

Course Name: Labour Welfare and Industrial Relations

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Week – 12

Lecture – 05

Hello, learners. Welcome back to the course on labor welfare and industrial relations. Welcome to the last lecture of the last module, specifically where we were looking into the labor courts.

And today, specifically, we'll have a detailed discussion on Social Security, specifically the Code on Social Security 2020. I'm Dr. Abraham Cyril Issac. I'm an assistant professor at the School of Business, Indian Institute of Technology, Guwahati.

So, over the entire 11 to 12 modules, we have seen labor welfare, industrial relations specifically. Now, I would try to end this with great emphasis on social security. Now, when it comes to social security, many a time, industries or generally people who are concerned with giving a certain livelihood to people or the employer per se is not very keen on social security aspects.

They are keen with respect to the normal routine wage, salary, working conditions, etc. But social security is a step beyond which generally the people or generally the employer or the capital class will not actually look into or will not actually care for. Now, this particular code, the code on social security 2020 is essentially an attempt to to consolidate, amend all the laws and acts that are related to Social Security, bring it under one umbrella and to give more efficiency to the particular act in itself or the particular Social Security element in itself. Let's look into it with greater detail.

The Code of Social Security 2020 aims to regulate... Both the organized and unorganized sector. Please note that has been the critical. update when it comes to the social security

part the code is to amend and consolidate the laws relating to social security the goal to extend social security to all employees and workers either in organized or unorganized sector when you look into social security what is social security social security refers to the protection measures provided to workers to ensure health care and income security in case of certain contingencies.

It could be contingencies like, let's say, old age, maternity or accidents for that matter. So accidents, if you look into, you know, It could be anything that can happen and that may happen. So what are the mechanisms to address that or there's some laws that has happened with respect to on the hand of employee. What are the mitigative reasons or mitigating aspects that can that can be brought by the court?

When you look into the Code on Social Security 2020, the Code aims to regulate the organized and unorganized sector, both as I've already mentioned, and extend all the social security benefits during sickness, maternity, disability, etc. to all employees and workers across different organizations. So this is certainly a comprehensive legislation that integrates nine existing labor laws. to provide a unified framework for social security coverage. Let's understand this, how these nine existing laws have come under one umbrella and what are these laws specifically.

Integration of nine labor laws, I had, you know, Slightly introduce you to this topic in one of the previous modules. We are going in greater detail here. The code undertakes integrating the following nine labor laws relating to Social Security into one integrated code. When you look into the key acts integrated, we have the Employees Compensation Act 1923 at the top.

We have the Employees State Insurance Act 1948. Following that, following that, we have the Employees Provident Fund and Miscellaneous Provisions Act. So these are some of the key acts that are integrated. When you look into the additional acts, the Employees Exchange, Compulsory Notification, Vacancies Act 1959. The Maternity Benefit Act 1961 and the Payment of Gratuity Act 1972 are the additional acts that are integrated under the single umbrella.

When you look into other integrated acts, we have the Cine Workers Welfare Fund Act 1981. The Building and Other Construction Workers, CESS Act 1996. And finally, the Unorganized Workers, Social Security Act 2008. So these are the nine different labor laws which come under one single umbrella, the Code on Social Security. Now let's look into the coverage and applicability.

When you look into the coverage and applicability, the code has widened coverage by including workers in the unorganized sector. Also, this is something which I am trying to underline again and again. Fixed term employees are there. Gig workers are there. Please note, this is an update.

This is a new code that has emerged. So it has taken care of the changing work pattern, the changing work contracts, the gig economy, etc., platform workers are there so the changing pattern again are being reflected here with the platform workers and to a great extent the interstate migrant workers are also there in addition to the contract employees so we see that the code applies to everyone on wages in an establishment irrespective of the occupation so please understand when you look into The coverage and applicability specifically, the code applies to everyone on wages in an establishment irrespective of the occupation. Now, again, the same treatment will give.

We go for the key definitions. We'll try to understand under the purview of this particular code. What do you mean by Social Security? Who is an employee? What do you mean by unorganized worker?

What do you mean by interstate migrant worker, etc.? Let's look into that. Now, we'll start with the Social Security per se. Social Security means the measures of protection afforded to employees inclusive of unorganized workers.

It could be gig workers and platform workers to ensure access to health care and to provide income security, particularly in case of old age, in case of unemployment, sickness, invalidity or even work injury, maternity or loss of a breadwinner by means of rights conferred on them. and schemes actually framed under this code on social security 2020 so this is what you understand by social security per se when you want to look into unorganized worker who is an unorganized worker under the code on social security 2020

let's look into section 2 Section 2 defines an unorganized worker inclusive of a home-based worker, self-employed worker or a wage worker in the unorganized sector and includes a worker in the organized sector who is not covered by the Industrial Disputes Act 1947 or chapters 3. Chapter 3 is chapter on the EPF to 7. Chapter on the Employees' Compensation if you go through the particular code of the code.

specifically of the code on social security so we if you want to have detail of these chapters i will specifically mention that in the industrial disputes act 1947 or chapter 3 chapter 3 is the chapter on epf and chapter it extends to chapter 7 which is the chapter on employees compensation so critically these are the segments which involve the mention of the unorganized worker When you look into, you know, specifically section 2, sub clause 2 of the code, it defines aggregator as the digital intermediary of aggregator. or a marketplace for a buyer or user of a service to connect with the seller or the service provider. If you look into the Schedule 7, the aggregators listed there are ride-sharing services, something like Uber, Ola, etc., food and grocery delivery services. You have the logistic services.

We have the e-marketplace, both marketplace and inventory model. It could be for wholesale. It could be for retail sale of goods and or services, both B2B and B2C. It could be professional service providers. It could be health care.

It could be travel and hospitality. It could be content and media services. And it could be any other goods and services provided. Provider platform. So this is what you understand by aggregator.

I repeat, aggregator would have anything that is listed under schedule seven from ride sharing services to let's say food and grocery delivery services to logistic services. to e-marketplace, you know, both B2B and B2C professional services would be there, healthcare would be there, travel and hospitality, content and media services, and any other goods and services. So, these are the different categorical arrangement of aggregators within the code. On employees, we understand that the term employees now also includes workers employed through contracts. On interstate migrant workers, it also includes self-employed workers who have migrated from another state.

So what the code on Social Security 2020 specifically Section 2 certified defines a gig worker. A gig worker is something which actually needs a discussion here. A gig worker is defined as a person who performs work or participates in a work arrangement and earns from such activities outside of the traditional employer-employee relationship. So what we understand with respect to the code, it defines a platform work. We have looked into the gig work.

We have looked into what aggregator is. Now, what is platform work? Platform work is a form of employment in which organizations or individuals use an online platform to access, let's say, other organizations or maybe individuals to solve specific problems. or to provide specific services in exchange for payment. So if we look into the case of India, for the first time in India, the newly passed labor codes provide for the social security for the gig and platform workers along with workers of the unorganized sector.

So unorganized sector was already there. With this code, we also look into the gig workers as well as the platform workers. So it is for the first time. That laws in India have defined what do you mean by gig workers and platform workers, which in itself is a great amendment and update. Now, let's focus on these different categorizations, gig workers, platform workers and the extended coverage under the ambit of the code.

When you look into the gig workers, gig workers are those engaged in hourly or part time jobs in everything. from catering events to software development. That could be the range I just wanted to mention. They have a non-standard work arrangement with their employers and share a non-traditional employer-employer relationship. Please understand, on a traditional basis, employer-employer relationship is quite different, unlike the gig worker arrangement where there is a non-traditional employer-employer relationship.

So the work is different. usually temporary and completed within a stipulated time frame so what we understand somebody like freelancer somebody like contingent workers or somebody like independent contractors etc can come under the umbrella of gig workers even a part-time professor can be classified as a gig worker so please note this understanding would actually enable you To understand who is specifically a gig worker

and it is specified under the ambit of this particular code. Now let's look into platform workers for that matter. Platform workers again implies a worker working for an organization that provides specific services using an online platform.

directly to individuals or organizations. Maybe, you know, you can take examples from workers that are there in Ola or Uber services, Swiggy or Samato delivery agents, etc. So the social security code is critical and it defines a platform workers as person engaged in or undertaking platform work. So what the code defines is that the platform work is nothing but a form of employment in which organizations or individuals use an online platform to access other organizations or individuals to solve specific problems or to provide specific services in exchange for payment.

So this work is also outside. What we understand as the traditional employee employer relationship. Now, when you look into the extended coverage, specifically gig workers will now become eligible for life and disability coverage specifically and maternity benefits and pensions also. So the code has widened coverage by including the unorganized sector. Please note that fixed term employees are already there.

Interstate migrant workers are also there in addition to the contract employer. So the Social Security Code 2020 brings these workers under the ambit of social security schemes, including life insurance and disability insurance, health and maternity benefits, provident fund, and to a certain extent, skill upgradation, etc., Now, let's understand this from the background of National Social Security Board. The whole code has a great organizational setup, I would call it. In terms of National Social Security Board, the court provides for the setting of National Social Security Board.

Let's understand from the functions of that. Now, when we look into the National Social Security Board closely, the functions of it specifically, they recommend to the central government for framing suitable schemes for different sections of unorganized workers, like, let's say, gig workers, platform workers, etc., The National Social Security Board also advises the central government on such matters arising out of administration of this code as may be actually referred to. It also looks into and monitors all the social welfare schemes for unorganized workers, for gig workers and platform workers as are

administered by the central government. And not to forget, it also reviews the record keeping functions performed at the state level and reviews the expenditure from the fund and the account specifically.

And finally, it also undertakes such other functions as are assigned by the central government from time to time. So when you look into the state board, it does similar functions at the state level. What we have at the national level, the National Social Security Board functions, as we have already discussed. Now, let's look into the National Social Security Board. Something we understand here is one thing that it looks into not only the organized sector.

It also has schemes for unorganized workers, gig workers and platform workers, etc., Let's look into how we actually incorporate them within the ambit of this particular code. So the first and foremost thing in this line of thought would be definitely digitization. Now, when you look into digitization, all records and returns have to be maintained electronically. Digitization of data will actually help in exchange of information among various stakeholders, funds set up by the government or will also ensure compliance and also will facilitate the governance.

When you look into Social Security Fund specifically, We see that the code mandates setting up of Social Security Fund both at central and the state level. So Section 141 of the code, if you go through it on Social Security 2020, describes that the central government establishes a Social Security Fund for social security and welfare of the unorganized workers, gig workers and platform workers. Please recollect our discussions in the previous lecture. The major source of the fund will be the amount collected by way of composition of offenses under the Code on Social Security 2020 and any other sources as prescribed.

When you look into other important factors or other important provisions, we have the career center as the third factor. When you look into the career centers under the Code on Social Security 2020, we'll see that the career centers will actually replace employment exchanges and it includes any office. It could include employment exchange place or portal established and maintained in the manner prescribed. by the central government or

the authorities for providing such carrier services. It could include registration, collection and furnishing of information.

It could include keeping of registers or otherwise manually, digitally, virtually or through any other mode as may be prescribed by the central government which may inter alia relate generally or specifically to one persons who seek to employ employees Two, persons who seek employment. Three, occurrence of vacancies. And finally, persons who seek vocational guidance and career counseling or guidance to start self-employment. So, these are the individuals who will need or who will be entertained here.

One, persons who seek employment. Two, persons who employ employees. Three, Occurrence of vacancies. And four.

Persons who seek vocational guidance. so these are the critical features when it comes to the career center under the code or social security 2020 now let's look into some of the important chapter headings and applicability very quickly we'll not go into greater detail because that's beyond the scope but since it is one of the latest uh code especially the code on social security 2020 i would like to throw some light on the different chapters critical chapters and the applicability of these chapters The first and the foremost critical chapter would be Chapter 3, which I have already introduced you to. The chapter heading would be Employees Provident Fund. The applicability is that every establishment in which 20 or more employees and employed would come under this particular chapter, the provisions of the chapter.

When you look into Chapter 4, we have the Employee State Insurance Corporation. We see that every establishment in which 10 or more persons are employed other than a seasonal factory. And also, it shall also be applicable to establishment which carries on such hazardous or life-threatening occupation as notified by the central government in which even a single employee is categorically employed. So, this is also given under Chapter 4. When you look into other chapters, especially chapter 5, we have gratuity as a critical factor.

What is the applicability of that chapter? The provisions include provisions on every factory, mine, oil field, plantation, port and railway company and every shop or

establishment in which 10 or more employees are employed or or were employed on any day of the preceding 12 months and such shops or establishments as may be notified by the appropriate government from time to time. I've used the word appropriate, you know the reason well. When you look into chapter 6, we discuss the maternity benefit under this code.

It has provisions to every establishment being a factory, mine or plantation including any such establishment belonging to the government and to every shop or establishment in which 10 or more employees are employed or were employed on any day of preceding 12 months and such other shops or establishments notified by the appropriate government. When you look into other chapters, you have the chapter 7. Again, we have again introduced you to this particular chapter, which leads or deals with the employee's compensation. The applicability is subject to the provisions of the second schedule. It applies to the employers and employees to whom?

Chapter 4. Chapter 4, if you recollect, chapter 4 is all about employees, state, insurance, corporation. So whatever is not applicable to that, it is applicable here. When you look into chapter eight, we have the social security and says in respect of building and other construction workers. So every establishment which falls under the building and other construction work will come under the applicability of this particular chapter, which deals with social security and says in respect of construction.

building and other construction workers. We also have some of the critical chapters, let's say chapter 9, which again, I didn't include here, social security for unorganized workers are there, unorganized sector, you know, gig workers, unorganized workers, like unorganized workers, platform workers, etc. all come under the applicability of the same and finally the last chapter if you see here that mentions about employment information and monitoring so career centers you know what we have discussed with respect to the vacancies person seeking services of centers and employers all come under this particular chapter So what we understand specifically here is that these are the critical chapters which actually look into the different zones of social security specifically.

If you ask me the chapter on gratuity that is applicable to every factory, every mine, every oil field, plantation, port and railway company and it is applicable to every shop or establishment in which 10 or more employees are employed or were employed on any day of the preceding 12 months. And such shops or establishments as may be notified by the appropriate government from time to time. So further, there is special relaxation in case of working journalists as defined in the clause F. of the Section 2 of the Working Journalist and Other Newspaper Employees Conditions of Service and Miscellaneous Provisions Act 1955.

So instead of five years, it is three years that needs to be completed. So what we understand from this particular chapter and this particular module is that we try to combine different critical acts together. We gave this specific importance to different sectors or segments like social security, welfare, etc. And we tried to bring in one umbrella whereby these different acts could be actually amalgamated. So it gets more powerful.

The code in itself becomes fundamental and it becomes the basic tenet when it comes to industrial relations. So we come to the last part of the entire course. What we have seen, let me just take a moment and just look into what we have seen over the different lectures. What we have seen is that there was this emergence of a large working class, a large labor class in one hand. Time and again, I've tried to repeat this.

I've tried to emphasize this. There was this large emergence of workers. The worker class in one place and there was large emergence of the capital accumulation of capital in another case. Both this had different equations. And when you look into these different equations, you see that they had their own say and employees were at the receiving end for greater period in time.

I'm not coming into the Indian scenario right now, but they were in the receiving end for a greater period of time. Then came some representation, some representative associations like trade unions, employee associations, which actually tried to put things on behalf of these employees. On the other hand, you had employers felt a bit insecure. They thought

they should also converge. They should also have some sets of unions, some arrangement like that.

So they had employer organizations. Then came there were interactions, there were deliberations, the actual requirements, needs and problems, issues, concerns of the employees were put onto the discussion table. We have seen trade unions, the emergence of that, the evolution of that. We have seen external entities like government coming into picture because it affects the government also.

The economy is a crucial aspect for every single government. So government also become an important stakeholder. Over the period, we have seen there were different acts that have been, you know, come into place. We have seen that in India, things were a bit delayed. We did not have the autonomy.

We did not have the independence for that matter. After that, after our independence, we have actually looked into it with greater detail. We tried to bring in more power to these acts. But over the period, we have seen that always the exploited segment or the exploited people were affected. getting exploited more and more.

So to curtail this, certain updates have come up. Some labor courts have come up. Some labor courts with respect to different segments have come up, be it social security, be it welfare, etc. The intention is very pure. The intention is very clear.

We need a peaceful, a harmonious industrial space, industrial workplace. This has been the attempt to From the beginning and even till now. So this course has been a reminder to establish a harmonious relationship. A harmonious relationship between the employees and employer.

Between every single stakeholder in a workplace will only give you results. Will only give you proper, clear, efficient and effective results. On that note, we'll end this module. We'll end this class. We'll see with some other course some other day.

Till then, take care. Bye-bye.