

# POLICY BRIEF

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## COMPETITIVENESS AND RESILIENCE THROUGH SOCIAL SECURITY

### Toward A More Inclusive System



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# Introduction

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The COVID-19 pandemic has underscored the importance of social security for protecting workers against economic shocks, and for smoothing consumption during downturns. As forces such as technological advancement and climate change continue to upend lives and livelihoods, social security is critical for building resilience. In the long run, it is both a contributor to, and evidence of, rising living standards and a growing consumer base. At the same time social security is fundamental in enabling a productive and resilient workforce to support the country's aspirations to export more and to invite greater investment.

As the Indian government negotiates new trade and investment agreements, these efforts must be accompanied by a robust social security system. Inadequate social security, both in scope and scale of benefits, is a structural challenge that keeps the country's labour force trapped in low-productivity, low wage, informal work; its shortcomings serving as a barrier to realising the economy's potential with implications for trade and investment partners.

In recent years, major forces ranging from technology to the pandemic are restructuring India's economy and its labour market. India has seen slowing growth, and an ailing labour market that is reflected in its declining labour force participation; stubbornly high informal employment; and an uptick in unemployment. All of this is compounded by a demographic bulge that underscores the need for large-scale job creation (Appendix 1). These adverse trends deepen inequality and threaten the sustainability of economic growth (Berg and Ostry, 2011).

At its core, social security has three broad functions:

- » First, to provide access to healthcare. Evidence suggests that health-related expenses can drive millions into poverty (Selvaraj, Farooqui, and Karan, 2017; Berman, Ahuja, Bhandari, 2010).
- » Second, to serve as a safety net in the face of contingencies such as loss of income, disability, old age, and other such events. These tenets are defined by the International Labour Organization's Social Security Convention, 1952 (No. 102) and the Social Protection Floors Recommendation, 2020 (No. 202) (Appendix 2). Access to these benefits can be linked to employment or be between the government and the worker. In this category, there is significant focus on life insurance and pension plans with states providing a range of different options.
- » The third function goes beyond standard notions of social security to include job and income support through schemes such as the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), which to date is possible in rural but not yet in urban areas – developments around instituting an Urban Employment Guarantee notwithstanding. MGNREGS is also an effective mechanism to help the rural economy build resilience towards low-to-medium intensity climate risks. (Kaur, et al., 2019).

The pressing question is whether the existing architecture for social security can be defragmented into a simple and inclusive system that serves all three of these functions.

Yet India's heterogenous labour market, in the absence of universal coverage, makes it hard to extend coverage. At the broadest level, India has a 'dual economy' in which

workers are categorized into informal or formal employment. For workers in the formal sector, the main mechanisms for social security are through the Employees' Provident Fund Organization (EPFO) and Employee State Insurance Corporation (ESIC). The new Code on Social Security 2020 and draft rules clearly express the government's intent to extend social security access to unorganized workers. Currently though, its provision is channelled through a complex set of 'schemes' that not only leave many without coverage, but which the government in office has the liberty to alter or withdraw as it sees fit. This is further complicated by the fact that much of the fragmentation happens at the state level.

This brief provides an overview of the current state of India's social security system and raises questions about how to best streamline and restructure the current fragmented approach to iteratively move toward universal provision that extends coverage to more people.

## India's Segmented Labour Market

### The Informal/Formal Dichotomy

Informality is comprised of both informal employment and informal (unregistered) enterprises. Both, informal employment and unregistered enterprises, are characterised by low levels of productivity (ILO, 2021; ILO 2022; Uni, 2018, Dewan and Peek, 2007) though in the aggregate, the contribution of the informal sector to Gross Domestic Product (GDP) is significant. As per the government's statistics, India's informal sector accounted for approximately 52 percent of its GDP in 2017/18 (PLFS, 2017/18; Nagaraj and Kapoor, 2021).

The 17th International Conference of Labour Statisticians (2003) defined informal employment as those (a) employees in jobs where their employment

relationship is, in law or in practice, beyond the purview of labour legislation, income taxation, social protection or entitlement to certain employment benefits, for instance, advance notice of dismissal, severances of pay, paid annual or sick leave; and (b) self-employed -- own-account workers,<sup>1</sup> employers and unpaid family helpers. The share of non-agricultural informal employment stood at 69.5 percent in 2019-20 (PLFS, 2019/20); if one includes those employed in agriculture then the share of informal employment in total employment increases to approximately 91 percent.

### Employment Status

Self-employment, consisting of sub-categories own-account workers and unpaid family workers, constitutes 53.5 percent of employment in India, with regular wage workers (also a proxy for formal employment) constituting 22.9 percent and casual labour at 23.6

**Table 1: Non-agricultural Informal Employment (% of Total Employment, 15 +)**

Category of Workers (Rural + Urban)	(2017-18)	(2018-19)	(2019-20)
Male	71.0 %	71.5 %	72.9 %
Female	54.7 %	54.1 %	56.5 %
Total	68.2 %	68.4 %	69.5 %

Source: GoI, Periodic Labour Force Surveys

<sup>1</sup> Own-account workers are those workers who, working on their own account or with one or more partners, hold the type of job defined as a self-employed job, and have not engaged on a continuous basis any employees to work for them during the reference period.

**Table 2: Prevalence of a Written Contract, Paid Leave, & Social Security Benefits in Regular Wage Work**

Category of Regular Wage/Salaried Employees	% of Regular Wage/Salaried Employees Who had No Written Job Contract			% of Regular Wage/Salaried Employees Not Eligible for Paid Leave			% of Regular Wage/Salaried Employees Not Eligible for Any Social Security Benefit			
	Year	2017-18	2018-19	2019-20	2017-18	2018-19	2019-20	2017-18	2018-19	2019-20
Male		72.3	70.3	68.1	55.2	54.7	53.1	49.0	51.2	53.6
Female		66.8	66.5	65.0	50.4	50.6	49.8	51.8	54.4	56.0
Persons		71.1	69.5	67.3	54.2	53.8	52.3	49.6	51.9	54.2

Source: PLFS. Annual Report, Periodic Labour Force Survey 2019/20

percent (PLFS, 2019/20). Based on the above definition of informal employment, all those in self-employment constitute a major share of those considered to be in informal employment.

### Precarity in the Formal Sector

Moreover, informal employment can also exist in the formal sector where workers are beyond the purview of labour regulations because they do not have a written contract, and/or they lack other benefits. In 2019-20, 67 percent of regular wage workers did not have a written contract, 52 percent were ineligible for paid leave, and 54 percent were ineligible for any social security benefit.

## The Social Security Architecture

Social security in the Constitution of India is part of the Directive Principles that are intended to guide policy. Both the parliament and the state can enact social security legislation. The large number of central and state schemes to deliver social security are overseen by an equally fragmented set of institutions.

India's broad social protection architecture can be divided into two sets of programmes – one that tackles persistent deprivation through social assistance, and the second that addresses contingencies through social insurance. Active labour market schemes that provide livelihood support such as the MGNREGS straddle social assistance and social insurance (Azim Premji University, 2021). After the onset of the pandemic and the ensuing migration crisis, MGNREGS proved to be a lifeline for rural workers. Healthcare can also be seen as straddling the two categories with preventative healthcare in the

social assistance category, and healthcare in the case of contingencies as being part of social insurance.

### Social Security for Workers in the Formal Sector: The Employees' Provident Fund Organization (EPFO) and Employee State Insurance Corporation (ESIC)

The Provident Fund (PF) and the Employee State Insurance (ESI) are both programs linked to formal employment. PF is a compulsory retirement scheme for employees that earn less than ₹15,000, that is managed by the government. An employee deposits 12 percent of their salary into a retirement account (reduced to 10 percent during the COVID-19 pandemic) and this is supplemented by an employer contribution. Private organizations with 20 or more employees are obligated to participate in the PF. The employee and employer contributions amount to a corpus that attracts an annual compound interest, all managed by the government.

ESI deals with health-related eventualities including sickness, maternity, temporary or permanent disability, occupational injuries or death. The ESI Act applies to all non-seasonal factories employing 10 or more persons and to all employees earning wages of ₹21,000 or less per month (₹25,000 for those with a disability). The employee contribution is .75 percent; the employers is 3.25 percent, for a total contribution of 4 percent. Beyond factories, state governments have extended ESI to certain other types of businesses including shops, hotels, restaurants, and others, that have ten or more employees. Similarly, the central government has also extended ESI coverage to certain types of businesses when they employ 20 or more employees. Those registered under this scheme can access benefits for themselves and their dependents.

PF and ESI have certain constraints such as their limited applicability. 99 percent of India's firms have fewer than 20 employees, and just under 70 percent are unregistered (MMSME, 2021-22; Mehrotra and Giri, 2019), which exempts most firms from these mandatory requirements. This begs the question of whether social security should be tied to enterprises in the first place. Some enterprises also employ temporary and casual workers to evade PF and ESI contributions. Workers enrolled in PF and ESI are among the roughly nine percent of those in formal employment (Mehrotra, 2020).

PF and ESI are linked to the employer, which means that when an employee changes jobs, they must transfer their account from one employer to another. Although the government has set up an online service to help with this for PF, in reality a large share of these accounts become orphaned as employees switch jobs.

With registration of just under 65 million, and a corpus of approximately 16,00,000 crore (Kalyanaraman, 2022), EPFO is one of the world's largest social security organizations, but there are concerns about its sustainability given that it offers above market interest rates, and a tax exemption on the interest accrued. Finally, less than half of the ESIC contributions are paid out as benefits; ESIC has significant reserves amounting to .5 percent of GDP (Mehrotra, 2020).

Apart from PF, the National Pension Scheme (NPS) was also launched in 2004 as a government sponsored pension scheme. Till 2009, the NPS was only accessible to government employees after which it was opened to the public – an Indian citizen between the ages of 18 to 60 years is now eligible to invest in the NPS. Under this scheme, investors can choose to invest their money between equity funds, government securities fund and fixed income instruments.

In 2016, the government launched the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) to encourage employers, especially small and medium enterprises, to generate employment and avail social security benefits provided by the government. Under this scheme, the government paid the full contribution of the employers to the Employee Pension Scheme (EPS) for new employees earning less than ₹ 15,000 for a period of three years. The scheme was in operation till 2019. Subsequently, a revised version of PMRPY, known as the Atmanirbhar Bharat Rojgar Yojana (ABRY) was launched in October 2020 in response to the COVID-19 pandemic. Under this scheme, depending on the size of the establishment, the government pays an EPF contribution of either 12 percent (only the employee's share) or 24 percent (employer and employee's share) for new employees earning less than ₹ 15,000.

## **Social Security for Workers in the Informal Sector**

Recognizing that PF and ESI provide coverage to a small share of workers that are in the formal sector, governments – both central and state -- have been grappling with how best to extend social security to those in informal employment. The result is a range of different schemes and funding structures. Appendix 3 provides examples of social security schemes as well as schemes linked to welfare funds in four states – Chhattisgarh, Jharkhand, Karnataka and Rajasthan.

### ***Pradhan Mantri Jan Arogya Yojana (PM-JAY)***

Pradhan Mantri Jan Arogya Yojna (PM-JAY), previously called the National Health Protection Scheme, is a health insurance scheme that seeks to provide just under 11 crore poor and vulnerable families help in mitigating expenditure on medical treatments. There are no restrictions on the family size, age, or gender of beneficiaries under the scheme. PM-JAY provides a cashless cover of INR 5 lakhs per family per year for secondary and tertiary care hospitalisation across public and private hospitals. The scheme covers all costs related to treatment like drugs, supplies, diagnostic services, physician's fees, room charges, surgeon charges, OT and ICU charges etc. PM-JAY is fully funded by the central government, whereas the cost of its implementation is shared between the central and state governments. By August 2020, the scheme had issued 2.55 crore e-cards and covered 1.09 crore hospital admissions.

### ***Schemes with Voluntary Enrolment***

The government has made several schemes available to unorganised workers in which the enrolment as well as the contributions are voluntary (Azim Premji University, 2021). Nonetheless, research suggests that uptake of such voluntary schemes remains low.

### ***State Welfare Funds / Boards***

Welfare funds are tax-based or contributions-based instruments for financing the provision of certain social security schemes targeting workers in particular sectors. Tax-based funds levy a cess on products or services in a given sector to provide workers in that sector with certain benefits. There are tax-based welfare funds for mining,<sup>2</sup> beedi, cinema, dock and construction workers. Other states from Karnataka to Kerala have created various contributory funds to finance provision of different benefits under various social security schemes. Please refer to Appendix 3 for examples.

Some Welfare Boards operate more effectively than others. The Labour Ministry estimated that Labour

<sup>2</sup> Tax based welfare funds can be used to provide specific social security coverage to mining workers in the following sectors: chrome, dolomite, iron, limestone, manganese, and mica. Coal workers do not have a welfare fund because Coal India is a PSU

Scheme	Beneficiary	Pension/Entitlement	Description
Atal Pension Yojana	People between ages 18 - 40	INR 1,000 – INR 15,000 per month	The person contributes until 60 years of age when they are eligible to receive the pension. The central government contributes INR 11,000 per annum or 50 percent of the annual contribution, whichever is less. This scheme operates through Aadhar linked Jan Dhan accounts.
PM Suraksha Bima Yojana	People between ages 18 - 70	INR 2,00,000	This accidental death or disability insurance, which requires a premium of INR 12 per annum, operates via Aadhar linked Jan Dhan accounts.
PM Jeevan Jyoti Bima Yojana	People between ages 18 - 50	INR 2,00,000	This is a life insurance programme where the beneficiary pays an annual premium of INR 330. On the death of the insured, the nominee is entitled to INR 2,00,000. This scheme operates via Aadhar linked Jan Dhan accounts.

Welfare Boards, cumulatively **had just under** in March 2019 of which less than Rs 20,000 crore was spent (AI-CPR, 2020).

### **Improving Accessibility through e-SHRAM**

Given the low uptake by informal workers of this vast array of schemes, the Ministry of Labour and Employment launched the e-SHRAM portal to create a National Database of Unorganised Workers (NDUW) to connect different categories of workers (migrant, gig and platform workers, and others). While registrations on the e-SHRAM portal are high, approximately 28 crores, there is evidence of challenges. First, merely increasing access to schemes through such a portal does not address the reluctance that many workers have to enrolling in voluntary schemes to begin with. Second, anecdotal evidence suggests that several challenges on the ground impede effective use of e-SHRAM; for instance, multiple workers are being enrolled using the same phone number, which complicates the disbursal of funds. Third, significant challenges remain in Application Programming Interface (API) based integration that would be needed to enable sharing of information with relevant ministries, departments, and state governments. This is essential if such a portal is to be used as a means of extending/enabling enrolment in social security schemes. Fourth, the use of such portals needs to be governed effectively by various kinds of regulation to manage concerns such as privacy.

## **Way Forward**

This brief lays out the current structure of social security in India and highlights areas where there is scope to

streamline the process and improve access. While there is a recognition that a change in approach is required, the following steps can be taken in the short to medium term to increase coverage, bolster demand, and build resilience.

### **Create Unified “Social Security Funds” at the State Level**

For the unorganised sector, the government’s intent is to establish social security funds, capitalised through an industry levy like that of Building and Construction Workers fund. For example, as per the new Social Security Code the government wants to put together a “social security fund” where digital platforms put aside one percent of their revenue that will then be used to subsidise government provision of social security through existing schemes. However, multiple funds would be hard to manage adding to the fragmentation at the state level. Instead, state governments should consider one aggregate social security fund that can function as insurance or can partly support contributions to pension plans such as Atal Pension Yojana. Such a fund would also enable an individual to have social security coverage through occupational shifts.

### **Develop e-SHRAM into a One-Stop-Shop for Accessing All Central and State Schemes, but Governed by Clear and Stringent Regulation**

Continue to build the architecture to enable API-based integration to share data, including building the link to state schemes so that those registered on e-SHRAM can avail central and state-specific benefits.

A single Unique Identification number can be used to keep track of a person’s “movements” in and out of

occupations. The e-SHRAM registration with a unique ID, linked to Aadhaar, can help to keep the individual covered even as s/he changes work; for instance, from unorganised to organised work; entrepreneur and back to organised. It can help populate an electronic work record. For example, it could be possible to allow workers that were once registered in EPFO to continue to make contributions on a voluntary basis even if the worker moves out of organised employment to a different labour status (e.g. self-employment).

But the use of such digital tools must be governed by effective regulation. Digital tools can enhance access to entitlements, but they are not a solution to the deficiencies related to the design, access, or coverage of schemes. Workers that do not, or cannot, register through digital portals must also be able to access social security entitlements through other means.

### **Explore How PF and ESI Benefits can be Extended to a Larger Group of Workers**

Explore whether it would be possible to allow workers that were once registered in PF to continue to make contributions on a voluntary basis even if the worker moves out of formal employment to a different labour status (e.g. self-employment). ESI could be harmonised with PM-JAY so both ESI and PM-JAY beneficiaries could use the facilities. ESI hospitals have unused capacity, so while blocking a certain percentage of beds for ESI patients, the remaining beds can go to serve PM-JAY beneficiaries. The government should also expand the number of districts that have ESI facilities; the idea is to see if PM-JAY facilities can serve ESI clients as well.

### **Incorporate Climate Resilience in the Social Security Architecture**

Climate change and other environmental factors are upending labour markets in new ways, with a disproportionate impact on the poorest and most vulnerable, especially women. Social security is important not only for smoothing consumption and increasing aggregate demand; it is an essential aspect of building resilience in the face of climate disasters. Combining the delivery of MGNREGS with other risk mitigation schemes has been shown to help the poorest households adapt to climate risks and build long-term resilience. (Kaur, et al., 2019; Bharadwaj, et al., 2021).

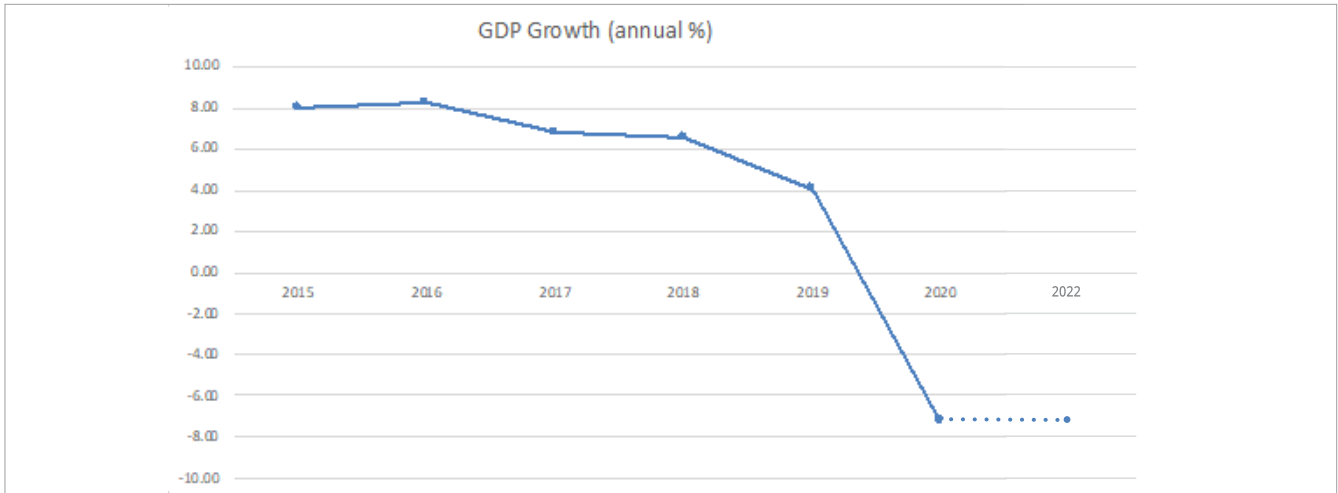
## **Conclusion**

Recent labour law reforms that culminated in the formulation of four labour codes, including one on social security, recognise the need for a new paradigm for labour protection. All states but a few, including West Bengal and Maharashtra, have ratified the rules associated with the codes. Voluntary contributory social security (private medical insurance/pension plan/public provident fund) will remain and be market determined. Government sees its role as providing social security for those who cannot afford to make the voluntary contribution, for the short or long-term. In this regard, simplifying the current social security structure and expanding the coverage of existing schemes are important steps in the move towards universal coverage.



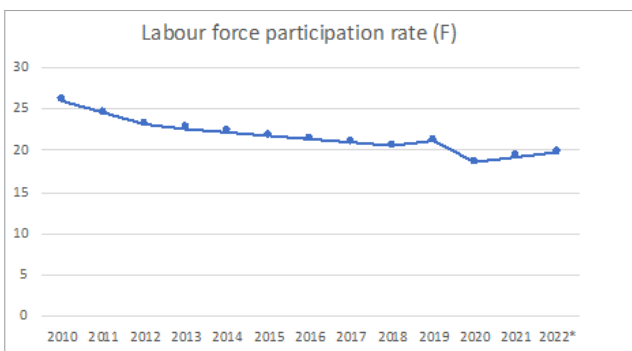
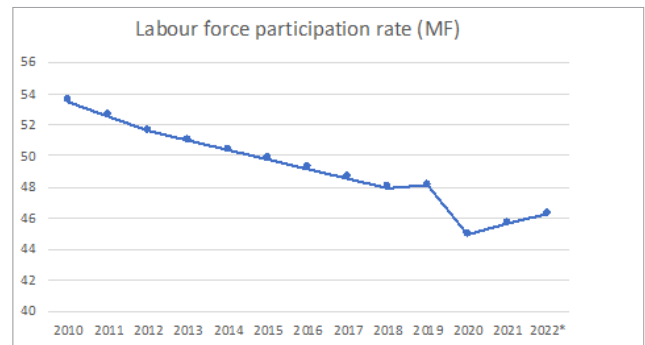
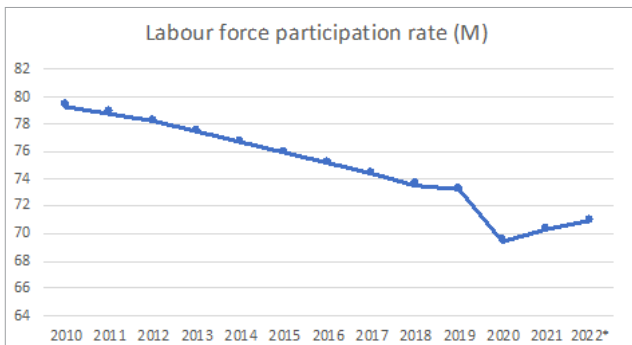
# Appendix 1

**Figure 1:** India's Gross Domestic Product Growth Between 2015-2020 (Annual %)<sup>3</sup>



Source: World Bank, World Development Indicators (2021) RBI-MPC, 2022 Projection

**Figures 2 - 4:** Labour Force Participation Rates (Total, Male and Female) Between 2010 - 2022<sup>4</sup>



Source: ILO modelled estimates, (Nov. 2021) ILOStat  
\*2022 Projection

Unemployment is typically low in India because a large share of the working age population cannot afford to be unemployed; this is substantiated by the high levels of informal employment. According to the Centre for Monitoring Indian Economy, the unemployment rate stood at 7.9 percent as of December 2021.

With a population of approximately 1.4 billion, India is not only the second most populous country in the world, but it is still amidst a demographic boom. There are 335 million youth between the ages of 15 to 29. Estimates suggest that approximately eight million individuals join the labour force each year.

<sup>3</sup> Annual percentage growth rate of GDP at market prices based on constant local currency.

<sup>4</sup> The labour force participation rate is a measure of the proportion of a country's working-age population (aged 15+) that engages actively in the labour market, either by working or looking for work. The fe/male labour force participation rate is a measure of the proportion of a country's fe/male working-age population (aged 15+) that engages actively in the labour market, either by working or looking for work.

## Appendix 2

	Social Security Component (ILO)	Provident Fund	Employee State Insurance	Employee's Compensation
1	Medical Benefit		✓	✓
2	Sickness Benefit		✓	
3	Unemployment Benefit		✓	
4	Old age Benefit	✓		
5	Employment Injury		✓	
6	Family Benefit		✓	
7	Maternity Benefit		✓	
8	Invalidity Benefit	✓	✓	✓
9	Survivor's benefits	✓	✓	✓

## Appendix 3

### Chhattisgarh

Scheme	Beneficiaries	Description
Chhattisgarh Mahila Kosh -Loan Scheme	Women	Under this scheme, loans up to INR 50,000 are given to women self-help groups for the first time, and on successful return, loans up to INR 2 lakh are given at 3 percent simple interest rate per annum.
Chhattisgarh Mahila Kosh - Saksham scheme	Women	Under the scheme, a loan of up to INR 1 lakh is provided to the beneficiary to start her small business at 6.5 percent simple interest rate. The loan granted can be repaid within 5 years.
Chhattisgarh Mahila Kosh - Swavalamban scheme	Women	Skill training is provided to such women whose husband has died or unmarried women or legally divorced women in the age group of 35 to 45 years. Sexual harassment, HIV positive, and transgender beneficiaries are also eligible.
Sanskar Abhiyan	Children	Under the scheme, anganwadi centres are upgraded by providing necessary infrastructure, environment, and quality services for the all-round development of children from conception to the age of 0-6 years.
Chief Minister Child Reference Scheme	Children	The scheme focuses on reducing the rate of malnutrition by providing health check-up benefits up to INR 300, medicines up to a maximum of INR 500, and honorarium of INR 1000 with travel expenses up to INR 500.
Large-scale Plan	Pregnant women	Under the scheme, nutritious food is provided to pregnant women through anganwadi centres. There is also a provision to give ready-to-eat weekly packets of 450 grams at the rate of 75 grams per day (for 06 days in a week) to take home.
Social Security Pension Scheme	BPL PwDs (Persons with disabilities)	Financial assistance of INR 350 per month.
Pleasant support scheme	BPL Widows and deserted women	Financial assistance of INR 350 per month.
Chief Minister Unorganised Workers Sewing Machine Assistance Scheme	Women workers who are in the age group of 18 to 50 years	One sewing machine is provided to women workers who do sewing, embroidery, weaving, and tailoring work or are employed with an employer or have their own business.
Chief Minister Unorganised Workers Serious Illness Medical Assistance Scheme	Unorganised workers between 18 to 60 years	Medical assistance for the treatment of kidney cancer, sickle cell anaemia, heart disease, AIDS, and paralysis to the registered unorganised workers.

## Chhattisgarh (continued)

Scheme	Beneficiaries	Description
Unorganised Workers Death and Disability Assistance Scheme	Unorganised workers in the age group of 18 to 60 years	Payment of INR 1 lakh on the death of the registered worker or INR 50,000 in case of permanent disability.
Economic and Rehabilitation Assistance Scheme for workers suffering from silicosis	Contract workers	Under the scheme, INR 3,00,000 will be provided to the registered beneficiary suffering from silicosis disease, out of which INR 1,00,000 will be transferred to the beneficiary's account and INR 2,00,000 will be given to the beneficiary
Unorganised Workers Maternity Assistance Scheme	Unorganised women workers	A lump sum amount of INR 10,000 is provided to the registered unorganised female worker after delivery.
Scholarship Scheme for Children of Unorganised Workers	Children of unorganised workers	Scholarship for children of the registered unorganised worker amounting to INR 500 to INR 5000 per year, depending on the grade level.
Safai Karamkar Out-Patient Medical Assistance Scheme	Safai Karamcharis and their family members	Medical assistance up to INR 2000 will be provided annually to the registered scavengers or their family members.
Safai Karamkar Maternity Assistance Scheme	Women safai karamcharis	Maternity benefits of INR 5000 in the first quarter and INR 5000 in the third quarter.
Contract Workers, Domestic Women Workers and Hamal Workers Maternity Assistance Scheme	Contract workers, domestic women workers and Hamal workers	A lump sum amount of INR 10,000 will be provided to registered contract workers, domestic women workers and hamal workers after delivery.
Contract Workers, Hamal Workers and Domestic Women Workers Critical Illness Medical Assistance Scheme	Contract workers, domestic women workers and Hamal workers	Payment of INR 50,000 for the treatment of kidney cancer, sickle cell anaemia, heart disease, AIDS or the actual cost of treatment, whichever is less.
Chief Minister Pension Scheme	Senior citizens and widows or abandoned women	Pension of INR 350 Per month.

## Jharkhand

Scheme	Beneficiaries	Description
Integrated Aam Aadmi Insurance Assistance Scheme		Benefit up to INR 4 lakh is payable in the event of death, accident and other contingencies of the member/beneficiary. The "Shiksha Sahayak Yojana" under this scheme provides scholarship for children studying in class 9th to 12th.
Jharkhand Construction Worker Death/Accident Assistance Scheme	Registered construction workers	Under this scheme, construction workers are eligible for the following payments: <ul style="list-style-type: none"> <li>◦ Accidental death – Grant of INR 5,00,000</li> <li>◦ Total disability in accident – Grant of INR 3,00,000</li> <li>◦ Accidental partial disability – Grant of INR 2,00,000</li> <li>◦ Simple death – Grant of INR 1,00,000</li> </ul>
Maternity Care Plan	Working women	INR 15,000 for the first two deliveries of the registered female beneficiary.
Funeral Assistance Scheme		INR 10,000 for the last rites on the death of the registered beneficiary.
Pension Scheme		INR 1000 per month is given as pension at the end of 60 years.
Disability Pension Scheme	Persons with disabilities	Disability pension INR 1000 per month and a one-time payment of INR 10000 ex-gratia.
Family Pension Scheme		Payment of 50 percent of the pension amount or INR 500 maximum to the family members in the event of death of the pensioner.
Swami Vivekananda Nisshakta Svavalamban Protsahan Yojana	Persons with disabilities	An amount of INR 600 per month is granted to all disabled persons above 5 years of age. It is proposed to be increased from INR 600 to INR 1000.
Mukhyamantri State Old Age Pension Scheme	Widows, disabled persons, released bonded labourers and helpless persons	Under this scheme widows, disabled persons, released bonded labourers (above the age of 18 years) and helpless persons of 60 years and above, belonging to the BPL families as well as non-BPL families whose annual income is less than INR 10,500 in rural areas and INR 12,500 in the urban areas get pension at the rate of INR 1000 per month.
Mukhyamantri State Pension Scheme for Primitive Tribal Group	Primitive Tribal Group	Eight tribes have been classified as Primitive Vulnerable Tribal Groups for entitlement of monthly pension at the rate of INR 1000 under this scheme.
Mukhyamantri Rajya Vidhwa Samman Pension Yojana	Widows	To provide financial support to the widows of INR 1000 per month.
Mukhyamantri State Pension Scheme for HIV/ AIDS Affected persons	HIV/AIDS patients	To provide financial support to the HIV/AIDS affected persons of INR 1000 per month.

## Jharkhand (continued)

Scheme	Beneficiaries	Description
Medical Reimbursement Plan		One-time benefit for expenses associated with critical illnesses.
Medical Assistance Plan	Workers	Payment of minimum wages to unskilled category labour if worker is admitted in the hospital for more than 5 days.

## Karnataka

Scheme	Beneficiaries	Description
Relief to farmers accidental death and loss of fodder/hay due to fire accidents.	Farmers/ agricultural labourers	Relief to families of farmers/agricultural labourers with an amount of INR 2 lakh in case of death due to snake bites, fall from trees and other accidental death while doing agricultural activities and INR 20000 for Hay loss due to fire.
Labour Social Security and Welfare - Educational assistance to children of the workers	Children of the workers	Providing educational assistance up to INR 10000 to children of the workers registered under the Karnataka Labour Welfare board depending on the level of education.
Labour Social Security and Welfare - Medical Assistance to workers	Workers	Provides medical cash assistance of INR 1000-10000.
Labour Social Security and Welfare - Accident Benefit to workers	Workers	Financial assistance of INR 1000-INR 3000 given to beneficiaries in the case of accidents
Labour Social Security and Welfare - Funeral Expenses	Workers	Upto INR 5000 for death of the beneficiary payable to the deceased's dependents.
Karnataka State Private Commercial Vehicle Drivers Accident Benefit Scheme	Private commercial transport workers	The following benefits will be given: <ul style="list-style-type: none"> <li>a. Accident Benefit Facility</li> <li>b. Educational Assistance</li> <li>c. Smart Card Facility</li> <li>d. Shrama Samman, Special Award &amp; Consolation Award</li> <li>e. Accident Life Saviour Programme</li> </ul>
Self-employment Programme	Unemployed	Unemployed prospective beneficiaries are assisted with subsidy & loan to start self-employment activities such as vegetables & fruits street vending activity.
Samrudhi Scheme	Women	Financial assistance of INR 10000 to women street vendors who are below poverty line (BPL) and in the age group of 18-60 years.
Devadasi Pension Scheme	Ex-Devadasis over 45 years	Provides pension of INR 1500 per month support to ex-devadasis.

## Karnataka (continued)

Scheme	Beneficiaries	Description
Ambedkar Karmika Sahaya Hasta Scheme		Under this scheme implemented by the Board, the following benefits are given: <ol style="list-style-type: none"> <li>Smart Card to Unorganised Workers</li> <li>Provident Fund Facility</li> <li>Karmika Seva Kendra</li> <li>Shrama Samman- Special Award</li> </ol>
Karnataka Building and Other Construction Workers' Welfare Board- Pension	Construction workers	After completion of 3 years as a beneficiary, pension of INR 1000 per month.
Karnataka Building and Other Construction Workers' Welfare Board-Disability Pension	Construction workers	Disability pension of INR 1000 per month and Ex gratia payment up to INR 2,00,000.
Karnataka Building and Other Construction Workers' Welfare Board- Thayi Lakshmi Bond	Construction workers	Maternity Assistance of INR 30,000 in case of female child and a sum of INR 20,000 in case of male child.
Karnataka Building and Other Construction Workers' Welfare Board- Kalike Bhagya	Construction workers	Educational Assistance for two children of the registered construction worker
Karnataka Building and Other Construction Workers' Welfare Board- Karmika Arogya Bhagya	Construction workers	Medication assistance of INR 300 per day of hospitalization to a maximum of INR 10000 for continuous period of hospitalization.
Karnataka Building and Other Construction Workers' Welfare Board- Accidental Death/ Permanent Disability	Construction workers	Up to INR 5,00,000
Karnataka Building and Other Construction Workers' Welfare Board- Karmika Chikitsa Bhagya	Construction workers	Up to INR 2,00,000 for treatment of major ailments
Karnataka Building and Other Construction Workers' Welfare Board- Thayi Magu Sahaya Hastha	Construction workers	Assistance of INR 500 per month for pre-school education and nutritional support of the child of the registered woman construction worker
Ashadeepa Scheme	Workers	Provides for the reimbursement of the employer's contribution of ESI & PF for SC & ST employees for a period of 2 years from date of first appointment.

## Rajasthan

Scheme	Beneficiaries	Description
Rajeev Gandhi Krishak Sathi Sahayta Yojna	Farmers, tenant farmers, hired labour, and mandi workers	Under the Rajiv Gandhi Krishak Saathi Yojana, an assistance of INR 2 lakh is given to the dependents of the cultivator by the Mandi administration on the death of the cultivator while working in the fields. Apart from this, compensation is given to the tenant even if he is injured.
Mahatma Jyotiba Phoolle Mandi Shramik Kalyan Yojna 2015	Female mandi workers	This scheme, targeted at female workers in APMCs, provides benefits like financial assistance post pregnancy, assistance in covering marriage costs and medical costs in serious conditions, as well as maternity leave.
Mukhay Mantri Yuva Sambal Yojana	Unemployed	Monthly unemployment allowance of INR 3000 for males and INR 3500 for females is given for 2 years.
Mukhya Mantri Ekal Nari Samman Pension Yojana	Widows, Divorced and Abandoned Women	Under this scheme, Widows, Divorced and Abandoned Women are being provided pension of INR 500 per month for ages 18 – 55, INR 750 per month for ages 55-60, INR 1000 per month for ages 60 -75, and INR 1500 per month for ages above 75.
Hitadhikari ki Samanya Athva Durghatana mein Mrityu ya Ghayal hone ki Dasha mein Sahayata Yojana	Construction workers and their dependents	This is an financial assistance scheme that provides following help construction workers and their dependents in the case of death or an accident in the workplace: <ul style="list-style-type: none"> <li>◦ Up to INR 5000 in case of simple accidental injury</li> <li>◦ INR 5,00,000 in case of death due to accident</li> <li>◦ NR 3,00,000 in case of permanent total disability in an accident.</li> </ul>
Nirman Shramik Jeevan va Bhavishya SurakshaYojna	Construction workers	This scheme facilitates the usage of central life, accident insurance and pension schemes such PM Jeevan Jyoti Yojana, PM Atal Pension Yojana, PM Bima Yojana etc. by reimbursing various premiums under these schemes through the state government or construction workers boards.
Shubh Shakti Yojna	Female construction workers and their daughters	This entitles adult and unmarried daughters or unmarried children of the beneficiaries to receive INR 55000. The benefit can be used as per the discretion of the female beneficiary/ daughter for further education or vocational training, starting their own business or for skill development training.
Indira Gandhi Matritva Poshan Yojana	Pregnant women	The main objective is to reduce the incidence of low birth weight and debility at birth by improving the health and nutritional status of pregnant women and lactating mothers and children up to 3 years of age. The scheme consists of services upto INR 6000 in five phases, ranging from institutional delivery to immunizations and health check ups of pregnant mothers.



## Rajasthan (continued)

Scheme	Beneficiaries	Description
Rajasthan Janani Shishu Suraksha Yojana	Pregnant women	Pregnant women are provided free of cost institutional delivery, delivery by caesarean operation, medicines and other materials, lab test facilities, hot food, blood facility and transportation facilities. In addition, an incentive amount of INR 1400 for women in rural areas and INR 1000 to the women of urban areas is provided.
Scheme for Silicosis affected Workers	Construction workers	This scheme has been created for construction workers that have been affected by silicosis while working. Workers suffering from silicosis are eligible for- <ul style="list-style-type: none"> <li>◦ INR 1 lakh in case of silicosis sufferer</li> <li>◦ INR 3 lakh on the death of a victim of silicosis.</li> </ul>
Maternity Assistance Scheme (Prasuti Sahayata Yojna)	Construction workers ( women) or wife of male construction worker	This is a maternity support scheme for female construction workers or spouse of male construction workers providing following benefits: Maternity assistance of INR 21000 on the birth of a daughter and INR 20000 on the birth of a son.
Mahatma Jyotiba Phoolle Mandi Shramik Kalyan Yojna	Female workers in APMCs	Financial assistance of INR 20000 for serious illness are provided under this sub-component of this scheme
Indira Gandhi National Old Age Pension Scheme	Senior Citizens	Members of BPL families aged 60 years and above are eligible for pension ranging between INR 750 - 1000 per month.
Mukhya Mantri Vishesh Yogyajan Samman Pension Yojana	Specially abled persons	This scheme provides a pension of INR 750 - 1000 per month to specially abled persons. The amount distributed varies with age of beneficiary.

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## ABOUT THE PROJECT

India's continued economic growth and progress is integral to the bilateral relationship it shares with the United Kingdom, especially as the two explore deeper economic cooperation in finance and trade. The India-UK 2030 roadmap reaffirms this and outlines critical reform areas that will not only provide better opportunities for people in both countries, but also strengthen their partnership. In this context, the Centre for Policy Research, with support from the British High Commission, New Delhi, has produced four policy briefs on timely issues of mutual interest to both countries. These policy briefs help leverage mutual experience and suggest actions to chart more sustainable growth trajectories.



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