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Social Security for informal sector:

1. For the 1st time in India a comprehensive social security scheme for the informal sector has been proposed (May 16, 2006)
2. The National Commission for Enterprises in the Unorganised sector (NCEUS) seeks to develop a healthy workforce in India
3. This will have a +ve impact on national income and economic growth.
4. It will cover sickness, maternity, old age and death and proposes a participatory system with some contribution from the workers.
5. It will cover more or less 30 crore unorganised workers.
6. Except the old age security, all other social security benefits are based on the insurance model.

7. It will be the responsibility of the national board as well as the state boards to ensure the best possible deal.
8. The real challenge here is in collecting the contribution of workers over the length and breadth of the country and ensuring timely delivery of services.
9. The commission has carefully examined the above mentioned issue and has discussed with the department of posts.
10. It has recommended that the vast network of the postal system may be taken advantage of this national project for its implementation.
11. At present more than 1,56,000 post offices in the country may be used for the implementation of social security scheme for the workers in the unorganised sector.

12. The post-offices has the advantage of long-stand-credibility as well as accessibility to common people.

Some major issues:—

i) 1st point is the vigorous public debate → additional public expenditure ⇒ (here social protection to the poor) may be a wasteful expenditure. ⇒ may be considered as subsidy.

ii) optimistic view:— A measure of social security helps to develop a healthy workforce capable of enhancing their contribution to national income and thus enhance the capacity of the economy to grow.

iii) Again, a workforce with higher capability and security would contribute to higher growth, which in turn, would enhance the aggregate demand in the economy through higher purchasing power of this vast mass of workforce.

Salient Features: -

NCEUS :-

- a) Aims at bringing out improvement in the productivity in informal sector
- b) Generating large scale employment opportunities on sustainable basis, particularly in the rural areas.
- c) Recommending appropriate measures to enhance competitiveness of the informal sector in the global economy.
- d) To link the sector with institutional framework areas: credit, raw materials, technology up-gradation, skill development and marketing.

SOCIAL SECURITY PROGRAMMES :-

1. Rashtriya Swasthya Bima Yojana :-
launched on 01.10.2007 → Smart card based cashless health insurance covers upto Rs 30,000/- to the workers falling under BPL category.
2. Aam Aadmi Bima Yojana :- 02.10.2007
→ provide death and disability cover of rural landless households between age 18-59 years. Head of the family or any earning member in the family → insured.
3. Indira Gandhi Old Age Pension Scheme (I GOAPS) launched: 19.11.2007. Benefit aged member having age more than 60 yrs and BPL.
4. Atal Pension Scheme :- contributory Pension Scheme (09.05.2015). Govt. of India has decided to contribute 50% of total contribution.
5. Pradhan Mantri Jeevan Jyoti Bima Yojana :- (9.5.15)
→ life insurance scheme for benefit of people belonging to unorganised sector. (Age group 18-50 yrs) and having a bank account.
6. Pradhan Mantri Suraksha Bima Yojana :-
→ Pension scheme for people 18-70 yrs, having an active linked bank account. (premium → Rs twelve, per annum). Accidental death risk coverage - Rs 2 lakhs and partial disability Rs 1 lakh.