



Syllabus subtopic: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections.

News: The draft code on social security, which subsumes 8 existing laws covering provident fund, maternity benefits and pension, is being further worked upon after a recent round of public consultations.

Prelims focus: key features of the draft.

Mains focus: need for and significance of the code.

Mission:

1. To amalgamate a clutch of existing laws and proposes several new initiatives including universal social security for unorganized sector workers and, insurance and health benefits for gig workers.
2. To Corporatize of existing organizations like EPFO and ESIC headed by people other than the labour minister.

Key highlights of the draft:

1. **Insurance, PF, life cover for unorganized sector employees:** Central Government shall formulate and notify, from time to time, suitable welfare schemes for unorganised workers on matter relating to life and disability cover; health and maternity benefits; old age protection; and any other benefit as may be determined by the central government.
2. **Corporatization of EPFO and ESIC:** The pension, insurance and retirement saving bodies including EPFO and ESIC will be body corporate. Labour minister, labour secretary, the central PF commissioner and Director General of ESIC may not be by default the head of such organizations.
3. **Benefits for Gig workers:** "Central Government may formulate and notify, from time to time, suitable social security schemes for gig workers and platform workers" and such schemes would encompass issues like "life and disability cover", "health and maternity benefits", "old age protection" and "any other benefit as may be determined by the Central Government".
4. **Maternity Benefit:** Subject to the other provisions of this Code, every woman shall be entitled to, and her employer shall be liable for, the payment of maternity benefit at the rate of the average daily wage for the period of her actual absence, that is to say, the period immediately preceding the day of her delivery, and any period immediately following that day.
5. **The Code on Social Security, 2019 once in place will merge eight exiting labour laws including** Employees' Compensation Act, 1923; Employees' State Insurance Act, 1948, Employees' Provident Funds and Miscellaneous Provisions Act, 1952; Maternity Benefit Act, 1961; Payment of Gratuity Act, 1972; Cine Workers Welfare Fund Act, 1981; Building

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