

Legislate Universal Social Security Immediately

Simultaneous Separate Legislation for Regulation of Work in the Informal sector and Agricultural Sector

The UPA Government in its Common Minimum Programme promised a social security legislation that would ensure social security benefits to workers in the informal sector that by far comprise the largest chunk of the workforce. The National Commission for Enterprise in the Unorganised Sector (NCEUS) accepted the demand of progressive unions that social security is a citizenship right. The bill moved by Government in the Rajya Sabha in September 2007 significantly dilutes the recommendations made by the NCEUS. Furthermore, the Parliamentary Standing Committee on Labour, after eliciting the views of trade unions, has made recommendations to Government in the end of November 2007. Although nearly three months have passed since the legislation that concerns the vast majority of workers, it is still not on the agenda of Government.

Social Security as a Right

Workers across sectors contribute productively to the national product and the society. It is therefore their right to be secure in times of unemployment, illness, disability, death and old age. In such an eventuality, if the employer cannot be held accountable, the government should bear the primary responsibility for developing appropriate systems for providing protection and assistance to its workforce and their families.

Simultaneous Legislation for Regulation of Work

Social security is a necessary but not sufficient provision for removing the insecurity of workers in the informal sector. Insecurities that plague workers in the informal sector come from irregularities of the labour market that include employment; tenure; condition of work; skill reproduction; income; and representation. In order to remove insecurities of workers in the informal sector concurrent and simultaneous legislation must be put in place to regulate employment and conditions of work in the informal sector, where in separate legislative protection be provided for agricultural workers and non-agricultural workers alongside legislation for universal social security. Further, a regulatory framework needs to be put in place to ensure economic viability of the social security legislation.

Demands:

- There must be a clear definition of a national minimum social security benefit defined and protected by legislation and not left to be determined by government.
- Agricultural workers represent the single largest category in the informal sector and are also receive the lowest wages. Hence legislation must differentiate between agricultural and non-agricultural workers fails or else it will fail to reach agricultural workers.
- The bill leaves the monetary ceiling of a wage worker to be decided upon the government from time to time. The ceiling should be fixed at 4 times the floor level national minimum wage as recommended by the Ministry of Labour.
- Life and disability cover must include employment injury benefit, including provision for wages when recovering from employment injury.
- Health benefits must include hospitalisation charges and all benefits should include their dependents.
- Maternity Benefit for all women including 90 days wage during the pregnancy period.
- The pension must be linked to the minimum wage and the same principal of pension (50% of last wage drawn) as applicable to government employees be used. Hence even if we are to take the floor wage as prescribed national floor wage of Rs.66 per day, the minimum monthly pension of a worker in the informal sector would therefore be $Rs. 66 \times 30 \times 50\% = Rs. 990$.
- There should be an Unemployment Insurance benefit for all workers.
- The national minimum social security benefit must be paid through budgetary provisions and not be linked to ability of government to pay or be contribution based.

New Trade Union Initiative