WHAT IS SOCIAL SECURITY?
Any of the measures established by legislation to maintain individual or family income or to provide income when some or all sources of income are disrupted or terminated or when exceptionally heavy expenditures have to be incurred (e.g., in bringing up children or paying for health care)

Social security may provide cash benefits to persons faced with sickness and disability, unemployment, crop failure, loss of the marital partner, maternity, responsibility for the care of young children, or retirement from work.

Social security benefits may be provided in cash or kind for medical need, rehabilitation, domestic help during illness at home, legal aid, or funeral expenses

It acts as a facilitator – it helps people to plan their own future through insurance and assistance.
DEFINITION OF SOCIAL SECURITY
Social security is "any government system that provides monetary assistance to people with an inadequate or no income".

Definition by National Commission on Labour –

“Social security envisages that the members of the community shall be protected by collective action against social risks causing undue hardship and privation to individuals whose primary resources can seldom be adequate to meet them. The concept of social security is based on ideals of human dignity and social justice. The underlying idea behind social security measures is that a citizen who has contributed or is likely to contribute to his country’s welfare should be given protection against certain hazards or as consequence of it”.
A systematic attempt was made by ILO in defining social security. ILO defines social security as follows:

“The security that society furnishes, through appropriate organization, against certain risks, to which its members are exposed. These risks are essentially contingencies against which the individuals of small means cannot effectively provide by his own ability or foresight alone or even in private combination with fellows”. These risks are being sickness, maternity, invalidity, old age and death. It is the characteristics of these contingencies that they imperil the ability of the working man to support himself and his dependents in health and decency.
HISTORY OF SOCIAL SECURITY
Otto von Bismarck, Chancellor of Germany, introduced one of the first welfare systems for the working classes in 1883. Germany was the first country to introduce Social security scheme. Each member of a particular trade (blacksmiths, painters, weavers etc) was required to contribute at regular intervals; Money from this fund was used for food, lodging, hospital and funeral expenses of aged and disabled members.

The Social Security Act, signed into law by President Franklin D. Roosevelt in 1935, created Social Security, a federal safety net for elderly, unemployed and disadvantaged Americans.

The main stipulation of the original Social Security Act was to pay financial benefits to retirees over age 65 based on lifetime payroll tax contributions. The Act also established the Social Security Board, which later became the Social Security Administration, to structure the Social Security Act and figure out the logistics of implementing it.
The first major social security program in southeast Asia came into operation in India on February 24, 1952. The Employees’ State Insurance Act, which established the program, provided for medical services, continuing cash benefits due to employment injury or death, cash sickness benefits during periods of wage loss, and cash maternity benefits. In addition, legislation providing for a separate system of old-age and survivors savings benefits was enacted in 1952.

This program, initiated by the Employees’ Provident Funds Act, provided for the establishment on a compulsory basis of company (savings) plans in certain industries.

India, the second most populous country in the world and the eighth most important industrial nation, thus becomes another of the major countries to put into operation a social security system. Although the coverage of the system is limited, protection is afforded against a number of risks.
SOCIAL SECURITY IN INDIA: DIFFERENT FROM DEVELOPED NATIONS

■ We do not have an existing universal social security system
■ 92% of the workforce is in the informal sector which is largely unrecorded
■ today 1/8th of the world’s older people live in India. The overwhelming majority of these depend on transfers from their children.
■ Addressing social security concerns with particular reference to retirement income for worker
■ In India the coverage gap i.e. workers who do not have access to any formal scheme for old-age income provisioning constitute about 92% of the estimated workforce of 400 million people.
Right To Social Security: The Constitutional Framework
The preamble expresses the essential features of political and economic philosophy underlying the provisions of the Constitution.

It declares that India would be a sovereign, socialist, secular democratic republic and to secure to all its people justice, liberty, equality and fraternity. It assures a democratic way of life and embraces the ideal of establishing social, political and economic justice in the country.

The words “socialist, secular” were added to the preamble only in the year 1976 by the Constitution (Forty-second Amendment) Act, 1976, S.2
The provisions relating to social security of labour lie in *Part IV* though the right to life and protection from discrimination and exploitation are laid down in *Part III, the Fundamental Rights*.

The main preambular objective of Indian Constitution is to secure to all its citizens justice-social, economic and political. The basis and origin of this concept was the ‘objective resolution’
• Fundamental Rights was also included in the Constitution which guaranteed Right to Equality (Article 14) and Right against Exploitation (Article 23 and 24).

• A separate chapter on Directive principles of State Policy incorporated in the Constitution has embodies the fundamental principles based on social justice concerning labor.

• Right to life (Article 21) includes all the rights that are essential to main human life in a civilized society, such as food, clothes, house, medicine and education.

• The Right to work means the citizen’s right on his society to have work according to his ability and skill with suitable minimum wages that enable him to maintain his life in a civilized society.
PART IV DIRECTIVE PRINCIPLES OF STATE POLICY

- **Article 38** is a mandate to the state to secure a social order for the promotion of welfare of the people.

- **Article 39** provides for equal rights to adequate means of livelihood to all citizens and distribution of wealth and material resources to subserve common good and prevention of concentration of wealth and means of production etc.,

- **Article 39A** of the Constitution envisages that the State should provide free legal aid by legislation or schemes or in any other way to ensure that opportunities for securing justice are not denied to any citizen by reason of economic or other disabilities.
PART IV DIRECTIVE PRINCIPLES OF STATE POLICY

■ Article 41

■ Right to work, to education and to public assistance in certain cases

■ State shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want.

■ Article 42

■ Provision for just and humane conditions of work and maternity relief

■ State shall make provision for securing just and humane conditions of work and for maternity relief.
Article 43 deals with living wage for workers and Article 43-A intend to secure workers participation in management of industries.
**Concurrent List**

Social Security and labour welfare falls under Concurrent list, it means both union and state Government can make laws regarding these topics.

- (List III in the Seventh Schedule of the Constitution of India)
- Item No. 23
  - Social Security and insurance,
  - Employment and unemployment.
- Item No. 24
- Welfare of Labour including conditions of work,
- Provident funds,
- Employers’ liability,
- Workmen’s compensation,
- Invalidity and old age pension and maternity benefits.
In the Indian context, Social Security is a comprehensive approach designed to prevent deprivation, assure the individual of a basic minimum income for himself and his dependents and to protect the individual from any uncertainties.

The State bears the primary responsibility for developing appropriate system for providing protection and assistance to its workforce. Social Security is increasingly viewed as an integral part of the development process.

It helps to create a more positive attitude to the challenge of globalization.
India has always had a Joint Family system that took care of the social security needs of all the members provided it had access/ownership of material assets like land and gold.

However with increasing migration, urbanization and demographic changes there has been a decrease in large family units.

This is where the formal system of social security gains importance.

Consonant with this directive, the general provision forbidding this directive and discrimination by the state (Article 15) and (Article 16)
DIRECTIVE PRINCIPLES, WELFARISM AND SOCIAL SECURITY VIS-A-VIS FUNDAMENTAL RIGHTS

JUDICIAL APPROACHES
In *National Textile Worker’s Union v. P.R. Ramakrishnan*, the Supreme Court pointed out the significant position of workers in Indian society and reiterated the profound concern to the workers by the socioeconomic order envisaged in the Preamble and the Directive Principles of the Constitution.

In *Air India Statutory Corporation v. United Labour Union* it was observed by Supreme Court that the Directive Principles are substantially human rights.

In *BALCO Employees Union (Regd.) v. Union of India & Ors*, the Supreme Court elaborately considered the scope of review of economic policy affecting rights of labour.
The Workmen v. Reptakose Brett and Co. Ltd Reptakos and Co. by Supreme Court is another guideline. The Central government revised the national minimum according to the recommendations of different working groups from time to time. The Building and Other Construction Workers regulation of Employment and Conditions of Service Act, 1996 and The Building and Other Construction Worker’s Welfare Cess Act, 1996 are the legislations covering the welfare of the workers in the construction activities.
ORGANISED LABOUR VS UNORGANISED LABOUR
ORGANIZED SECTOR

- The sector, which is registered with the government is called an organized sector. In this sector, people get assured work, and the employment terms are fixed and regular.

- The sector is regulated and taxed by the government.

- The organized sector includes those factories, enterprises, industries, schools, hospitals and units which are registered with the government. It also includes shops, clinic and offices that possess a formal license.

- Organized sector includes primarily those establishments which are covered by the Factories Act, 1948, the Shops and Commercial Establishments Acts of State Governments, the Industrial Employment Standing Orders Act, 1946.

- This sector already has social security benefits under above laws like like they get the advantage of job security, add on benefits are provided like various allowances and perquisites.
The sector which is not registered with the government and whose terms of employment are not fixed and regular is considered as unorganized sector. In this sector, no government rules and regulations are followed.

Government does not regulate the unorganized sector, and hence taxes are not levied.

Unorganized sector includes construction workers, domestic workers, workers working on the streets, people working in small workshops not affiliated with the government.

Unorganized sector doesn’t have labour law coverage. These are seasonal and temporary nature of occupations. Casual nature of work, labour mobility is high hence bargaining power is low.

This sector includes those small size enterprises, workshops where there are low skill and unproductive employment. Unorganized sector is not governed by any such act as the organized sector.
CONCLUSION
There are many laws covering different set of benefits available in India. But these are available to a small portion of the labour force only i.e., the organized sector. These laws generally provide minimum number of employees for their application to an industrial establishment.

The provision for wage ceiling is another impediment in widening the application of these Acts.

It is worthy to analyze how other countries are trying to cope up with the wind of globalisation.

Understanding about how the legal system works in other countries will definitely help to reconcile the principle of unlimited market freedoms sought by employers with the demands of workers for the guaranteed basic rights and social protections.