CHAPTER-V
SOCIAL SECURITY : MEASURES & INTERNATIONAL LABOUR ORGANISATION (I.L.O)

5.1 INTRODUCTION

Social justice to the working people of the world is the surest means for a durable world peace. Realizing this factor the International Labour Organization (I.L.O) was established on 11th April 1919 and was associated with the League of the Nations. The Organisation was dedicated to the work of improving living and working conditions of the workers throughout the world. On its fiftieth anniversary in 1969 it was awarded the Nobel Peace Prize.

Purposes of International Labour Organisation for Social Security:

The purpose of the I.L.O has been stated in very clear terms in Art. 2 of the Philadelphia Declaration thus:-

- All human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity of economic security and equal opportunity.

- The attainment of conditions in which this shall be possible must constitute the central aim of national and international policy.

- It is a responsibility of International Labour Organization to examine and consider all international economic and financial policies and measures in the light of this fundamental objective.
Functions of International Labour Organisation for Social Security:

Since the establishment of Social Justice is the main objective of the I.L.O it has to cover a very wide range of activities. The chief functions performed by the I.L.O are as follows:

- Raising living standard of workers
- Prevention of employment
- Social Security to workers
- Improving working conditions of merchant sailors
- Providing freedom of association
- Safety of workers
- Protection of women and children.

5.2 INTERNATIONAL LABOUR ORGANISATION'S CONVENTIONS AND RECOMMENDATIONS

A. General Instruments

(a) Social Security (Minimum standards) Convention, 1952

The Convention\(^{238}\) consolidates the main provisions of the provisions ILO instruments relating social security and establishes minimum standards for fundamental branches of social security namely medical care,\(^{239}\) sickness,\(^{240}\) unemployment,\(^{241}\) old age,\(^{242}\) employment injury,\(^{243}\) family,\(^{244}\) maternity,\(^{245}\)

\(^{238}\)Convention No.102.

\(^{239}\)Part II of the Convention

\(^{240}\)Part III.

\(^{241}\)Part IV.

\(^{242}\)Part V.

\(^{243}\)Part VI.
invalidity,246 and survivor’s benefit247. The principles anchored in Convention No. 102 are: guarantee of defined benefits; participation of employers and workers in the administration of the schemes; general responsibility of the state for the due provision of the benefits and the proper administration of the institutions; collective financing of the benefits by way of insurance contributions or taxation.

The Member States are allowed to ratify the Convention partially. But the partial ratification is subjected to certain conditions viz., ratifying states must secure at least three benefits out of 9 benefits covered by the convention and at least one from Part IV, V, VI, IX and X. The persons covered are prescribed classes of employees, active population of residents and families of beneficiaries. The instrument indicates the manner of calculation and applicable limits. Equality in treatment of non-nationals and nationals is also ensured by this Convention, if money is paid from public fund.

b) Equality of Treatment (Social Security) Convention,1962

The Convention248 has been ratified by 38 member countries. This Convention is designed to secure equal treatment of nationals and non-nationals including refugees and stateless persons in case of social security except in special schemes for public servants, war victims and public assistance by ratifying states. But the equality is assured to the non-nationals of another ratifying state in case of medical care, sickness, maternity, invalidity, old age, and survivor’s employment or family benefits. Equal treatment is guaranteed regardless of residence, on condition of reciprocity. States accepting obligation are bound to make payment on the basis of invalidity, old age, survivor’s employment and family benefits. But the states can prescribe minimum period of residence for granting benefits of maternity, unemployment survivors and old age benefits.

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244Part VII.
245 Part VIII.
246 Part IX.
247 Part X.
248 Convention No.118
In effect this convention is considered as supplementary to the Social Security (Minimum Standards) Convention 1952, Equality of Treatment (Social Security) Convention, 1962. Under this convention various branches of social security are offered. It lays down that each member shall endeavour to participate with every other member concerned in schemes for the maintenance of rights in the course of acquisition, as regards each branch of social security and for which everyone of these members has legislation in force, for the benefit of the persons who have been subject to their legislation. Such schemes for maintenance of rights in case of acquisition shall provide for periods of insurance, employment, occupational activity or residence to be completed under the legislation of the concerned members and it should provide for the participation involuntary insurance scheme acquisition, maintenance or recovery of rights, periods completed currently under the legislation of two or more members shall be reckoned only once.

The convention requires the members to provide schemes of maintenance and to determine formula for awarding, invalidity, old age and survivor's benefits and pensioners benefit in respect of occupational diseases, and cost involved.

The convention requires that each member shall guarantee the provision of invalidity, old age and survivors cash benefits, pension in respect of employment injuries and death grant and the conditions under which benefit can be given in case of contributory benefits, by agreement between parties.

Each member is also required to promote the development of social services to assist persons covered by this convention, particularly migrant workers, in their dealings with the authorities and institutions as well as promote the welfare of the person and his family.

\(^{249}\) Ratified by 3 countries.
Apart from these conventions, there are two recommendations also coming under the general category:

i) **Income Security Recommendation, 1944**

   This recommendation aims at formulating general principles to be followed by states in making income security schemes for employed persons and their dependants. It recommends that such schemes should be founded on compulsory social insurance supplemented by assistance measures. The risks covered under this recommendation are sickness, maternity, invalidity, old age, death of the wage earner, unemployment, emergency expenses and employment injuries. Suggestions for application of guiding principles\(^{250}\) detailed in other provision are also given in the annexure to the recommendation.

ii) **Social Security (Armed Forces) Recommendation 1944**

   The recommendation requires the member states to ensure that persons discharged from the armed forces and assimilated services receive a special grant proportionate to length of service on their discharge and treated under employment insurance schemes. It is a recommendation that has been adopted in the context of Second World War, but relevant for all cases of armed conflict.

iii) **Maintenance of Social Security Rights Recommendation, 1983**

   It aimed at providing minimum guidelines to be followed by the members who ratified the convention. The recommendation and its annexure contains model provision for all those instruments scheme for various benefits, trilateral or multilateral agreements that are required to be implemented or concluded between the parties.

\(^{250}\)Guiding principles scope, administration, planning and types of benefits to be provided.
B. Medical Care and Sickness Benefit

(a) Sickness Insurance (Industry) Convention 1927\(^{251}\)

This convention adopted in its 19\(^{\text{th}}\) session on 25\(^{\text{th}}\) May 1927. This convention is concerning sickness insurance for workers in industry and commerce and domestic servants. It consists of 18 Articles and ratified by 28 member countries.

The convention requires the member countries to set up compulsory Sickness Insurance System\(^{252}\) which shall apply to manual and non-manual workers including apprentices employed by industrial undertakings, commercial undertakings, out workers and even domestic servants. However the convention allows exemption to special schemes with more benefits and employees of special categories specified as in national laws or regulations.

The sickness benefit shall be payable in cash to an insured person who is rendered incapable of work by reason of his abnormal bodily or mental health. The convention prescribes time periods and conditions under which the cash benefits can be withheld.\(^{253}\)

The convention also provided the service of doctor or medicine even after period of sickness benefit and extending the benefits to the dependants. Other articles of the convention make provision for the administration and financial supervision of the administration machinery by a competent public authority. It is again clarified that sickness benefit granted under this convention shall not affect the obligations arising out of the convention relating to women and the maternity benefits. The convention was revised by 1969 convention.

(b) Sickness Insurance (Agricultural) Convention, 1927

\(^{251}\) Ratified by 28 member nations.

\(^{252}\) The insured and their employers shall share financial resources of Sickness Insurance Scheme.

\(^{253}\) If the person receives compulsion from another source, social assistance if he refuses to doctor’s orders, or sickness caused by willful conduct of the insured etc. are grounds for referring cash benefits.
This Convention\textsuperscript{254} is simultaneously adopted along with convention No.24 relating to the same benefit in respect of workers working in industries, commercial undertakings and domestic servants. This convention has been revised in 1928. The provisions of this convention are similar to that of Sickness Insurance (Industrial) Convention, 1927 but mainly aim at manual and non-manual workers, employed by agricultural undertakings.

(c) Medical Care and Sickness Benefits Convention, 1969

This Convention\textsuperscript{255} is concerning medical care and sickness benefit. It revised two earlier 1927 convention relating to sickness insurance industry and agricultural conventions. This document contains 45 articles. This convention regulates the protection of worker in respect of entitlement to medical care of a curative and preventive nature and compensation for loss of earning through sickness.

Ratifying states are responsible to secure the provision of medical care and sickness benefit to employees or prescribed classes of persons. Medical care can also be extended to wives and children of persons covered and must include in particular hospitalization, pharmaceutical and surgical supplies and dental treatment. Sickness benefit must be periodical payment and be reckoned, as regards the wage of male member of beneficiary's previous earnings or at a sufficient rate to maintain the beneficiary's family in health and decency. Benefits must be available equally to nationals and non-nationals. The rate of cash benefits payable to the standard beneficiary\textsuperscript{256} should not be less than 60\% of the earnings of the class of employees to which the beneficiary belongs. Part IV deals with common provision and specific conditions under which a protected person is not entitled to benefits.

\textsuperscript{254}Convention No.25.

\textsuperscript{255}Ratified by 14 countries.

\textsuperscript{256}The standard is taken on 'mean bar' with wife and two children.
(d) Recommendations

Social Insurance (Agricultural) Recommendation, 1921 and Sickness Insurance Recommendation, 1927 are superseded by 1969 convention. The persisting recommendation is: Medical Care Recommendation, 1944

This Convention details the concept of medical care as a guarantee for all members of the community whether gainfully occupied or not i.e., deriving from every person's right to health. It lays down general principles to be followed by states in developing medical care services and organization and administration of such services. It contains provision on a number of important aspects not dealt within the 1969 convention on Medical Care and Sickness Benefit.

C. Maternity Benefit

(a) Convention on Women, 1919

ILO as early as 1919 itself in its first session adopted this convention. It contains 12 articles to provide protection to the women workers who are in their family-way, to stay at home with appropriate health care, away from work place. They are also conferred with right to certain maternity benefits before and after child birth.

According to Article 2 of the convention, women signify any female person, irrespective of age or nationality, whether married or unmarried and the child means legitimate or illegitimate. Article 3 lays down that in any private or public, industrial or commercial undertakings or in any branch thereof a woman shall not be permitted during 6 weeks following her confinement. She should be made entitle to leave up to 6 weeks before confinement. During the period of absence from work she shall be paid benefits sufficient for the full and healthy maintenance of her and her child from an insurance system or from public funds as determined by a competent authority.

257 Countries ratified this Convention
There are provisions in the convention dealing with illness arising out of her pregnancy or confinement. This article prevents a notice of dismissal and makes such a notice unlawful if her absence is due to illness during pregnancy or resulted out of pregnancy or confinement.

This convention was revised in 1952 and adopted convention No.103 concerning maternity protection. However, the revision of this convention did not affect the applicability and still it is open for ratification.

(b) Maternity Protection Convention, 1952

It covers industrial undertakings and non-industrial and agricultural occupations, including home workers and domestic servants. It aim to secure to women workers a substantial period of leave with subsistence and medical benefits before and after confinement and safeguard their continued employment i.e., more than what is provided for in the earlier convention.

(c) Maternity Protection (Agricultural) Recommendation, 1921

It was superseded by 1952 revised Maternity Protection Convention. Maternity Protection Recommendation 1952 is supplementary to 1952 Maternity Protection Convention. It suggests possible improvements on the protection provided under the Convention like extension of maternity leave to a total of 14 weeks, higher rate of cash benefits, more exclusive medical care. It also recommends prohibition of the employment of pregnant women and young mothers on specified type of work prejudicial to their health.

D. Invalidity Old Age and Survivor’s Benefit

Old Age Insurance (Industry etc.) Convention, 1933, Old Age (Insurance) Agricultural Convention, 1933, Invalidity Insurance (Industry etc)Convention,1933, Invalidity Insurance (Agricultural) Convention, 1933 and Survivors Insurance
(Industry etc.) Convention, 1933\textsuperscript{258} have been revised by Invalidity Old Age and Survivors Benefit Convention 1967 and the previously stated Conventions are not now open for ratification.

(a) Invalidity Old Age and Survivor’s Benefit Convention, 1967

ILO adopted this convention\textsuperscript{259} in its 51\textsuperscript{st} session. It is a comprehensive document which has revised the earlier 6 conventions which were adopted by ILO in 1933. Any member country which has ratified the earlier Convention but does not ratify this revised convention, shall continue to be bound by earlier convention till it denounces any of them.

This Convention specifically deals with invalidity benefits,\textsuperscript{260} old age benefits,\textsuperscript{261} survivor’s benefit\textsuperscript{262} and general standards\textsuperscript{263} to be complied with periodic payments etc. The member countries which ratify the convention can comply with provisions of Part I and at least one of Part II, III or IV dealing with Invalidity Benefits, Old Age Benefits and Survivor’s Benefit. It should also comply with relevant parts of other provision. According to this Convention invalidity benefit shall be periodical payments to the protected employees in accordance with the requirements of the Convention. Old age benefit and survivor’s benefit also shall be periodical payments calculated as prescribed in the Convention. The rate of periodical payment shall be determined by competent public authority in conformity with the prescribed rules. In the schedule to the Part V of the Convention dealing with the periodical payments to standard beneficiaries is tabulated.

The period during which the invalidity benefit is payable is specified in the

\textsuperscript{258} Convention No.35, 36, 37, 38, 39 and 40.

\textsuperscript{259} Ratified by 16 states.

\textsuperscript{260} Convention No.128.

\textsuperscript{261} Part II, Article 7 to 13.

\textsuperscript{262} Part III, Article 14 to 19.

\textsuperscript{263} Part IV, Article 20 to 25.
convention and it shall be granted throughout the contingency or until old age benefit becomes payable. However the benefits, i.e., invalidity, old age and survivors may be suspended under prescribed conditions where the beneficiary is engaged in gainful activity.

(b) Recommendation Concerning Invalidity, Old Age and Survivor’s Benefit, 1967

It is supplementary to the Convention relating to Invalidity Old Age and Survivor’s Benefit. It calls for the extension of protection to persons whose employment is of casual nature and to all economically active persons. It also covers invalid and dependant widower for survivor’s benefit.

E. Employment Injury Benefit

(a) Workmen’s Compensation (Agriculture) Convention, 1921

This Convention aims at providing compensation in occupational accidents to agricultural workers arising out of and in the course of employment.

(b) Workmen Compensation (Accidents) Convention, 1925

This Convention aims at providing compensation to workers injured in industrial accidents. The injured worker is entitled to medical, surgical and pharmaceutical aid at the cost of employer or insurance institution including the supply and renewal of surgical appliances. If the worker is permanently incapacitated or dead, he or his dependants are entitled to compensation as periodical payments. The periodical payment may be converted with lump sum in exceptional cases and must be increased if the worker needs the constant help of another person. The states are under obligation to frame legislation for safeguarding in all circumstance the payment of compensation in the event of insolvency of the employer or insurer. National legislation must provide for

\[264\text{ Part V, Article 26 to 29.}\]

\[265\text{ Convention No.12.}\]
supervisory measures to prevent abuses. This convention is revised by Employment Injury Benefit Convention, 1964 still open for ratification.

(c) Workmen’s Compensation (Occupational Disease) Convention, 1925

This Convention provided details of such diseases, their nature and cause which have to be considered as occupational diseases having arose out of the respective employments. The Conventions contemplates that compensation shall be payable to workman incapacitated by occupational diseases or in case of death from such diseases to their dependants. This Convention provides a schedule of occupational diseases and of substances which cause occupational diseases. It was revised in 1934 which added some more to the list.

(d) Convention on Equality of Treatment (Accident Compensation) 1925

This Convention contemplates equality of treatment for national and foreign workers as regards workmen’s compensation for accidents. The member country has to assure the foreign sufferer of personal injury due to industrial accidents happening in its territory, or to their dependants, the same treatment as to that of national in respect of compensation. The equality of treatment has to be guaranteed to foreign workers and their dependents without any condition as to residence, by the states ratified the Convention.

(e) Employment Injury Benefits Convention, 1964

This Convention contains 39 articles, one schedule and one annexure. This regulates the compensation for injuries resulting from industrial accidents and occupational diseases. The Convention lays down the criteria of eligibility and dependence for availing the benefit of compensation. It lays down standards in respect of contingencies to be covered, contents duration, rates etc. of the benefits to be

\[266\text{ Ratified by 66 countries}\]
\[267\text{ Convention on Workmen’s Compensation (Occupational Diseases) (Revised) 1934. Convention No.42.}\]
\[268\text{ Convention No.19. Ratified by 120 states.}\]
\[269\text{ Ratified by 23 members}\]
provided in case of employment injury caused by accidents and occupational diseases.

Each member country which ratifies this Convention is required to prescribe a definition of "industrial accident" including the conditions under which a commuting accident is considered to be an industrial accident. Each member country also has to describe the list of diseases which shall be regarded as occupational diseases which shall be regarded as occupational diseases under prescribed conditions.

The Convention prescribes the nature of medical care and allied benefits which should be available to the injured workman. Medical benefits include not only services of a medical practitioner and hospitals but also dental, pharmaceutical and other surgical supplies. It also prescribes that the employer should provide at the place of work facilities for emergency treatment of persons sustaining a serious accident. The Convention also prescribes for cash benefits in respect of loss of earning capacity, periodically or lump sum, for its proper utilization by the injured workman. The compensation in case of the death of the workman is prescribed in the nature of periodical payments to the widow or a disabled and dependent widower and it also provides for funeral expenses. Ratifying states also promote occupational safety and health, and provide rehabilitation and placement services for disabled persons. The Convention is appended with a schedule which enumerated the list of occupational diseases and corresponding work involving exposure to risk.

(f) Recommendations

1. Workmen's Compensation (Minimum Scale) Recommendation, 1925.

2. Workmen's Compensation (Jurisdiction) Recommendation, 1925.

3. Workmen's Compensation (Occupation Diseases).

Recommendations 1 and 2 are supplementary to Workmen's Compensation (Accidents) Convention, 1925 and it provides for minimum rates of compensation and defines surviving dependents entitled to compensation. Recommendation 2 calls for the submission of disputes on workmen's compensation to special courts or boards of
arbitration on which employers and workers are equally represented and for recourse to expert advice on question involving degree of incapacity for work.

Recommendation 3 is supplementary convention, relating to occupational diseases. It calls on member state to adopt a simple procedure for revising the list of occupational diseases in their national legislation. All the three are superceded by Employment Injury Benefits Convention, 1964 and Recommendation Supplementary to this Convention.

(g) Employment Injury Benefit Recommendation, 1964

This recommendation is supplementary to the Convention 1964 and it envisages the extension of coverage to members of co-operatives, self-employed persons, those engaged in small scale business or firms or those undergoing training for future occupational employment or trade. It is also recommended to other member of voluntary bodies engaged in combating natural disasters, with saving lives and property or with maintaining law and order. It calls for periodical adjustment of rates of cash benefits payable under the Convention in case of total loss of earning capacity.

F. Unemployment Benefit

(a) Unemployment Provision Convention, 1934

This convention270 was adopted to ensure benefit or allowances to the involuntary unemployed persons. This Convention was ratified by 14 countries but later revised in 1988 and the former one is not open for ratification now. The Convention consists of 23 articles dealing with various aspects of providing unemployment benefit, condition for eligibility and the period for which such employment benefit is payable and also the event on the happening of which such unemployment benefit ceases to continue.

270 Convention No.44.
The Convention contemplates that each member state of the ILO which ratifies this Convention shall undertake to maintain a scheme for the payment of benefit to the persons who are involuntary unemployed. Such schemes can be compulsory or voluntary or a combination of both. The national law of the ratifying member-state may provide for the payment of benefit on allowance and also the conditions under which a person passes from benefit to allowance.

This convention applies to all persons employed for wages or salary. It also provides for the age-limit to be prescribed by the national law for the unemployment benefit and also for qualifying period of eligibility for benefit or allowance.

The document is disqualified to receive unemployment benefit if it refuses to accept any suitable employment, to undergo training or if he has lost his employment as a direct result of a stoppage of work due to trade dispute or has left it voluntarily without just cause. If the claimant tried to receive any benefit fraudulently or fails to comply with the instruction of a public employment exchange, then also he is disqualified to receive any unemployment benefit.

(b) Convention on Employment Promotion and Protection against Unemployment, 1988

This Convention came into force in 1991. It is a comprehensive convention consisting of 39 articles which are divided into IX parts and provides a detailed scheme suitable for any enactment. Part I deals with general provision and calls upon every member to take appropriate steps to co-ordinate its system of protection against unemployment and its policies relating to employment. It contemplates that any system providing for protection against unemployment shall contribute to the promotion of full productive and freely chosen employment.

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271 Convention No.168. Ratified by 6 members
Part II deals with full productive and freely chosen employment. It envisages that each member shall endeavor to establish special programmes to promote additional job opportunities and employment assistance and encourage freely chosen and productive employment for identified categories of disadvantaged persons\textsuperscript{272} having difficulties in finding lasting employment. Part IV details the contingencies to be covered by such schemes which include loss of earning due to partial unemployment, suspension or reduction of earning, etc. Under Part IV the persons covered are identified which include not less than 85\% of all employees including public employees and apprentices. Part V explains the methods of protection and such methods may consist of contributory or non-contributory systems or a combination of both. Part VI specifies various benefits to be provided. It deals with the quantum of benefit, qualifying period, calculation of periodical payments and other conditions that may be prescribed for availing the benefit. It also provide for duration of any benefit including medical benefit and conditions under which such benefits can be varied or suspended.

Part VIII consists of special provisions for new applicants for employment such as young persons who have completed their vocational training or their studies, divorced or separated persons, released prisoners, adults including disabled persons or previously employed persons. Part VIII provides for legal administrative and financial guarantees including any procedure for settlement of any dispute or claim. Part IX, the last part, deals with final provisions dealing with ratification, its binding effects, duration, denunciation etc.

\textsuperscript{272} Means women, young workers, disabled persons, older workers, migrant workers etc
(c) Recommendation

Employment Promotion and Protection against Unemployment Recommendation, 1988

This recommendation is supplementary to the Convention 1988. It deals with general provision and promotion of productive employment, protection of unemployed persons and the development and improvement of systems of protection. It calls upon member states to work out their national policy for the promotion of full, productive and freely chosen employments.

The ILO offers its co-operation and technical advice for better implementation of the social security schemes for unemployment benefits and also to set up a national provident fund to provide periodical cash payments to the holders of the account in the fund.

5.3 FRAMEWORK OF SOCIAL SECURITY EVOLVED FROM ILO DOCUMENTS

In 1944, ILO in its 26th Session convened Philadelphia Recommendation relating to social security and evolved certain guidelines for the income security in the event of certain contingencies like sickness, maternity, invalidity, old age etc. This convention was actually adoption of Atlantic Charter of UN which declares contemplates fullest collaboration between all nations in economic field for securing improved labour standards, economic advancement and social security to all. field: with the object of securing for all improved labour standards economic advancement and social security”. Which later adopted by www.un.org/aboutun/charter/history/atlantic.html. In this recommendation, ILO declares that income security is an essential element of social security and compensation has to be

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274 Atlantic Charter 1941, “The fullest collaboration between all nations in the economic
provide for accidents, occupational diseases, sickness, maternity benefits, old age, invalidity and widow’s and orphans’ pension and provision for unemployment. The delegation of governing body adopted the declaration of Santiago de Chile and established a permanent agency for ensuring co-operation between social security administrations and institutions functioning in connection with ILO. Thus International Social Security Association works effectively in framing and implementing solution for contemporary problems in social security system.

Article 9 of the UN International Covenant on Economic Social & Cultural Rights provides for everyone’s right to social security, including social insurance. ICESCR’s preparatory works are silent about the history of this article. The basic issue of establishing a normative content of right to social security has not been addressed by human right literature. Since the adoption of ICESCR, the implementation and promotion of the right to social security has been seen as the unique task of ILO and ILO Conventions remain at the centre of process of defining the right to social security.

Hence it is highly necessary to examine what are the convention relating to social security, what is the role of ILO and what is its impact in India.

The ILO’s work and the standards it has developed remain the most important source of interpretation in defining social security as a right. As stated earlier, ILO was bornout of the concern of states, unions and employers representatives that peace could not be achieved without devoting sufficient attention to creating the condition for social justice. The Legislative body of ILO International Conference on Labour which is represented by state, employee and employer is very much concerned about

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276 International Social Security Association was established in the year 1927. This is world’s leading organization bringing together governments departments, social security administrations and agencies.
277 "Tracking workplace trends and problems through extensive research and publications help to shape workable solutions to the problem" See Supra N. 2.
279 ICL consists of 4 representatives from each member state, two of them are state delegates, the other two represent employers and workers.
assuring the conditions of social justice. Initially the convention of ILO conference concerned about labour conditions. This Conference adopted a group of conventions which aimed at committing states to engage themselves in the creation and improvement of national mechanisms protecting workers from industrial and social risks. These are Convention on Workmen’s Compensation adopted in 1925, Convention on Sickness Insurance adopted in 1927, Convention on Old Age, Invalidity and Survivors Insurance adopted in 1933, Convention on Unemployment Provision adopted in 1934. The notion of social risk involves sickness and medical care, unemployment, old age benefits, worker compensation, family and maternity benefits disability and survivors benefit.

Social Security (Minimum Standards) Convention 1952 though does not provide a single definition of social security; the definition can be construed from various parts of the convention. To ratify this convention, ILO member state is obliged to comply (at the time of ratification) with at least three of the following parts of the convention; medical care, sickness benefits, unemployment benefits, old age benefits, worker’s compensation, family disability, maternity and survivor’s benefits and at least one among three must be a provision concerning unemployment, old age, worker’s compensation, disability or survivors benefits. Each part of the Convention provides specific standards aimed at guaranteeing the benefit of social protection and in all cases, states must comply with certain general parts of the convention including provision for periodic payments of social security. Social Security assured by this Convention through ratifying it by states though it provides flexibility according to financial status of states. This convention paved the way for adoption of several specific conventions subsequently. Invalidity, Old Age and Survivors Benefits

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281 Id., Convention No.24 and 25.

282 Id., Convention No.35 and 40

283 Id., Convention No.44.
Convention, 1967 and Medical Care and Sickness Benefits Convention, 1969 aimed at raising the requirements for the categories of protected persons and the level of protection provided by national social security schemes covering these risks.

5.4 SOCIAL SECURITY: ISSUES, CHALLENGES AND PROSPECTS UNDER INTERNATIONAL LABOUR ORGANISATION PROSPECTIVES

The prospects for social security under International Labour Organisation:

In many parts of the world, in the closing years of the twentieth century, social security systems have been under challenge. Some consider that the systems are too expensive, and that they harm the process of economic growth and development. Others point to deficiencies in the level of protection and the scope of coverage, and argue that in times of increased unemployment and other forms of labour insecurity, social security is more needed than ever. Particularly in the industrialized countries (including the transition economies of Central and Eastern Europe), social security systems must respond to new demographic challenges, such as ageing and changing family structures, with important implications for the financing of social protection. In some countries, there is dissatisfaction with the administration of social security, and calls for reform involve a review of the role of the State, the responsibilities of the social partners and the desirability of greater participation of the private sector.

One of the key global problems facing social security today is the fact that more than half of the world's population (workers and their dependants) is excluded from any type of social security protection. They are covered neither by a contribution-based social insurance scheme nor by tax-financed social benefits, while significant additional proportions are covered for only a few contingencies. In sub-station Africa and South Asia, statutory social security personal coverage is estimated at 5 to 10 percent of the working population and in some cases is decreasing. In Latin America, coverage lies roughly between 10 and 80 percent, and
is mainly stagnating. In South-East and East Asia, coverage can vary between 10 and almost 100 percent, and in many cases was until recently increasing. In most industrialized countries, coverage is close to 10 percent, Although in a number of these countries, especially those in transition, compliance rates have fallen in recent years.

In most of its standard setting and technical cooperation activities on social security, the ILO had expected that an increasing proportion of the labour force in developing countries would end up in formal-sector employment or self-employment covered by social security. It implicitly assumed that past economic and social development patterns of the industrialized countries would replicate themselves in other regions. However, experience in developing countries – and more recently in the industrialized countries – has shown that this proportion is in many cases now stagnating or declining. Even in countries with high economic growth, increasing numbers of workers – often women – are in less secure employment, such as casual labour, home work and certain types of self-employment.

The growth of informal unprotected work creates dangers for formal and informal economy workers alike. The area of social protection illustrates the very real and direct interest, on the part of workers with normal employment status and of their organizations, in bringing informal economy workers into the mainstream of formal employment. With shrinking formal employment workers bear an increasing direct burden of financing social needs, with adverse effects on their quality of life. That burden may also undermine the capacity of enterprises to complete in the global economy.

The global context.

Globalization, either alone or in combination with technological change, often exposes societies to greater income insecurity. Research on the developed countries suggests that income transfers tend to be largest in economies that are simultaneously very open and subject to substantial price risk in world markets. Other observers claim that reductions in income security and social protection arise
from the attempts of governments to promote competitiveness and attract foreign
direct investment. Some of them also foresee that tax competition will lead to further
reductions in taxes, particularly on returns to capital, and lower the ability of
governments to finance social protection.

The structural adjustment policies pursued in most developing countries have
often contributed to a decline in the small percentage of the working population in
the formal sector. The successive waves of structural adjustment programmes have
also led to wage cuts in the public and private sectors, thereby eroding the financial
base of statutory social insurance schemes. Simultaneously, many such schemes in
developing countries have suffered from bad management and bad governance,
which have often strongly reduced the trust of their members. In addition, structural
adjustment programmes have often resulted in severe cuts in social budgets. In
Benin, for example, health expenditure's share in the total government budget
dropped from 8.8 to 3.3 percent between 1987 and 1992. As most governments can
no longer guarantee access to free health and education, there is – apart from
national systems – greater demand for international and local arrangements to
finance and organize these social services.

Particularly in low-income countries, structural adjustment and socio-
economic changers have also produced large vulnerable groups that cannot
contribute to social insurance schemes. The most vulnerable groups outside the
labour force are people with disabilities and old people who cannot count on family
support, and who have not been able to make provisions for their own pensions.
Some countries, such as China and India, have taken specific social assistance
measures to meet the needs of these groups.

The world today also faces a large number of complex crises, often with
global repercussions. One of the most visible recent examples has been the Asian
financial crisis, which led to massive job losses in the formal sector of the economy,
rapidly rising unemployment, and an expansion of employment in the informal
economy. Then there have been many armed conflicts in recent years, particularly in
sub-Saharan Africa (Angola, Congo, Liberia and Rwanda, for example) but also in Europe (Bosnia and Herzegovina, Kosovo). Numerous countries around the world continue to be afflicted by health disasters, such as the HIV/AIDS pandemic, leaving many children orphans (see box). Natural disasters, such as recurrent droughts and floods (in Africa and Asia) earthquakes and hurricanes (for example in Turkey and Central America) have not only left many communities without homes and sources of income but have also wiped away years of their countries’ efforts at development. Lastly, some countries are facing the difficult process of making economic as well as political transitions, whether from a centrally planned economy to a market-oriented system, or from a politically restrictive regime like apartheid to a multiracial and democratic society.

Social Security, employment and development.

There is considerable controversy about the social and economic effects of social security and most of the current of debate is focused on its supposedly negative effects. Social security is said to discourage people from working and saying, to reduce international competitiveness and employment creation, and to encourage people to withdraw from the labour marker prematurely. On the other hand, social security can also be seen to have a number of very positive economic effects. It can help to make people capable of earning an income and to increase their productive potential, it may help to maintain effective demand at the national level. And it may help create conditions in which a market economy can flourish, notably by encouraging workers to accept innovation and change. As noted in Chapter I, social protection and decent employment are both necessary components for a market economy to provide income security for all. Social protection is also designed to have important positive effects on society as a whole, by promoting social cohesion and a general feeling of security among its members. The first section of this chapter therefore talks stock of the various arguments and attempts to assess their validity.

Unemployment is one of the greatest social risks facing people who depend for their livelihood on the sale of their labour power. Yet unemployment benefit
systems exist only in a minority of countries and many workers, including almost all the self-employed are not covered by them. Protection against the risk of unemployment is provided not only by benefits but also by measures of employment protection (such as protection against dismissal\textsuperscript{284}) and promotion. The second section gives a brief worldwide review of social protection against unemployment and its interaction with labour market and employment policies.

The third section sums up the main findings and highlights the need for closer linkages between policies for development, employment and decent social protection.

**The Social and economic impact of Social Security**

The mechanisms by which social protection influences socio-economic development involve the behaviour of individuals, as workers and jobseekers, as savers, as portfolio investors and as members of civil society. They involve the decisions of firms and enterprises, and the operation of markets, including the determination of wages and prices.

In the case of the labour market, social protection has an impact on labour force participation. Benefits can encourage people to leave the labour force, for example where there is provision for early retirement. Conversely, social protection may induce people to participate in the formal economy, on account of the prospective entitlement to pensions and other benefits. Social protection can also have an impact on employment. Do benefits cause people to be slower about finding a new job when they are unemployed? Does unemployment benefit allow better worker/employer matches? Then there is the question of the extent of productive labour input. Do sickness benefits reduce hours worked, by encouraging absence from work, or is such an effect offset by the way they help promote quick recovery and prevent the spread of infection among the workforce? Does social protection

\textsuperscript{284} (See Termination of Employment Convention 1982 (No. 158) (Short survey), document GB29/LIIS/WP/PRS/1/3 (Geneva, ILO, 2000).
form part of a package which causes workers to be more productive? Answering these questions is not easy, as other variables have to be held constant in order to isolate, the effects of social protection. It may be added that, if effects on worker productivity are considered here, this in no way disregards the fact that social protection finds its primary justification in the impact it has on workers' well-being.

In the capital market, the existence of state pensions is held by some economists to have reduced the rate of personal savings. This is a complex issue on which – as shown in Chapter V – empirical studies are not conclusive.

**Social Security, expenditure, unemployment and growth.**

Much of the concern about social protection's economic impact centres on the effect on unemployment and on economic objectives such as productivity growth. In figure 2.1, countries are ranked by the percentage of GDP allocated to expenditure on social security transfers. Care has been taken to base the analysis on data covering a substantial period of time. This is important, since a similar analysis carried out over a shorter period might give a misleading impression, especially if it were in the 1990s, when the countries of the European Union (EU) – high social security spenders – were pursuing a restrictive macroeconomic policy at the expense of high unemployment in order to gain admission to the monetary union.

On the left of the diagram are those countries with a low level of social protection, including Australia, Japan and the United States. On the right are those countries with a relatively high level of social security expenditure, such as Belgium and the Netherlands. There is no apparent relationship between expenditure and the economic variables in question. There are countries with relatively low unemployment rates (See first panel) both on the left of the diagram, such as Japan and the United States, and on the right. Such as Austria and Sweden, but the highest rates are to be found in the middle (Ireland and Spain).

Unemployment affects the level of national output, but the level of productivity also needs to be taken into account. Economics differ in GDP per hour
worked in ways that are not widely known. The productivity estimates in the second panel of, it shows that GDP per hour worked in the United States is twice that in Portugal but lower than that in a number of European countries. The countries with the highest social security expenditure have productivity per hour which at least matches that in the United States (this productivity per hour which at least matches that in the United States (this productivity measure takes no account of the contribution of factors other than labour).

Current levels of productivity are a reflection of past differences in growth rates, the third panel shows the growth performance of different economies over the period since, the first oil shock. Labour productivity, measured as GDP per hour worked, grew strongly in Japan, but also in Ireland, Italy and other European countries. Growth in this period was low in Sweden, but the same was true of the United States.

Lastly, it should be stressed that the indices of performance considered are to see conventional in economic analysis, but their limitations are well known. They deal with marketed output, but there are other important dimensions of activities (non-marketed output, quality of working life, effects on the environment) which contribute to the ultimate goal of improving human welfare. In particular, security can be viewed as a good that citizens demand, but which the market, in various cases, is not well equipped to provide efficiently, because of economies of scale, adverse selection and transaction cost problems. This would help to explain the relative stability of social security systems despite their allegedly having been in "crisis" for the last 30 years.

It has been suggested by various commentators that social security contributes to economic growth by raising labour productivity and enhancing social stability. Various types of social security are particularly relevant to labour productivity.

- Health-care systems help to maintain workers in good health and to cure those who become sick. Poor health is a major cause of low productivity in
many developing countries where workers do not have access to adequate health care. Not only does it limit their ability to cope with the physical demands of their jobs, but it also leads to sickness absence and can seriously undermine efficiency even among workers who do not absent themselves from work. Care for workers' family members helps to ensure the good health of the future labour force.

- Pension systems case the departure of older workers from the labour force, thereby helping to avoid the problem of workers remaining in employment when their productivity has fallen to a low level.

- Cash sickness benefit contributes to the recovery of sick workers by removing the financial pressure to carry on working when ill. It also helps to maintain the productivity of other workers by countering the spread of infection.

- Maternity insurance is of particular importance for the reproduction of a healthy workforce, as well as for the maintenance of the health of working mothers.

- Work injury schemes – the oldest and most widespread form of social security – are playing an increasingly important role in preventing work-related accidents and sickness and in rehabilitating workers who fall victim to these. Such activities are of considerable relevance to productivity, given the enormous numbers of days off work attributable to avoidable health risks.

- Unemployment benefit provides unemployed workers with the breathing space they need in order to find suitable work which makes full use of their talents and potential, the associated employment and training services are also highly relevant in this respect.

- Child benefits (and other cash benefits provided when the breadwinner is unable to work) help to ensure that families with children have enough income to provide proper nutrition and a healthy living environment for their
children. In developing countries, child benefits can also be a powerful instrument to combat child labour and promote school attendance. Children can thus receive an education that will permit them in the long run to attain much higher levels of productivity and income.

More indirect effects on productivity may also be important. The existence of a good unemployment insurance system creates a feeling of security among the workforce which can greatly facilitate structural change and technological innovations that workers might otherwise perceive as a great threat to their livelihoods. The link between these issues was graphically illustrated in the Republic of Korea by the Tripartite Accord of 1998 under which workers' organizations accepted greater labour market flexibility, including lay-offs in exchange for better social protection.

Social security helps create a more positive attitude not just to structural and technological change, but also to the challenges of globalization and to its potential benefits in terms of greater efficiency and higher productivity. Countries with relatively open national economies (a high ratio of trade to GDP) and high exposure to external risks (high variability in the relative prices of imports and exports) have been observed to provide high levels of social security. It appears that societies which expose themselves to more external risk demand a higher degree of social protection. Globalization and social security thus tend to be mutually reinforcing.

Social security can be an important factor in the maintenance of effective demand and of business confidence. This effect is most obvious in the case of unemployment benefits, which help to maintain the purchasing power of workers who have lost their jobs. However, other social security benefits also act as an economic buffer during a recession or crisis. Without them, the multiplier effects of the first round of job losses could be followed by second and third rounds that could cut deep into the social fabric of the community, as well as leaving much of the economy working well below capacity. Social security thus helps to prevent
production from falling too far and to keep companies in business, with their workforce intact, ready to participate in the upswing when it comes.

**Table - 13**

Income tax plus employee and employer social security contributions (as percentage of labour costs), 1998.

<table>
<thead>
<tr>
<th>Country</th>
<th>Income Tax Employee</th>
<th>Social Security contributions Employer</th>
<th>Total</th>
<th>Labour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>22</td>
<td>10</td>
<td>26</td>
<td>57</td>
</tr>
<tr>
<td>Germany</td>
<td>17</td>
<td>17</td>
<td>17</td>
<td>52</td>
</tr>
<tr>
<td>Switzerland</td>
<td>9</td>
<td>10</td>
<td>10</td>
<td>30</td>
</tr>
<tr>
<td>Italy</td>
<td>14</td>
<td>7</td>
<td>26</td>
<td>47</td>
</tr>
<tr>
<td>Netherlands</td>
<td>6</td>
<td>23</td>
<td>14</td>
<td>44</td>
</tr>
<tr>
<td>Denmark</td>
<td>34</td>
<td>10</td>
<td>1</td>
<td>44</td>
</tr>
<tr>
<td>Canada</td>
<td>20</td>
<td>5</td>
<td>6</td>
<td>32</td>
</tr>
<tr>
<td>Norway</td>
<td>19</td>
<td>7</td>
<td>11</td>
<td>37</td>
</tr>
<tr>
<td>United States</td>
<td>17</td>
<td>7</td>
<td>7</td>
<td>31</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>34</td>
</tr>
<tr>
<td>Austria</td>
<td>8</td>
<td>14</td>
<td>24</td>
<td>46</td>
</tr>
<tr>
<td>Sweden</td>
<td>21</td>
<td>5</td>
<td>25</td>
<td>51</td>
</tr>
<tr>
<td>Australia</td>
<td>24</td>
<td>2</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>Country</td>
<td>Value</td>
<td>22</td>
<td>6</td>
<td>21</td>
</tr>
<tr>
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<td>----------</td>
<td>----</td>
<td>---</td>
<td>----</td>
</tr>
<tr>
<td>Finland</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>United Kingdom</td>
<td>29.277</td>
<td>15</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>France</td>
<td>28.198</td>
<td>10</td>
<td>9</td>
<td>28</td>
</tr>
<tr>
<td>Japan</td>
<td>27.664</td>
<td>6</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Ireland</td>
<td>24.667</td>
<td>18</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Spain</td>
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<td>11</td>
<td>5</td>
<td>24</td>
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<tr>
<td>New Zealand</td>
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</tr>
<tr>
<td>Korea Rep. of</td>
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<td>1</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Iceland</td>
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<td>20</td>
<td>0</td>
<td>4</td>
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<td>Greece</td>
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<td>22</td>
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<tr>
<td>Turkey</td>
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<td>11</td>
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<tr>
<td>Portugal</td>
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<td>6</td>
<td>9</td>
<td>19</td>
</tr>
<tr>
<td>Poland</td>
<td>12.696</td>
<td>11</td>
<td>0</td>
<td>33</td>
</tr>
<tr>
<td>Hungary</td>
<td>99.16</td>
<td>12</td>
<td>8</td>
<td>32</td>
</tr>
<tr>
<td>Mexico</td>
<td>86.62</td>
<td>0</td>
<td>2</td>
<td>20</td>
</tr>
</tbody>
</table>
Single individual at the income level of the average production worker.\textsuperscript{285} countries ranked by decreasing labour costs. Employer social security contributions include reported payroll taxes. Owing to rounding total may differ by one percentage point from aggregate of columns for income tax and social security contributions.\textsuperscript{5} Dollars with equal purchasing power. Labour costs include gross wages plus employers compulsory social security contributions.

**Employer Contribution and International competitiveness**

Widespread concern has been expressed in business and political circles that high employer contributions to social security make national economies less competitive, a claim frequently heard in discussions of globalization. Most economists, however, have taken the view that in the long run, through the normal working of market forces, these costs will be borne by workers in the form of lower wages (lower that is than they would receive in an identical economy without any payroll tax or employer social security contributions). As a result, employer contributions probably do not affect total labour costs in the long term. This appears to be borne out by OECD figures given in table 2.1, which ranks OECD countries according to their labour costs (defined as gross wages plus employer social security contributions). The ten countries with the highest labour costs include only two with high employer contributions (of 20 percent or more). Of the next ten countries, five have high employer contributions. The proportion of countries with a high level of employer contributions is in fact greatest (five out of nine) in the countries with the lowest labour costs.

In the short term, however, an increase in employer contributions may well be reflected in higher labour costs. And this effect could last for quite some time,

particularly if labour and product markets are imperfect and if the increase takes place during a period of low growth and low growth and low inflation, when employers typically have less room for manoeuvre in wage negotiations. This means that it is very important to avoid large increases in contributions several small increases phased over a number of years will be very much easier for the economy to absorb than a single large increase.

Empirical evidence suggests that social security contributions do not have any long run impact on unemployment. This helps to explain why Denmark, the only country in Europe with virtually no employee contributions, has over the years had unemployment on a par with the European average and appears to derive no special employment advantage from its lack of such contributions. Governments often believe that reduction in social security contributions will reduce labour costs. The experience of Chile before and after its social security pension reform has been investigated in order to establish the impact of the sharp reduction in contributions. The average payroll tax rate in the sample of manufacturing firms covered by the research fell from 30 percent to 5 per cent over the period between 1979 and 1985. Strong evidence is found that the reduction was fully offset by higher wages, leaving labour costs unreduced.

All this should not be taken to suggest that there is no limit to the level of social security contributions. In any democratic society the political preferences of the majority most certainly impose a limit. Depending on what people perceive as desirable and fair, that limit. Depending on what people perceive as desirable and fair, that limit is much lower in some countries than others. Moreover, if the level of

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contributions rises very high, this creates strong incentives for non-compliance, which if not controlled will seriously undermine the system.

Much research has been carried out to investigate the hypothesis that the average duration of unemployment benefit receipt is positively related both to the level of unemployment benefits (the replacement ratio) and to the maximum duration of benefit. Various studies have confirmed that significant relationships exist, but that their effects are modest.\(^\text{288}\)

An important question left unanswered by many of these studies is what happens to people once they cease to receive unemployment benefit. It cannot simply be assumed that they find regular employment. Recent work has investigated this issue. In Bulgaria those without unemployment benefit are more likely to leave registered unemployment, but it is to inactivity rather than to employment. In Slovakia, changes in eligibility periods result in people leaving unemployment not so much to take up regular jobs as for "other reasons". People in Sweden not receiving unemployment benefit were found to be much more likely to leave the labour market or to take up places in active labour market programmes.\(^\text{289}\) In other countries those who cease to receive unemployment benefit often move into informal or even criminal activities, resulting in massive tax evasion and other costs to society. Since lack of benefit entitlement may simply be causing people to quit the labour force, it may be more important to examine the relationship between unemployment benefit and employment after all the real concern is that people may be drawing unemployment benefit when they could be employed instead. A recent study\(^\text{290}\) concluded, on the basis of cross country evidence, that there is in fact no connection between unemployment benefits and total employment. This study also found that high unemployment was associated with the absence of complementary active labour market policies.

\(^{288}\) In Journal of Economic Literature (Nashville, Tennessee), Vol. 29. No. 4, 1991, pp 1679.1”2”.

\(^{289}\) "World Labour Report 2000 op cit. p.154
In recent years there has been great concern about the adverse effects which early retirement provisions may have upon employment as well as upon pension costs. These had been introduced during periods of high unemployment, particularly among older workers, in the hope of creating more job openings for younger workers. As unemployment has fallen, early retirement provisions in numerous social security systems have been tightened or even abolished. However, there has been little or no change in retirement behaviour. This paradox is explained by a number of factors.

- The proportion of older workers receiving unemployment benefits remains relatively high and includes many who have, for all intents and purposes, retired;
- Employer pension schemes often contain strong incentives to retire early;
- Even workers without unemployment benefits or private pension entitlements are quitting the Labour force before standard pensionable age, many of them manual workers for whom demand is low and who are often in poor health.

5.5 ILO AND INDIA

Among all these Conventions, India ratified only four Conventions: They are:

(i) Workmen’s Compensation (Occupational Diseases) Convention, 1925;

(i) Equality Treatment (Accident Compensation), 1925;

(iii) Workmen’s Compensation (Occupational Diseases) Revised Convention, 1934; and


ILO, an organization committed to the case of social justice, India a welfare state committed to the same goal. The approach of India with regard to international labour standards always has been positive. The ILO instruments have provided "guidelines and useful framework for the evolution of legislative and administrative measures for the protection and advancement of interest of workers"\textsuperscript{57}. But, India's response to ratification of ILO Conventions relating to social security has been poor\textsuperscript{58}. But effective implementation of the ILO Convention can be noticed though legislations and administrative actions.

5.6 CONCLUSION

The analysis of development of social security as a term and concept reveals the fact that it is evolved as a protective measure to the poor and the acceptance of poverty as a social problem placed the burden on the government to protect the citizens from the economic distress. Considering the fact that the working class contribute towards the development of society, as the guardian of the community state is duty bound to protect the workers in disruption of their income arising out of disablement, accident, death or old age. The present system of social security is developed from a series of public measures reshaped from time to time by expanding coverage and risks. In the Indian context, social security should be in essence a measure for ensuring social justice and human dignity as envisaged in the Constitution of India. The international community accepts social security as a human right and ILO has come forward to guide the member states to ensure social security to workers in their countries.

From the colonial era till independence and even after that almost all the labour welfare legislations in India are preceded or supported by ILO documents or publications. During the period 1942-1951 many committees were appointed for advancing social security of labour force and these decisions were influenced by
ILO publications. The Commission on Social Security appointed in 1943 which was headed by Professor Adarkar filed a Report and ILO appointed experts to review that report. This report formed the basis of Employees' State Insurance Act, 1948 which is providing basic social security benefits such as sickness benefit, disablement benefit, maternity benefit, dependant's benefit and funeral expenses. Though India has not ratified even the flagship ILO Convention on Social Security all the nine areas identified in the convention and other related conventions are made part of social security schemes in India. It is reasonable to conclude that India has incorporated the obligation contemplated in the ratified and unratified Conventions through the Constitution and legislations. However, the OECD Report says that nine out ten employees in India are out of social security coverage.

I have discussed about social security measures in International Labour Organization. Since my topic of research limited to steel industry in Odisha special reference to Rourkela Steel Plant. I am discussing about social security norms provided by International Labour Organization, whether such norms are followed and reflected through rules and regulations implemented in Rourkela Steel Plant. Therefore I am presented in chapter-V, social security measure in steel industries in Odisha special reference to Rourkela Steel Plant.

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293 Convention No.102
294 OECD, Policy Brief, Is informal Normal? Towards More and Better Jobs in Developing Countries,(2009)