



The Code On Social Security, 2020 : Challenges And Perspective

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Abstract:

THE CODE ON SOCIAL SECURITY, 2020 defines "social security" means the measures of protection afforded to employees, unorganised workers, gig workers and platform workers to ensure access to health care and to provide income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner by means of rights conferred on them and schemes framed, under the Code of social security 2020; also it define "gig worker" means a person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship. THE CODE ON SOCIAL SECURITY, 2020 is an Act to revise and combine social security legislation with the intention of providing social security to all workers, whether they are employed by organizations or not, or in any other sector, and for issues related to 29 key legislation pertaining to the welfare of the labor sector, including gig workers and other unorganized workers, are intended to be consolidated under the Code. With the goal of providing social security benefits to as many workers as possible in both the organized and unorganized sectors, the Central Government passed the Code on Social Security, 2020 ("Code") in order to update the antiquated labor and employment law laws pertaining to social security.

Introduction:

THE CODE ON SOCIAL SECURITY, 2020 defines "social security" means the measures of protection afforded to employees, unorganised workers, gig workers and platform workers to ensure access to health care and to provide income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner by means of rights conferred on them and schemes framed, under the Code of social security 2020; also it define "gig worker" means a person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-

The fast expansion of the internet and the employee relationship. THE CODE ON SOCIAL SECURITY, 2020 is an Act to revise and combine social security legislation with the intention of providing social security to all workers, whether they are employed by organizations or not, or in any other sector, and for issues related to 29 key legislation pertaining to the welfare of the labor sector, including gig workers and other unorganized workers, are intended to be consolidated under the Code. With the goal of providing social security benefits to as many workers as possible in both the organized and unorganized sectors, the Central Government passed the Code on Social

Security, 2020 ("Code") in order to update the antiquated labor and employment law laws pertaining to social security.

The Code has repealed the following 9 (nine) major labour law legislations: (i) The Employee's Compensation Act, 1923; (ii) The Employees' State Insurance Act, 1948; (iii) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iv) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959; (v) The Maternity Benefit Act, 1961; (vi) The Payment of Gratuity Act, 1972; (vii) The Cine-Workers Welfare Fund Act, 1981; (viii) The Building and Other Construction Workers' Welfare Cess Act, 1996; and (ix) The Unorganized Workers' Social Security Act, 2008.

Important Points in the 2020 Social Security Code:

The Code expands the definition of employees to encompass platform workers, construction workers, migrant workers from other states, and workers in the film sector.

Additionally, it allows for the registration of all three types of workers: platform, gig, and unorganized workers. People who don't fit into the traditional "employer-employee relationship" are known as gig workers. Similar to gig workers, platform workers use an online platform to reach businesses or individuals and offer their skills in exchange for cash.

Any employee who works in the unorganized sector is considered an unorganized worker, including those who are exempt from the Industrial Disputes Act of 1947 or other Bill provisions (such as provident fund or gratuity). It also includes self-employed workers. In order to give workers these benefits, the Code calls for the establishment of a social security

fund. Both the federal and state governments, as well as CSR financing, will contribute to this fund. Digital middlemen that hire gig workers, known as aggregators, will be required to pay at least 1-2 percent of their yearly revenue to this social security fund, with a maximum contribution of 5% of the total amount owed to the workers.

The government may announce programs for gig workers, platform workers, and unorganized sector workers (such as independent contractors and home-based workers). A 'National Social Security Board' is also to be established, according to the Code. Among the Board's duties are suggesting programs to the federal government, keeping an eye on the programs for various worker kinds, and Consult the government on issues related to code management

The Significance of the Social Security Code:

The code is more than just the consolidation of previous legislation. It expands coverage, expands the benefits for all employees of organized/unorganized sectors, introduces the concept of providing maximum advantages in minimal management and reflects uniformity in four labor codes.

Expanded coverage:

With the advent of new companies based on e-commerce, new types of jobs have been created. Some employees of these new companies are not covered by any of the existing laws. The new social insurance code widens the social security sphere, providing the registration of all types of employees, including concert workers and platform workers. The recognition of non-traditional forms of work apart from the scope of the traditional employer and employee

agreement is a positive step, as there is a global tendency to self-employment, to work during A concert and to work on the platform. Concert agents have the rights to life and disability insurance, pregnancy services, and pensions.

This code extends coverage by including unorganized sectors, fixed-term workers, inter-letarily migrant workers, and more. In addition to contract employees. From a coating perspective, the volume has increased significantly.

Social Security Code, 2020, will provide these employees within the framework of the Social Security Scheme, including Life and Life Insurance and Disability Insurance, Medical and Material Benefits, Support Funds, Advanced Training.

Protection of employee rights with a fixed deadline:

The code extends the coating to include employees of a fixed contract, which will now have the right to reward; Previously, only regular employees were covered.

The battle wind is given in a pension, a retirement, a resignation, a death or a handicap due to an accident or an illness, a termination of the contract in accordance with the fixed employment or the occurrence of a event notified by the central government. Including fixed employment periods is the right to compensate workers who have signed a fixed emergency contract. This is a positive development.

Penal provisions:

The validity of the law lies in its simplicity, as well as fines that limit non-compliance. The code includes these two aspects: The code contains criminal provisions in the event of non-comparison for employees or the inability to pay the contributions.

Digitalization:

The law requires that all records and refunds be stored electronically. Dokidori Digitalization contributes to the exchange of information between various stakeholders/funds created by the government, ensuring compliance and management support.

Uniform definition:

This code provides uniformity in determining Social Security benefits pay and eliminates current regulations ambiguity. A wide range of definitions of salary are provided. Certain exclusions with ceilings are provided to discourage inappropriate structuring of wages to minimize social security services.

Advisory Approach:

The code introduces power capabilities. Unlike the existing roles of inspectors, the code offers an expanded role for inspectors and facilitators thanks to the ability of employers to seek support and tips for improving compliance.

Challenges of the Code on Social Security, 2020:

Ignoring important recommendations of the National Commission on Labour:

Recommendations by the National Commission on Labour

The National Commission on Labour (2002) (NCL) underscored the need for universal and comprehensive social security coverage to prevent workers from being deprived of their basic needs. It recommended the simplification and consolidation of existing laws to achieve this. The NCL has recommended that: (i) the social security system should apply to all establishments, (ii) existing salary ceilings for coverage must be deleted and (iii) there should be a functional integration of the Administration of existing diagrams. In

addition, each employer and employee can make a single contribution to all the advantages, with a ceiling prescribed for such contributions.

The code largely retains the existing configuration and does not fully implement the NCL recommendations.

The code continues to keep thresholds according to the size of the establishment to make certain advantages compulsory. Benefits such as pensions and health insurance are only required for institutions with a minimum number of employees (e.g. 10-20 employees). All other categories of employees (i.e., unorganized workers are those who work in agencies with fewer than 10 employees or self-employed employees in government-informed discretionary systems. Can be covered. Thus, a large number of workers may continue to be excluded.

The code continues to treat employees within the same establishment differently based on the amount of wages earned. For example, the support fund, pension and medical insurance benefits are required only for employees who make a higher threshold (as the government can be notified) in the relevant institutions.

The code continues to maintain the existing fragmented settings to provide social security benefits.

Unknown provisions on concert employees and platform workers:

The code introduces definitions for an employee of concerts, a platform employee and requires various schemes for all these categories of employees. However, there may be some coincidence between their definitions. With such a coincidence, it is unclear between the definitions how the schemes specific to these categories of employees will be applied.

Unknown provisions on remuneration for workers with a fixed deadline:

The Code of Social Safety and the Code in relation to industrial relations, 2020 has various provisions on remuneration for workers with a fixed date. It is unclear whether fixed-term employees with contracts of less than one year are entitled to save money pursuant to Social Security Act 2020.

Mandatory binding with Aadhaar may violate the decision of the Supreme Court:

The code prescribes an employee or an employee (including an unorganized employee) to provide his Aadhaar number to receive social security benefits. This may violate the decision of the Supreme Court in the Puttasvami case. In its decision, the court held that the Aadhaar card is mandatory only for the costs of grants, allowances or services incorporated from the Integrated Fund in India. Certain rights, such as the Compensation and Support Fund (PF), are funded by employers and employees, and must be violated by Aadhaar's decision regarding the use of such rights, not by the Integrated Fund of India. Because of that.

Conclusion

Social Security Act, 2020, covers most working groups, and is definitely a positive step to ease fitness and versatility. Creating a regulatory body to manage the code will help you separately monitor the presence of wells in your employees, and we recommend monitoring the effectiveness of the scheme.

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