

Q The universalization of social security remains an unfulfilled aspiration in the new code on social security. Critically analyze

Ans According to Article - 42 of the Indian constitution, provision for just and humane conditions of work and maternity relief. The Indian parliament, in a bid to rationalise the 44 labour codes in India, consolidated them into 4 labour codes; Code on social security 2020.

Code on social security, 2020

SDG Goal: 8

Decent work & Economic Growth

Aim: to amend and consolidate the laws relating to social security with the goal to extend social security to all employees & workers either in the organized or unorganized sector.

- Around 91% of total labour force is employed in unorganized sector, which does not provide social security like maternity relief, old age pension, re-skilling of workers, compensation in case of accidents, health services etc.
- This code has widened the definition of employees to include inter-state migrants, workers, construction workers, film industry workers, gig workers, platform workers etc.
- Provide for setting up of a 'National Social Security Board' for all organized as well unorganized sector.
- Digitisation of data will help in exchange of information among various stakeholders.

→ Issues in the Code

(i) National Commission on Labour (NCL) has emphasised on the need for universal & comprehensive social security to avoid deprivation of basic needs of workers.

But this recommendation have been neglected.

(a) The code retains thresholds based on the size of establishment for making benefits mandatory.

Eg: Pension & medical insurance is mandatory only for establishments with a minimum number of employees such as 10 or 20 employees.

(b) The code continues to treat employees within the same establishment differently based on the amount of wages earned.

(ii) The code does not provide for inter-state cooperation.

(iii) Hurdles for informal workers as they have to register themselves on online platform & difficulty in furnishing documents.

According to "State of Working India Reports" 2021, nearly half of formal salaried workers moved into informal work between late 2019 & late 2020.

So, in order to address the issues of the labour force, there is a need to address the loopholes in this code so that universalisation of social security will lead to the overall development and increased efficiency of the labour force & overall progress of the society & economy.