay limit from Rs 15,000/month to Rs 25,000/month to get coverage under the Employees State Insurance Scheme (ESI) without any improvement in service quality has been opposed by a section of trade unions.</td>
<td>Coverage of this scheme: 91.48 lakh employees, including 15.43 lakhs women and the total number of beneficiaries were around 354 lakhs. Medical facilities are provided through a network of 1427 ESI dispensaries, over 2100 panel clinics, 307 diagnostic centres, 143 ESI hospitals and 43 hospital annexes with over 27000 beds. The payment of cash benefits is made at the grass root level through 610 branch offices.</td>
</tr>
<tr>
<td>Finance of the scheme: Run by the contributions by employee, employer and grants from the Central and State Governments. Employer – 4.75 % of total wage bill. Employee – 1.75 % of wage bill. State Government’s share of expenditure on medical care is 1/8 of total cost of medical care; ESI Corporation’s share of expenditure on medical care is 7/8 of total cost of medical care.</td>
<td>Benefits to the employees: Medical Benefit, Sickness Benefit, Maternity Benefit, Disablement Benefit, Dependents Benefit, Funeral Expenses, Rehabilitation allowance.</td>
</tr>
<tr>
<td>Social security for civil servants: Central Government Health Scheme (CGHS) Social Assistance Scheme:</td>
<td></td>
</tr>
</tbody>
</table>

SOCIAL SECURITY SCHEMES IN INDIA

The principal social security laws for workers are the following:
- The Employees State Insurance Act, 1948 (ESI Act)
- The Employees Provident Funds & Miscellaneous Provisions Act, 1952 (EPF & MP Act)
- The Workmen’s Compensation Act, 1923 (WC Act)
- The Maternity Benefit Act, 1961 (M.B. Act)
- Coal Mines Provident Fund Bonus Scheme, 1948
- Employees Family Pension Scheme, 1971

Social security for civil servants: Central Government Health Scheme (CGHS) Social Assistance Scheme:
Medical Benefit includes Out patient care, Supply of drugs and dressings, Specialist services in all branches of medicine, Pathological and radiological investigations, Domiciliary services, Antenatal, Natal, Post natal services, Immunization services, Family planning services, Emergency services, Ambulance services, In patient services.

Sickness Benefit: Periodic cash payment to an insured person in case of sickness. Maximum period of 91 days.

Extended Sickness Benefit: For long term diseases; for a maximum period of 2 years; where the insured person has been in continuous employment for 2 years.

Maternity Benefit: Confinement - 12 weeks, Miscarriage- 6 weeks and Sickness arising out of confinement-30 days.

Disablement Benefit: For temporary disablement – 150 % of the SBR as long as temporary disablement persists. For total permanent disablement – Insured person is given life pension as decided by medical board of ESIC.

Dependants Benefits: In case of death; as a result of employment injury, the dependants of an insured person are eligible for periodical payments, Widow 3/5, children 2/5.

Funeral expenses: Funeral expenses are in the nature of a lump sum payment upto a maximum of Rs. 10,000/- made to defray the expenditure on the funeral of deceased insured person. The amount is paid either to the eldest surviving member of the family or, in his absence, to the person who actually incurs the expenditure on the funeral

Rehabilitation: On monthly payment of Rs.10, insured, person and his family members continue to get medical, treatment after permanent disablement or retirement.

The Workmen’s Compensation Act, 1923
Any worker employed in any way of a wide variety of hazardous occupations suffers an injury is eligible for compensation. The injury must disable him for more than 3 days, totally or partially. Workman must have been employed in the specified occupation for a continuous period of at least 6 months.

The rate of compensation:
- Death: 40% of the monthly wage of the deceased workman, multiplied by the relevant factor, or Rs.20000; whichever is more.
- Total permanent disablement: 50% of the monthly wage; multiplied by the relevant factor; or Rs.24000 whichever is more.
- Partial permanent disablement: The compensation is a percentage of that payable in the case of total permanent disablement.
- Temporary disablement: A sum equal to 25%of the monthly wages of the workman shall be paid half-monthly.

State Government appoints Commissioners to investigate and solve every case for workmen’s compensation

The Employees’ Provident Funds & Miscellaneous Provisions Act, 1952

EPF & MP Act applies to specific scheduled factories and establishments employing 20 or more employees and ensures terminal benefits to provident fund, superannuation pension, and family pension in case of death during service. The EPFO extends to the entire country covering over 4lakh establishments. At present, over 3.9 crore EPF Members and their families get benefits under the social security schemes administered by the EPFO. Schemes under the EPFO are Employees Provident Fund (EPF), Employees Pension Scheme (EPS), Employees Deposit Linked Insurance Scheme (EDLI).

The Maternity Benefit Act, 1961
The act apply to whole of India. It applies to all establishments - factories, mines, manufacturing units and shops etc. where a minimum of ten or more workers are working. According to this act, every woman is entitled to payment of maternity benefit at the rate of the average daily wages for the period of 6 weeks up to and including the day of delivery and for the period of 6 weeks postnataally; i.e. a total of 12 weeks. In case of MTP or miscarriage she is entitled to leave with wages for a period of 6 weeks immediately following the period of miscarriage or MTP. She should have been worked for not less than 80 days in the 12 months immediately preceding the date of her expected delivery. There is provision of leave with wages for tubectomy operation for a period of 2 weeks. A woman suffering from illness arising out of pregnancy, delivery, premature birth of child, miscarriage or tubectomy operation shall be entitled, in addition to the period of absence allowed to her, to leave with wages at the rate of maternity benefit for a maximum period of one month.

Central Government Health Scheme (CGHS)
Established on 1-7-1954 with the objectives of providing comprehensive medical care facilities to the central Government employees and their family members and to avoid cumbersome system of medical reimbursement

Beneficiaries: Members and Ex-members of Parliament, Judges of Supreme Court and High Court, sitting and retired, Freedom Fighters, Central Government Pensioners, Employees of Autono-
mous bodies/Semi Govt. organization, Accredited Journalists, Ex-Governors and Ex-Vice Presidents of India. Facilities provided under CGHS through: Dispensaries, poly clinics and Government / recognized hospitals.

**Facilities provided:** Outpatient care facilities in all systems, Emergency Services in Allopathic system, Free supply of necessary drugs, Lab and Radiological investigations, Domiciliary visits to seriously ill patients, Specialist consultation both at the dispensary and hospital level, Family welfare services, Specialized treatment in both Govt. and Private recognized hospitals, 90% advance for undergoing specialized procedures on admission in hospitals when required.

**National Social Assistance Programme (NSAP)**

In 1995, the Government of India introduced for the first time an all-India protective type social security scheme, the National Social Assistance Programme (NSAP). The NSAP encompasses a national policy for social assistance benefits to poor households in the case of old age, death of breadwinner and maternity.

The programme has, so far, three main components: the National Old Age Pension Scheme, the National Family Benefit Scheme, and the National Maternity Benefit Scheme

**National Old Age Pension Scheme**

Under the Scheme, Central assistance is available with Age of the applicant (male or female) is 65 years or above and The applicant is destitute in the sense of having little or no regular means of subsistence from his/her own sources of income or through support from family members or other sources.

**National Family Benefit Scheme (NFBS)**

Central assistance under the Scheme is available on death of primary breadwinner occurs while he or she is more than 18 years and less than 65 years of age. The primary breadwinner shall be a member whose earnings contribute substantially to the household income. The bereaved household qualifies as one below the poverty line according to the criteria prescribed by the Government of India. The amount of benefit is Rs.10,000/- in the case of death of primary breadwinner due to natural or accidental cause and is paid to the member of the household of the deceased who, after local inquiry, is determined to be the head of the household.

**Janani Suraksha Yojana**

It was launched on 12th April 2005.

Objectives of this scheme were reducing maternal mortality and infant mortality through encouraging delivery at health institutions & focusing at institutional care among women in below poverty line families.

Salient features of this scheme were 100 percent centrally sponsored scheme & it integrates the benefit of cash assistance with institutional care during ante natal, natal and immediate post-partum care.

### Table 2 - Showing financial assistance under Janani Suraksha Yojana scheme

<table>
<thead>
<tr>
<th>Category of States</th>
<th>Rural Area</th>
<th>Urban Area</th>
<th>Eligibility Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mother ASHA Total</td>
<td>Mother ASHA Total</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financial Assistance for Institutional Delivery</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Performing States (LPS)</td>
<td>Rs.1400 Rs.600 Rs.2000 Rs.1000 Rs.400 Rs.1400</td>
<td>Available to all women regardless of age and number of children for delivery in Government / private accredited health facilities.</td>
<td></td>
</tr>
<tr>
<td>High Performing States (HPS)</td>
<td>Rs.700 Rs.600 Rs.1300 Rs.600 Rs.400 Rs.1000</td>
<td>Available only to <strong>BPL/SC/ST women</strong> regardless of age and number of children for delivery in government / private accredited health facilities.</td>
<td></td>
</tr>
</tbody>
</table>

**Financial assistance for Home Delivery**

<table>
<thead>
<tr>
<th></th>
<th>LPS</th>
<th>nil</th>
<th>HPS</th>
<th>nil</th>
<th>nil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.500</td>
<td>Rs.500</td>
<td>nil</td>
<td>Rs.500</td>
<td>nil</td>
<td>Rs.500</td>
</tr>
<tr>
<td>Available only to <strong>BPL women</strong> who prefer to deliver at home regardless of age and number of children</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Criteria for beneficiaries:
- Women delivering at home or admitted to sub centre / Government hospital / recognized private hospital (general ward).
- Belonging to the BPL families.
- Current delivery must be the first or second live delivery.
- She should be more than 19 years of age.
- She must have got ANC check-up at least 3 times.
- She must have taken IFA tablets and TT injection.

ASHA would work as a link health worker between the poor pregnant women and public sector health institution in the ten LPS.

They will also get an assistance of Rs. 500 if delivered at home up to two live births and also assistance of up to Rs. 1500 for caesarean section.

### Yashaswini Health Insurance Scheme of Karnataka

The Government of Karnataka has introduced Yashaswini Health Scheme during the year 2002-03 for the benefit of the members of agricultural credit societies and banks and it has been extended to the members of the “Self Help Group” unable to afford for surgeries.
- It has more than 2 million members.
- More than 1600 surgeries are covered under this scheme.
- Insured person can claim in 150 private hospitals aligned with the scheme.
- Maximum coverage provided for per person per year amount to Rs. 2,00,000.
- Single surgery of up to Rs. 96000 is covered.
- Annual premium is Rs. 120.
- The scheme also receives Government subsidies.
- The scheme does not cover in patient admission without surgeries.
- Free OPD treatment is also provided.

### Prasoothi Araike - Care for the pregnant

It covers all pregnant women belonging to BPL of all districts. The benefits and conditions of the scheme are the pregnant women have to register their names with the Junior Female Health Assistant of the area. The beneficiaries will get Rs.1000 during the second trimester ante natal check-up (i.e., between 4th and 6th month) and Rs.1000 during the third trimester ante natal check-up (i.e., between 7th and 9th month), totalling Rs.2000 paid through bearer cheque. During every ANC check-up, the Med-

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**Table 3- Financial Assistance under Old age pension scheme and Sandhya Suraksha Yojane.**

<table>
<thead>
<tr>
<th>Sl no</th>
<th>Indira Gandhi National Old Age Pension</th>
<th>Sandhya Suraksha Yojane</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demographic Criteria</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Age&gt;65 years</td>
<td>Age&gt;65 years</td>
</tr>
<tr>
<td><strong>Income Criteria</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>BPL as per criteria of Government of India (equal or less than 26 points out of 52 points criteria as fixed by Rural Development and Panchayat Raj Department). As per existing criteria pension is granted to a destitute person with little or no regular means of subsistence from his/ her own sources of income or through financial support from family members or other sources.</td>
<td>Annual Income of the husband or wife or both should not exceed Rs.20,000 as certified by the local revenue authority and the total value of combined deposited amount held by the pensioner and his/ her spouse should not exceed Rs.10,000. If the income is declared by beneficiary himself/ herself, the income of children will not be counted for calculation of the income of the proposed social security pensioner.</td>
</tr>
<tr>
<td><strong>Residential Criteria</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>He/ She should be a resident of Karnataka for 10years or more</td>
<td>He/ She should be a resident of Karnataka for 10years or more</td>
</tr>
<tr>
<td><strong>Amount of Pension</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>A sum of Rs.400 will be disbursed every month, equally shared by the Central and the State government.</td>
<td>A sum of Rs.400 will be disbursed every month, with 100% contribution from the State government.</td>
</tr>
<tr>
<td><strong>Type of Beneficiaries</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>BPL is the Criteria for selection of beneficiaries. Such of the persons availing widow pension, physically handicapped pension, Sandhya Suraksha Yojane pension or any form of pension from public/private sources are not eligible for this scheme.</td>
<td>Beneficiaries are selected from among small farmers, marginal farmers, Agricultural farmers, weavers and unorganized workers. Such of the persons availing old age pension, destitute widow pension, physically handicapped pension or any form of pension from public/private sources are not eligible for this scheme.</td>
</tr>
</tbody>
</table>
Malini Scheme
The scheme came into operation from August 15, 2007.
Objectives were to bring down the maternal mortality and neonatal mortality & Promote institutional deliveries among pregnant women belonging to BPL group.
Beneficiaries of this scheme: Pregnant woman (BPL) who delivers in Government hospitals.
Limited to first two live births. Contains mosquito curtain, Medium sized carpet, Medium sized bed sheet, A thick blanket for mother, Bathing Soap, Washing soap, Cloth to tie abdomen of mother, Sanitary pads, Comb and coconut oil, Towel, Tooth paste and brush, bed spread over rubber sheet for the baby, Bed sheet for baby, Bathing soap for baby, Rubber sheet for baby, Diaper, Baby vest, Sweater, cap and socks for baby, One plastic kit bag.

Thayi Bhagya Scheme
It is public-private partnership in maternal health care. Here women belonging to BPL families can avail totally cashless treatment in recognized private hospitals. Under this scheme, the pregnant women belonging to BPL family can avail delivery services free of cost in the registered private hospitals near her house. Benefit is limited to the first two live deliveries. Registered hospitals will be paid Rs. 3 lakh per 100 deliveries which include normal and complicated deliveries.

Other schemes:
Monthly Social Security Pension of Rs.400/- to be granted to the senior citizens under “Sandhya Suraksha” Scheme to the citizens above 60 years of age. The beneficiaries under this scheme will be chosen from among small and marginal farmers, labourers from unorganized sector including agricultural labourers, weavers, fishermen.

Bhagyalakshmi scheme which deposits Rs 10,000/- in the name of the 1st born girl child of families below poverty line (BPL) which she can draw at the age of 18yrs with interest.
The benefits of the scheme are restricted to 2 girl children of a BPL family. The father, mother or guardian should have undergone terminal family planning methods and the total number of children should not exceed 3. After enrolment and due verification by the department, an amount of Rs. 10,000/- will be deposited with the selected financial institution in the girl child’s name.

Arogya Kavacha: Launched on 2nd Nov. 2008. In case of an emergency like ill health, accidents or fire one has to dial 108; fully equipped ambulance will arrive within 20 minutes anywhere in the city. Medical staff in the ambulance will provide pre hospital treatment. 500 ambulances in 29 districts. EMRI (NGO) has tied up with 610 private hospitals.

PROBLEMS IN IMPLEMENTING SOCIAL SECURITY SCHEMES:
1. The scope of the scheme - Whom to and what to cover?
   Priority with respect to risk to be covered:
   • Employment injury and invalidity
   • Sickness and death
   • Maternity
   • Old age and survivorship
   • Unemployment
2. Financing of social security schemes
3. Administration of social security scheme

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