

## The Progress of Social Security Measures for Labourers in India

Dr. S. R. KESHAVA

Associate Professor

Post Graduate Department of Economics

Bangalore University, Bangalore

India

### Abstract:

*Social security has gained paramount importance in the changed economic scenario. Social security programmes are actively undertaken even in developed nations. The USA social security administration points out that it is much more than retirement program. One in Six Americans (57 million) receives social security benefits in USA.*

*India also has enacted many social security measures for its needy citizens. In order to protect the welfare of unorganized workers the legislative measures namely minimum wages Act, 1948, the employees compensation Act, 1923, the maternity benefit Act, 1961, the bonded labour system (Abolition) Act, 1976, the contract labour (Regulation & Abolition) Act, 1970, the inter-state migrant workmen (Regulation of Employment and Conditions of Service) Act, 1979, the building and other construction workers (Regulation of Employment and Conditions of Service) Act, 1996, etc. were implemented. At the same time to ensure welfare of unorganized workers various welfare schemes was also undertaken by the government. The ministry of labour and employment enacted "The Unorganized Workers Social Security Act 2008" which came into force from 16<sup>th</sup> May 2009.*

*The unorganized sector is fast expanding; hence government through its social security measures must provide the safety net to the needy workers. The entire ambit of unorganized sector should be covered by insurance and social security schemes so as to mitigate risk in this sector and boost the confidence of the workers. Government*

*through its social security measures must cater to the disadvantaged sections of the society and it is the fundamental duty of the government in the globalized India.*

**Key words:** Social security, unorganized workers, legislative measures, disadvantaged sections, labourers, Cash Benefits, Non Cash Benefits, Rashtriya Swasthya Bhima Yojana, Aam Adimi Bhima Yojana, Indira Gandhi National Old age Pension Scheme, Swavalamban

Social security has gained paramount importance in the changed economic scenario. Globalised world is the knowledge world. In the globalised world, it is expected that skilled individuals switch over to the changed technology/skill in no time. Globalization considers only those who adapt to the changing market scenario. The rest of them, though skilled are left out! The unskilled are not considered at all. The social and economic conditions make the disadvantaged sections of the society more vulnerable as they voice is snubbed and unheard in globalised economy. The disadvantaged sections find it difficult to easily adapt to the changed market demands. Moreover few segments of the society like aged persons, disabled persons, widows, survivors of deceased workers are not in the position to work and it is the responsibility of the Government to take care of them through social security programmes.

Social security is the financial assistance provided by the Government to the needy citizens such as disabled persons, aged persons, widows, unemployed youths, survivors of the deceased workers to promote their welfare by enabling them to access to food, shelter, health etc. social security acts as safety net for the disadvantageous sections of the society.

Social security is enshrined in universal declaration of human rights of United Nations. The article 22 of the declarations reads “Everyone, as a member of society, has the right to social security and is entitled to realization, through

national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality” (<http://www.un.org/en/documents/udhr/index.shtml#a22>).

Social security programmes are actively undertaken even in developed nations. The USA social security administration points out that it is much more than retirement program. One in Six Americans (57 million) receives social security benefits in USA. 69.4 percent of beneficiaries are retired workers, 19.2 percent of beneficiaries are disabled workers and 11.4 percent beneficiaries are survivors of deceased workers. Social security provides benefits to young workers and their families, if they become disabled and it provide benefits to the survivors of deceased workers including their children. In USA 90 percent of persons aged 21-64 who worked in covered employment in 2012 can count on monthly benefits, if they suffer a prolonged disability.

‘3.3 million Youths under age 18 received on an average monthly social security benefit of \$ 525. The minor Children of retired workers received the average monthly benefit of \$ 601. The minor Children of deceased workers received the survivor monthly benefit of \$ 793, the minor Children of disabled workers received an average monthly benefit of \$ 323, the students aged 18 to 19 years were receiving an average monthly benefit of \$ 670’(ssa.gov/news/press/factsheets/young.htm).

India also has enacted many social security measures for its needy citizens. As per NSSO survey 2009-10, the total employment in the country is 46.5 crore, out of which 2.8 crore were in organized sector and 43.7 crore were in unorganized sector. Out of this 24.6 crore workers were employed in agriculture sector, 4.4 crore in construction and the remaining in manufacturing and services sector. In order to protect the welfare of unorganized workers the legislative measures namely minimum wages Act, 1948, the employees

compensation Act, 1923, the maternity benefit Act, 1961, the bonded labour system (Abolition) Act, 1976, the contract labour (Regulation & Abolition) Act, 1970, the inter-state migrant workmen (Regulation of Employment and Conditions of Service) Act, 1979, the building and other construction workers (Regulation of Employment and Conditions of Service) Act, 1996, etc. were implemented.

### **The Workmen Compensation Act, 1923**

A small, but eventful beginning was made in social security with the passing of the workmen's compensation act, 1923 by the British Government in India. The act provides for payment of compensation to workmen and their dependents in case of injury and accident (including certain occupational diseases) arising out of and in the course of employment and resulting in disablement or death. The Act applies to railway servants and persons employed in any such capacity as is specified in schedule II of the Act. It includes persons employed in factories, mines, plantation, mechanically propelled vehicles, construction works and certain other hazardous occupations. At present the minimum rates of compensation for permanent total disablement and death are fixed at Rs. 1, 40,000 and Rs. 1, 20,000 respectively. Maximum amount for death and permanent total disablement can go up to Rs. 9.14 lakh and Rs. 10.97 lakh respectively depending on age and wages of workmen.

**Table No.1: Compensated injuries and amount of compensation paid under the workmen's compensation Act, 1923**

Number of compensated injuries	1997	2001	2004	2009	2010	2011
a) Death	947	1346	1581	863	1939	2055
b) Permanent disablement	1391	1520	1662	497	2831	2170
c) Temporary disablement	2117	4381	3507	2343	995	1022
<b>Total</b>	<b>4455</b>	<b>7247</b>	<b>6750</b>	<b>3703</b>	<b>5765</b>	<b>5247</b>
Amount of compensation paid (Rs. In lakhs)						
a) Death	1212.89	2215.95	3286.12	2420.13	5991.49	6865.08
b) Permanent disablement	386.26	1261.83	1273.35	554.32	2385.78	4130.03
c) Temporary disablement	263.98	329.23	235.99	159.85	406.05	285.38
<b>Total</b>	<b>1863.28</b>	<b>3807.01</b>	<b>4795.46</b>	<b>3134.30</b>	<b>8783.32</b>	<b>11280.49</b>

Source: Labour Bureau

Under the 1923, workmen's compensation act, during 1997, the number of compensated injuries was 4455 with Rs. 1863.28 lakh compensation which increased to 7247 with 3807.01 lakh compensation in 2001, which subsequently reduced to 5247 with Rs. 11280.49 compensation in 2011. Out of them the 947 nominees were compensated Rs. 1212.89 lakh due to the death of the work men in 1997 which increased to 2055 nominees who were compensated Rs. 6865.08 lakh in 2011.

1391 workmen were compensated with Rs.386.26 lakh for permanent disablement and 2117 workmen were compensated Rs. 263.98 lakh for the temporary disablement in 1997. It increased to 2170 workmen with compensation of Rs. 4130.03 lakh for permanent disablement and 1022 workmen were compensated Rs. 285.38 lakh for temporary disablement.

## **The Factories Act, 1948**

The Factories Act, 1948 is the principle legislation for regulating various aspects relating to safety, health and welfare of workers employed in factories. Act aims at protecting workers employed in factories from industrial and occupational hazards. It prescribes 48 hour/week for adult workers. The factories act forbids employment of children less than 14 years of age in any factory. Minimum Standards of lighting, ventilation, safety and welfare service, must be provided to the employees in the factories. Factories employing over 30 women workers are required to provide a crèche for their children. Similarly factories employing over 250 workers must provide shelters, rest-rooms and lunch rooms to its employees. Factories with 250 workers or more must also appoint employee's welfare officers.

## **Maternity Benefit Act, 1961**

The Act applies to women employed in mines, factories, circus, industry, plantation, shops and establishments employing ten or more persons, except employees covered under the Employees state insurance act, 1948. After the Royal commissions of Labour, 1931, and after, maternity Benefit Acts, were implemented; all the states enacted this law. The Mines maternity Benefit Act 1941, the employees state Insurance Act 1948, and the plantation Labour Act, 1951 were the three central Acts which provided maternity benefits to women workers. The enactment of the maternity benefit Act in 1961 provided better and far reaching benefits to women works. Hence the state government adopted the central Act on a gradual basis.

In order to become eligible to receive the maternity benefits, the pregnant female employee must have worked in

that firm for at least 80 days within the 12 months preceding her date of delivery.

There are two types of benefits for the women workers under the Maternity Benefit Act, namely 1) cash benefits and 2) non cash benefits.

**Cash benefits:** The important cash benefits are:

1. 12 weeks leave with pay before /after delivery
2. Six weeks leave with pay in case of miscarriage
3. An additional leave of one month leave with one month salary (requires doctor certification and recommendation)

**Non cash benefits:** The important non cash benefits are:

1. Light work for ten weeks before delivery; two fifteen minutes nursing breaks until the child is fifteen months old;
2. Guarantee of not being dismissed/ discharged while on maternity leave.

The legal obligation is that no employers can knowing or unknowingly employ women in establishment during six weeks immediately the date of delivery or miscarriage. The central govt. is responsible for administration of the provisions of the Act in mines and in the circus industry, while the state Governments are responsible for administration of the Act in factories, plantations and other establishments.

**Table No: 2 Maternity benefits paid under the maternity act 1961**

Year	1998	2000	2004	2006	2007	2008
<b>Factories</b>						
a) No. of Women employed	461548	531497	311525	509170	128333	400734
b) Claims Numbers	1342	2507	1449	1324	1026	1157
c) paid						
(i)Number	1335	1572	1226	2431	922	1082
(ii) Amounts (Rs. Lakh)	98.29	205.59	181.20	909.02	266.68	333.18
<b>Plantation</b>						
a) Number of women employed	78843	103026	498366	343847	346785	302658
b) Claims Number	44425	18787	16733	15236	29049	17263
c) Paid						

---

---

i) Number	39801	18759	16733	15236	27861	16990
ii) Amounts in lakh	154.88	536.23	376.85	407.96	424.04	367.29

Source: Derived from the data obtained from Pocket book of Labour Statistics

The numbers of women employed in the factories were 461548 during 1998 which decreased to 400734 by 2008, correspondingly the claims also decreased from 1342 in 1998 to 1157 in 2008. The amount sanctioned was Rs.98.29 Lakh in 1998 which increased to 333.18 lakh by 2008. In case of plantation, the number of women employed in plantation increased from 78843 in 1998 to 302658 in 2008. . The claims sanctioned were Rs.154.88 Lakh in 1998 which increased to Rs.376.85 Lakh in 2008.

### **The Employees State Insurance Act, 1948**

In 1927, the international labour conference adopted the resolution regarding health insurance of workers in industry, commerce and agriculture. The Royal commission on labour also discussed this issue in detail and in their report recommended that a tentative scheme of health insurance should be adopted after collecting statistical data regarding sickness incidence. The Government of India was not in favor of adopting such a scheme on account of financial difficulties, but the issue was considered in 1940, 1941, and 1942 by the first three conferences of labour ministers. Government of India in March 1943, appointed B.P Adarkar as officer on special duty to work out a feasible health insurance scheme for Industrial workers. The government of India accepted his recommendations and passed the employees state Insurance Act in April 1948. The employee's state insurance act, 1948 was applicable in the first instance, to non – seasonal factories using power and employing 10 or more persons and non power using factories employing 20 or more persons. It covers employee's drawing wages not exceeding Rs. 15000 with effect from 1<sup>st</sup> may 2010. The act provides medical care, in kind and cash benefits; in the contingency of sickness, maternity and



employment injury and pension for dependents in the event of death of a worker because of employment injury. Full medical care including hospitalization is also being progressively made available to all the members of the family of the insured employee.

The E.S.I. Scheme was started with coverage of about 1.20 lakh industrial workers in Kanpur and Delhi on 2<sup>nd</sup> February, 1952. As on March 2013, there are 151 ESI Hospitals. The ESI Corporation has approved setting up of 23 new hospitals in the country, which are at the different stages of construction.

The scheme is financed mainly through contribution from employees (4.75 percent of the wages) and employees (1.75 percent of the wages). It has continued to progress over all these years. The benefits provided under the Act are a) Sickness Benefit, b) Maternity Benefit, c) Disablement Benefit, d) Dependent Benefit, e) Funeral Benefits, f) Medical Benefits

All the workers, earning less than Rs. 15,000 per month employed in power-run factories employing 20 or more persons are covered by this scheme. However, an insured person under ESI scheme is not eligible for similar benefits under the workmen's compensation Act and state Acts relating to maternity benefits.

**Table No: 3 Employees state insurance Act 1948**

Year	2001	2003	2005	2007	2009	2010	2011	2012
No. of centers	677	687	718	737	783	787	790	807
No. of Factories covered	238486	253929	280871	331744	394332	406499	443010	580028
No. of employees factories covered ('000)	7754	7000	7570	9239	12569	13896	15428	16349
No. of insured persons('000)	8493	7828	8498	10158	12938	14300	15530	17100
No. of Beneficiaries covered('000)	32955	30373	32973	39411	50197	54484	60257	66352

Source: Pocket book of Labour Statistics

The number of centers increased from 677 in 2001 to 807 in 2012. The number of factories covered was 238486 in 2001 which increased to 580028 in 2012. The number of employees covered increased from 7754000 in 2001 to 16349000 in 2012. The number of insured persons increased from 20276 in 2001 to 20697 in 2012, consequently the number of beneficiaries covered also increased from 32955000 in 2001 to 66352 in 2012.

**Table No. 4: Working of the Employees State Insurance**

Year	2001	2003	2005	2007	2009	2010
<b>No. of dispenses</b>						
Full time	1398	1394	1376	1349	1340	1342
Par time	14	23	10	9	17	17
Mobile	20	10	21	10	11	23
Employees utilization	21	20	20	20	20	20
<b>total</b>	1453	1447	1427	1388	1388	1402
<b>Attendance</b>						
a) Number						
Insured persons	20276	15479	17088	17623	19294	20697
Family members	25175	18731	20487	21003	24062	25520
Family members	3580	2573	2497	2229	1603	1873
<b>Case admitted in Hospital</b>	403854	358914	373406	398741	337515	417498

Source: Pocket book of Labour Statistics

The number of dispenses which was 1453 in 2001 that declined marginally to 1402 in 2010. Out of them the par time dispenses increased from 14 in 2001 to 17 in 2010. The mobile dispenses also increased from 20 in 2001 to 23 in 2010. The employee's utilization also marginally reduced from 21 in 2001 to 20 in 2010.

The number of insured persons who visited ESI for medical care was 20276 in 2001 which marginally increased to 20697 in 2010. Similarly the number of family members who visited the ESI hospitals was 25175 in 2001 which marginally increased to 25520 in 2010. The cases admitted to hospitals increased from 403854 in 2001 to 417498 in 2010.

**Table No. 5: No of beds available in ESI Hospitals**

Years/ ESI Hospitals	2001	2003	2005	2007	2009	2010
General	15649	15403	15646	15369	13981	14985
Maternity	2240	2258	2317	2354	2451	2427
T.B	1766	1757	1761	2167	1515	1081
Total	19655	19418	19724	1989	17947	18493

Source: Labour Bureau

The number of beds available in ESI has reduced considerably and requires correction. The number of beds in ESI was 19655 in 2001 which reduced to 18493 in 2010. Hence the general bed which was 15649 in 2001 is reduced to 14985 in 2010. The bed reserved for T B patients was reduced from 1766 in 2001 to 1081 in 2010. The only consolation is that the maternity beds increased from 2240 in 2001 to 2427 in 2010.

**Table No. 6: Sickness and Maternity Benefit under ESI scheme**

<b>Sickness Benefit</b>	2001	2004	2005	2009	2010
amount paid (Rs. lakh)	11044.89	10139.19	8042.87	12210.84	13162.31
Average daily rate (Rs)	72.33	80.85	80.68	121.12	126.8
<b>Extended Sickness</b>					
amount paid (Rs. lakh)	1319.20	1292.16	1177.81	1304.95	1572.08
<b>Maternity Benefit</b>					
No. of confinements	26522	23821	20515	22376	23721
Rate of confinement per 100 women employees	2.0	2.0	1.6	1.2	1
Amount paid as Maternity benefit (Rs.'000)	201884.80	204417	210213	310975	359161
Average amount paid per confinement (Rs.)	7612	8581	10247	13898	15141

Source: Pocket book of Labour Statistics

The amount paid for sickness under ESI scheme increased from 11044.89 lakh in 2001 to 13162.31 lakh in 2010. The average daily rate was Rs. 72.3 in 2001 that increased to 126.80 in 2010, which further increased to Rs. 160.80 in 2012. The amount paid for extended sickness is Rs. 1319.20 lakh in 2001 that increased to 1572.08 lakh in 2010.

The number of confinements under maternity benefit came down from 26522 in 2001 to 23721 in 2010. Hence the rate of confinement per 100 women employees came down from 2.0 in 2001 to 1 in 2010. The amount paid as maternity benefit increased from Rs. 201884800 in 2001 to Rs. 359261000 in 2010. Hence the average amount paid per confinement came to Rs. 7612 in 2001 which increased to 15141 in 2010.

**Table No. 7: Disablement and dependants benefit under employment state Insurance scheme**

year	2001	2004	2005	2009	2010
Amount of temporary disablement benefit paid (Rs. '000)	347991	353848	307337	342472	375508
No. of permanent disablement cases admitted	13416	11142	12470	10937	11897
Capitalized value of permanent disablement benefit claim (Rs.'000)	739028	677374	800241	1278215	1294071
No. of death cases admitted	995	963	843	1073	1269
Capitalized value of dependent benefit claims admitted (Rs. '000)	315724	338160	305205	495695	687876

Source: Pocket book of Labour Statistics

Under the Disablement and Dependants Benefit under Employment State Insurance scheme the amount of temporary disablement benefit paid was Rs.347991000 in 2001 which increased to Rs.375508000 in 2010. The number of permanent disablement cases admitted was 13416 in 2001 which decreased to 11897000 in 2010. The capitalized value of permanent disablement benefit claim was Rs.739028000 in 2001 which increased to 1294071000 in 2010. The numbers of death cases admitted were 995 in 2001 which increased to 1269

in 2010. The Capitalized value of dependent benefit claims admitted was Rs. 315724000 in 2001 which increased to Rs. 6867876000 in 2010.

### **The Seamen's Provident Fund Act-1966**

Seamen's Provident Fund Act was passed in 1966. It follows the pattern of the EPF Act. It covered 50,000 seamen. By the end of March 1968, the total contribution to the fund amounted Rs. 3, 14 Crores. The Act solves the problems of seamen working on board of the ships, especially when they are completely cut off from land. The problems of seaman working on board of the ships for truncated periods are of a special nature. Hence, it was considered desirable to enact a separate provident fund Act that was passed in 1966.

Every employer covered under the Act was required to contribute to the fund for the period from July 1964 to July 1968 at the rate of 6 per cent of the wages paid and thereafter at the rate of 8% in respect of each seaman employed by him. Every such seaman has to contribute an equal amount to the fund.

### **The Payment of Gratuity Act, 1972**

The payment of Gratuity Act, 1972 is applicable to factories, mines, oil fields, plantations, ports, railways, motor transport undertakings, companies, shops and other establishments. The Act provides for payment of gratuity at the rate of 15 days wages for each completed year of service or part thereof in excess of six months subject to the maximum of Rs. 10 lakh.

### **Coal Mines Bonus Scheme**

The Coal mines bonus schemes were framed under the coal mines provident fund and bonus schemes act 1948 is applicable to all coal mains in the country except those in the state of

Jammu and Kashmir. There are four coal mines bonus scheme viz.

1. The Coal mines bonus scheme 1948, which applies to the coal mines in West Bengal, Bihar, Madhya Pradesh, Maharashtra and Orissa.
2. The Andhra Pradesh coal mines bonus scheme 1952 which applies to the coal mines in Andhra Pradesh.
3. The Rajasthan coal mines bonus scheme 1954 which applies the only colliery in Rajasthan owned by the government.
4. The Assam coal mines bonus scheme 1955, which applies to coal mines in Assam excluding the tribal areas.

The scheme is applicable to all employees in the coal mines whose monthly basic earnings do not exceed Rs. 10,000. Bonus is not payable to works employed by for through a contractor on construction of road and buildings.

**Table No. 8: Working of Coal Mines Provident Fund**

Year	2000	2003	2005	2008	2010	2011
Coal Mines and ancillary organizations covered (at the end of the period)	964	971	971	963	901	903
Employees covered (000)						
a) Registered Membership	2230	2240	2244	2245	4971	4979
b) Life Membership during the year	745	658	583	403	481	464
Contributions received during the year (Rs. lakhs)						
a) compulsory	127096.36	173972.54	193320.73	185840.05	215039.63	346800.00
b) Voluntary	802.54	1690.90	1866.04	2195.00	2834.62	3200.00

Source: Pocket book of Labour Statistics

The coal mines and ancillary organization covered by the end of 2000 was 964 which increased to 903 by 2011. The registered employees covered were 2230000 in 2000 which increased to 4979000 in 2011. The life membership was 745 in 2000 that declined to 464 in 2011. The compulsory contribution received was Rs. 127096.36 lakh in 2000 which increased to Rs. 346800 lakh in 2010. The voluntary contribution was Rs. 802.54 lakh in 2000 which increased to Rs. 3200 lakh in 2011.

**Table No. 9: Claims for Refund under the Coal mines Provident Funds Schemes**

Years	2000	2003	2005	2008	2010	2011
No. of Claims Received	35217	34418	26210	15852	25550	26932
No. of Claims Rejected	948	538	587	712	319	229
No. of Claims Settled	33826	34186	25863	15793	25445	26555
Amount Refunded (Rs. Crore)	866.15	1576.77	1739.07	1877.43	2264.05	2759.16
Progressive Total claims Settled	1079	1177	1231	1366	1368	1364
Amount Refunded (Rs. lakh)	424430	774373	1996.92	1688922	20983.98	23743.14
Claims Pending	-	1662	1107	803	1462	1610

Source: Pocket book of Labour Statistics

The number of claims received is 35217 in 2000 which increased to 26932 claims in 2011. The claims settled were 33826 and rejected was 948 in 2000 which increased to 26555 claims settled and 229 rejected claims in 2011. The amount refunded is Rs. 866.13 crore in 2000 which increased to 42759.16 crore in 2011. The progressive total claims settled is 1079 in 2000 which increased to 1364 in 2011. The amount refunded was Rs. 424430 lakh in 2000 which decreased to 23743.14 lakh in 2011. The claims pending in 2011 was 1610.

### **The Assam tea Plantation Provident Fund Act 1955**

The scheme framed under the act initially covered only adult persons residing in a plantation area and employed in any kind

of work, manual or other wise and getting wages directly or indirectly from the employees. The act was amended in 1958 to cover nonresident workers as also the clerical, medical and other staff; by another amendment to the act in 1960, children and adolescents were also brought within the scope of the Act. The act was further amended in 1967 to make provision for pension fund. It now covers all categories of employees in tea plantations in Assam excluding those whose total emoluments exceed Rs. 10,000 per month.

### **Group Insurance**

Group insurance scheme was introduced for the provident fund members in 1963. Under the scheme, a blanket policy was taken by the board to cover all the provident fund members in the age group of 18-60. Each worker was required to make a self declaration about his health and no medical examination or proof of age was required. The premium payable to the life insurance corporation are deducted and paid annually from the provident fund accumulations of the members by the board of trustees.

### **Pension Fund**

The scheme was introduced from 2 October 1967. It made the provision for the constitution of pension fund from the accumulated undisbursed interest amount of the provident fund to enable it to all its employees. Since 2006, the government has modified its pension scheme in the organized sector which has made it as contributory pension to the workers employed since 2006.



**Table No. 10: Family Pension Fund Benefits**

Year	2000-01	Cumulative 2001	2004-05	Cumulative 2005	2009-10	Cumulative 2010	2010-11	Cumulative 2011
F.P fund Settled	755	38500	243	39765	19	39983	14	39952
Claims for other Benefits under F.P.S	65	104525	3	104591	0	104598	3	104601

Source: Pocket book of Labour Statistics

The family pension settled in 2000-01 was 755 which took it cumulative of 38500 in 2010-11 the family pension settled was 14 taking it to cumulative of 39952. The claim for other benefits under family pension settled was 65 and the cumulative was 104525 in 2000-01 which was 3 in 2010-11 taking the cumulative to 104601.

### **Unorganized workers Welfare Scheme**

At the same time to ensure welfare of unorganized workers various welfare schemes was also undertaken by the government. The ministry of labour and employment enacted "The Unorganized Workers Social Security Act 2008" which came into force from 16<sup>th</sup> May 2009. The important welfare programmes launched by the government for unorganized workers are;

- 1) Rashtriya Swasthya Bhima Yojana was initiated on 1<sup>st</sup> April 2008. It is providing smart card based cash less health insurance cover to the beneficiaries up to Rs. 30,000 per annum on family floater basis to BPL families in the unorganized sector.
- 2) Aam Adimi Bhima Yojana was launched on 20<sup>th</sup> October 2007 to provide insurance cover to the head of family or one earning member of rural land less households in the age of 18 to 59 years. The assured insurance amount, 30,000 in case of natural death of the insured, whereas Rs. 75,000 in case of accidental death and permanent disability and Rs. 37,500 for partial permanent

disability were allowed to the beneficiaries under this insurance scheme.

- 3) Indira Gandhi National Old age Pension Scheme was expanded to all the citizens above the age of 60 years , who are living in BPL
- 4) A Co- contributory pension scheme called as Swavalamban was introduced in 2010. It encouraged the unorganized sector workers to voluntarily save for their retirement. The government of India matched the savings with a minimum sum of Rs. 1000 and maximum of Rs. 12,000 per annum.

## **Conclusion**

The social security schemes have to be further strengthened to benefit the unorganized sector workers. The unorganized sector is fast expanding; hence government through its social security measures must provide the safety net to the needy workers. The entire ambit of unorganized sector should be covered by insurance and social security schemes so as to mitigate risk in this sector and boost the confidence of the workers. Government through its social security measures must cater to the disadvantaged sections of the society and it is the fundamental duty of the government in the globalized India.

## **REFERENCES:**

- Annual Report. 2012-13. Ministry of Labour and Employment, New Delhi
- Balachandra, L., Mungekar, Dilip M., Nachane, M.J., and Manohar, Rao. 2003. *Indian Economy in New Millenium*. Mumbai: Himalaya Publishing House.
- Bali, Arun P. 2001. *Refashioning the new Economic Order*. New Delhi: ICSSR.

- Batra, E.S. and Dangwal, R.C. 2005. *Globalization and Financial Service Sector*. Deep and Deep, Publication Pvt Ltd.
- Besley, T. and Kumbur, R. 1998. "Food Subsidies and Poverty alleviation." *Economic Journal* 98 (392): 701-719.
- Debdas, Banerjee. 2005. *Globalization Industrial restructuring and Labour standards*. New Delhi: Sage Publishing.
- Dev, S.M. 1996. "Social Security for Indian Workers, performance and issues." *Indian Journal of Labour Economics*.
- Economic Survey. 2013-14. Government of India, Ministry of Finance, Department of Economic Affairs Economic Division, Oxford University Press.
- Galor, O. and Zeira, J. 1993. "Income distribution and macroeconomics." *Review of Economic Studies*.
- Keshava, S.R. 2013. "Lackluster Industrial Growth in India even with FDI and SEZ energizer during post reform period." In *The Development Discourse: Growth and Economic Efficiency in India*, edited by R. Shashi Kumar, 233-240. Faridabad, India: Humming Words Publisher.
- Pocket book of labour Statistics, Labour Bureau, Government of India 2011-12 retrieved from <http://labourbureau.nic.in/reports.htm>
- Thakur, Devendra 1999. *Survey of Indian Industries and New Economic Policy*. New Delhi: Deep and Deep Publishing Pvt Ltd.
- [http://labour.nic.in/upload/uploadfiles/files/Divisions/Parliament/ls94\(1\).pdf](http://labour.nic.in/upload/uploadfiles/files/Divisions/Parliament/ls94(1).pdf)
- United Nations, the Universal Declaration of Human Rights retrieved from <http://www.un.org/en/documents/udhr/index.shtml#a22>
- USA social security measures retrieved from [ssa.gov/news/press/factsheets/young.htm](http://ssa.gov/news/press/factsheets/young.htm) on 1st June 2014.