Report of the Working Group on

Social Protection Policy - National Social Assistance Programme and Associated Programmes

Government of India
Ministry of Rural Development
Krishi Bhawan, New Delhi

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Introduction

1. Constitution of the Working Group

In the context of formulation of the 11th Five Year Plan, the Planning Commission by its order dated August 23, 2006 set up a Working Group on Social Protection Policy – National Social Assistance Programme and Associated Programmes. The Members of the Working Group are as under :-

1.	Shri T S Sankaran, Former Chairman, Central Advisory Contract Labour Board	Chairman
2.	Shri R K A Subrahmanya, Secretary General, Social Security Association of India, Bangalore	Acting Chairperson
3.	Prof. Sheila Bhalla, Institute of Human Development, New Delhi	Member
4.	Prof. Moneer Alam, Institute of Economic Growth, Delhi	Member
5.	Dr. S Mahendra Dev, Director, Centre for Economic & Social Study, Hyderabad	Member
6.	Dr. D. Rajasekhar, Professor& HOD, Centre for Decentralization and Development Unit, Institute of Social and Economic Change, Bangalore	Member
7.	Dr. (Mrs.) Renuka Viswanathan, Secretary, Ministry of Rural Development, New Delhi	Member
8.	Smt. Sarita Prasad, Secretary, Ministry of Social Justice and Empowerment, New Delhi	Member
9.	Ms. Meenakshi Datta Ghosh, Secretary, Ministry of Panchyati Raj, New Delhi	Member
10.	Suri R. Bandyopadhyay, Adviser(RD), Planning Commission, New Delhi	Member
11.	Shri Vijay Anand, Secretary(Panchyati Raj), Govt. of Kerala, Thiruvananthapuram	Member
12	Shri G B Panda, Adviser(Social Welfare), Planning Commission, New Delhi	Member
13.	Shri Manohar Lal, Director General, Ministry of Labour& Employment, New Delhi	Member
14.	Shri K S Vatsa, Secretary(RD)& Water Conservation Deptt, Govt. of Maharastra, Mumbai	Member

15. Mrs. Malovika Pawar, Secretary(RD), Govt. of Rajasthan, Jaipur — Member
16. Ms. Nilam Sawhney, Joint Secretary, Ministry of Rural Development, New Delhi — Member Secretary

However Dr. S. Mahendra Dev expressed his inability to function as member of the Working Group. After the constitution of the Group, Smt. Sarita Prasad, Secretary, Ministry of Social Justice and Employment retired and was represented by Shri Narayana Murty, Joint Secretary of the Ministry. Besides, Shri Manohar Lal, Director General, Ministry of Labour & Employment was transferred and Shri Anil Swarup, new Director General attended the meetings of the Working Group. Dr.(Mrs.) Renuka Viswanthan, Secretary (RD) was also transferred the Dr. Subas Pani, Secretary(RD) attended the meeting. Shri R. Bandhyopadhyay, Adviser (RD), Planning Commission was also transferred and in his place Shri Santosh Mehrotra, Sr. Consultant attended the meeting.

During the meetings of the Working Group, Shri K. Raju, Secretary, Department of Rural Development, Government of Andhra Pradesh; Dr. Mona Sharma, Secretary, Department of Women and Child Development, Government of Orissa; Shri G.N. Pegu, Joint Secretary, Ministry of Social Justice & Empowerment, New Delhi; Shri K.K. Maiti, Director, Ministry of Health and Family Welfare, New Delhi and Ms. R. Savithri, Director, Ministry of Women and Child Development were associated in the deliberations of the Working Group as special invitees.

The terms of reference of the Working Group are as follows

1. To consider the need for National Minimal Standards of public assistance in cases of old age, sickness, disablement and other cases of undeserved want.

2. To examine all Central and State Schemes in operation for the poor, in cases of old age, untimely death of bread-earner, serious illness and for persons with disability and suggest a comprehensive framework for national policy and coordinated implementation of the policy by the Centre, States and Local Governments Institutions.

3. To examine the changes made in the National Social Assistance Programme (NSAP) since its inception and suggest measures for revising this programme for providing minimal social protection for the socially excluded categories.

4. To consider the Unorganized Workers' Social Security Bill, 2006 prepared by the National Commission for Enterprises in the Unorganized Sector and harmonise the minimal protection and promotion measures suggested in this Bill with the need for a national policy towards the vulnerable referred to in item 2.

5. To study the implementation of NSAP in all the States in the country and suggest a better procedure jointly to be operated by the Centre, State Governments and Local Governments Institutions.

2. Meetings of the Working Group

The Working Group had its first meeting on the 4th of October, after which Sri T.S.Sankaran Chairman of the Group took ill and Sri R.KA. Subrahmanya was appointed as the Acting Chairman.

Subsequently, the Working Group had three more meetings when some of the issues were discussed. At the second meeting on 23rd November, 2006, Sri Bandyopadhyaya, Adviser Planning Commission desired that the Working Group may, in the first instance, consider item 3 of the Terms of Reference and recommend measures for revising the National Social Assistance Programme for providing minimal social protection for the socially excluded categories

Accordingly the Working Group concentrated on a review of the existing schemes of the National Social Assistance Programme . As a result of the review the Working Group considered it necessary to set the goal which could be achieved in the short term and to suggest appropriate schemes for achieving that goal .

The Working Group felt that a more holistic view of social assistance would however have to be considered and other aspects of social assistance would have to be discussed more in detail. Hence apart from the present report, the Working Group, if the Planning Commission indicates, would present an additional paper.

3. Structure of the Report

Part I of the report is a summary of the Working Group's recommendations while Part-II contains detailed recommendations of the Working Group. The financial implications are at Annexure – A.

The "Paper" circulated during the second meeting, on the concepts of social assistance, the need for social assistance, the experience in other countries and certain proposals relating to target groups for social assistance and the forms of assistance is at Appendix-I.

The "Background Note" circulated to the members of the Working Group before the first meeting is at Appendix-II. This note gives the details of the Central and the State Schemes in operation for the vulnerable groups. It also traces the changes made in NSAP since its inception and summarizes the recommendations and findings of the various studies and reports on NSAP.

PART-I

Summary of Recommendations

The Working Group was of the opinion that social assistance is one of the ways of providing social security. The main characteristic feature of social assistance is that the total cost of the programme is met by the State or the local governments out of their general or special revenues. The assistance is given as a matter of right, when the prescribed conditions of need are met and is not discretionary. It is meant for persons who have little or no income, being unable to work, because of age, health or other reasons. Social Assistance is basically meant to tackle destitution.

A summary of the Working Group's recommendations are listed below :

1) The overall objective of Social Protection Policy and Programme should be to abolish hunger so as to attain zero hunger at the end of XIth Plan.

2) National Social Assistance Programme (NSAP) should consist of the following schemes
   a. National Old Age Pension Scheme (NOAPS)
   b. National Family Benefit Scheme (NFBS)
   c. Pension for the Disabled
   d. Pension for the Widows
   e. National Maternity Benefit Scheme(NMBS)

3) NOAPS should provide pension to all "BPL" aged above 60 years with a minimum pension of Rs 400 p.m. The pension amount should be reviewed every 3 years.

4) NFBS should continue at Rs 10,000 p.m. for a "BPL" household on death of an earning member of age group of 18-60 years.

5) Pension should be introduced for "BPL" widows at the norm of one and half times that under NOAPS.

6) Pension should be introduced for "BPL" handicapped with disability above 40% at the same norm as that under NOAPS.

7) Though NMBS could continue to be administered by Ministry of Health, it should be part of NSAP. The rate of maternity benefit should be enhanced to Rs.2000 per delivery.

8) Adequate number of "homes" should be established for elderly persons who cannot live alone, orphan and street children, deserted women who have no one to fall back upon, lepers and mentally ill persons who have no guardians.

9) Short term assistance should be provided at standardized norms to persons affected by natural calamities and riots, displaced persons, families of prisoners, families of persons who commit suicide, workers retrenched from employment, labour released from bondage and manual scavengers.

10) In all cases, there should be appropriate standards of health care through the Public Health Care System which in turn should be adequately strengthened.

11) NSAP should be treated as a Centrally Sponsored Scheme with funding shared between the Centre and the States in the ratio of 75:25.

12) The budget requirement of schemes which involve cash transfer under NSAP and the estimated number of beneficiaries for universal coverage are as indicated in the table below :-

Requirement of Funds for Universal Coverage under NSAP

Name of the Scheme	Estimated Number of Beneficiaries	Requirement of Funds (Rs. In Cr.)	Central Share (Rs. In Cr.)	State Share (Rs. In Cr.)
NOAPS	23,402,400	11233.15	8424.86	2808.29
NFBS	687,271	687.27	515.45	171.82
Pension for Widows	9,601,124	6912.81	5184.61	1728.20
Pension for Disabled	6,133,895	2944.27	2208.20	736.07
NMBS	4,880,953	976.19	732.14	244.05
Total	**44,705,643**	**22753.69**	**17065.26**	**5688.43**

PART – II

Recommendations of the Working Group

1. A perspective

The Working Group recommends two basic objectives to be achieved during the Eleventh Five Year Plan, namely (a) abolition of hunger and (b) abolition of beggary. It is suggested that the Government adopts "Bhukh Mitao, Bhikh Hatao" as the slogan for the Plan.

The Global Social Summit in Copenhagen in 1995 put social policy at the Centre of the development debate. The final Copenhagen Declaration and the Programme of Action highlighted a number of areas related to social protection. Of the ten commitments called for in the Programme of Action, Commitment 2 called for the formulation or strengthening of national policies and strategies to reduce inequalities and eradicate absolute poverty by a target date to be set by each country. At the national level governments were to develop and implement policies " to ensure that all people have adequate economic and social protection during unemployment, ill health, maternity, child rearing, widowhood, disability and old age."

Eradication of extreme poverty and hunger is one of the Millenium Goals to be achieved. It requires halving between 1990 and 2015 the proportion of people who suffer from hunger. Half the period is over but hunger still exists in India on a large scale .

According to a statement made by the Country Director of the World Food Programme despite the fact that the economy has been growing fast , one in every five Indians suffers from overt or covert hunger. A survey carried out in Karnataka found that a large number of people in the State were homeless, they did not have even one square meal a day for long periods and they survived virtually on crumbs.

According to the WHO, "one in every three world's malnourished children lives in India and about 50 percent of all childhood deaths in India are attributable to malnutrition. The proportion of low birth weight babies remains high at one third of all births".

The Supreme Court has declared that the Right to Livelihood is a fundamental right; it inheres the right to life. The National Human Rights Commission has pointed out that "the citizen's right to be free from hunger enshrined in Article 21 is to be ensured by the fulfillment of the obligations of the State set out in Articles 39(a) and 47".

Poverty eradication has been an important goal of development policy since the inception of planning in India Various anti-poverty, employment generation and basic services programmes have been in operation for decades. These are targeted mainly at persons who are able to work but remain unemployed for lack of employment opportunities. But there are certain classes of people who are unable to work and earn their livelihood. In their case eradication of destitution and hunger calls for separate and distinct programmes involving direct income transfers by way of social assistance .

Social assistance programmes in the form of old age pensions, widow pension, physically handicapped pensions, unemployment assistance etc have also been in existence at State levels for a long time. Under these programmes cash assistance is given to persons at various rates subject to widely varying conditions. In order to bring about a measure of uniformity in these programmes and to ensure that they conform to certain minimum national standards a National Social Assistance Programme was introduced in the year 1995 .

The NSAP was intended to be a significant step towards fulfillment of the Directive Principles in Articles 41 and 42 of the Constitutions which envisages public assistance in the event of old age, disability, sickness and other cases of undeserved want. The programme included for the time being three benefits, namely, old age pension, family benefit and maternity benefit . It was obviously envisaged that more such benefits would be added in due course to extend protection against other cases of undeserved want.

The scale of benefits provided under the programme initially was as follows:

National Old Age Pension Scheme : Rs.75 per month per beneficiary. The National Family Benefit Scheme : Rs 5000 in case of death due to natural causes and Rs.10,000 in case of accidental death of the primary breadwinner of the bereaved household. National Maternity Benefit Scheme: Rs.300 per pregnancy upto the first two live births.

In the year 1998, the rate of maternity benefit was raised to Rs.500 per pregnancy and the rate of family benefit due to natural causes was raised to Rs.10,000, the quantum of benefit in the event of death due to accident remaining the same.

In the year 2000, a new scheme called Annapurna Scheme was added providing for supply of 10 kgs of foodgrains free of cost to those senior citizens who were eligible for old age pension but had remained uncovered under the National Old Age Pension Scheme.

Many State governments have increased the quantum of old age pension by varying amounts ranging from Rs.25 to Rs.225 (total amount of pension ranging from Rs.100 to Rs.300).

In the current year (2006) the rate of old age pension was raised to Rs.200 per month per beneficiary with the request to the State governments to top it up by another Rs.200 so that each beneficiary may get a total amount of pension of Rs.400 per month.

The National Maternity Benefit Scheme has been transferred to the Ministry of Health for administration and is renamed as Janani Suraksha Yojana with emphasis on institutional delivery with the help of qualified assistants.

The remaining schemes of the programme which were initially treated as Centrally Sponsored Schemes have been transferred to the States as State Sector Schemes.

Evaluation studies of the National Social Assistance Programme were conducted by the Operational Research Group in 1998 and by the Centre for Management Development , Tiruvanathapuram in 2000. The Programme was also studied by the Jaishanker Memorial Centre. In addition Dr N.C.Saxena Commissioner of the Supreme Court and Sri Moneer Alam of the Institute of Economic Growth have made certain observations and recommendations.

The National Commission on Rural Labour as well as the Second National Commission on Labour have also made certain comments and recommendations concerning the Programme. The UN has also expressed its concerns about the aged in MIIPA.

The Working Group has reviewed the National Social Assistance Programme in the light of these developments, comments and recommendations and propose as follows

2. The National Old Age Pension Scheme

The Scheme is at present applicable to destitutes aged 65 or more . The eligibility criteria for the pension are defined differently by different State governments. The Scheme is also subject to certain numerical and financial ceilings .

The National Policy for Older Persons recognizes that a person becomes a senior citizen at the age of 60 and would be eligible for the facilities and concessions available to senior citizens . The Working Group therefore is of the view that the scheme should be made applicable to all persons of the age of 60 or more.

From the three schemes introduced under the NSAP two are applicable to all persons below the poverty line. In the case of the NOAPS only a different criterion of destitution has been prescribed The various studies conducted in respect of the NOAPS indicate that the criteria of destitution is difficult of application. It has been observed that many States have adopted the poverty line itself to define destitution. This is in fact reasonable since a BPL family can hardly support itself and would not be in a position to support the aged. The Working Group has therefore come to the conclusion that the NOAPS should also be made applicable to all persons below the poverty line as defined by the Ministry of Rural Development.

The studies have also indicated that the imposition of numerical and financial ceilings have militated against proper implementation of the Scheme and suggestions have been made for reworking of the ceilings. The Working Group feels that the imposition of ceilings in a social assistance programme is unjust and these should be removed.

The NOAPS is subject to certain other conditions such as domicile which were prescribed by the State governments for their schemes They do not seem to be relevant to a National Scheme. The Working Group, therefore, is of the view that all such restrictive conditions should be removed.

The rate of pension has recently been enhanced to Rs.200 per month. The State governments have been urged to top it up with another Rs.200 so that every pensioner would get a minimum pension of Rs.400 per month. Considering the past experience of the Scheme the Working Group is skeptical whether all the State Governments would respond favourably to the exhortation of the Central Government . The Working Group is, therefore, of the view that the rate of minimum pension should be fixed at Rs.400 per person and the State governments may be required mandatorily to contribute their share of the pension . This can best be done by treating the Scheme a Centrally Sponsored Scheme under which the expenditure is shared by the Central and State Governments in a pre-determined manner.

Considering the state of finances of the State governments the Working Group is also skeptical whether they would be able to share the expenditure on 50:50 basis.

Having regard to these facts, the Working Group suggests that the NOAPS be treated as a Centrally Sponsored Scheme under which the expenditure is shared on 75:25 basis.

On the extension of the NOAPS to all persons below the poverty line the provision for payment of pension to such category of persons in the Unorganised Workers Social Security Bill would cease to be necessary and may be deleted.

The pension should be paid through post offices by money order or in cash or could be paid in the account of Banks or Post Offices. Any commission payable to the Postal Department for making these payments should be waived or borne by the Ministry concerned.

3. Annapurna Scheme

If all the eligible persons can be covered under the NOAPS there will be no person to be covered under the Annapurna Scheme. It is however suggested that this Scheme may be merged with the Antyodaya scheme so that the absolutely poor people who are covered under the Antyodaya Scheme may get a specified quantity of foodgrains free of cost instead of at a concessional price.

4. National Maternity Benefit Scheme

As the administration of the Scheme has been transferred to the Ministry of Health there is some ambiguity whether it continues to be part of the National Social

Assistance Programme . The Working Group is of the view that irrespective of who administers the schemes launched under the NSAP, they should remain under the programme unless there is any special reason for removing them from it. The Working Group does not see any reason why the NMBS should cease to be part of the NSAP.

The WHO, the UNDP as well as the National Family Health Survey have pointed out that the infant mortality rate as well as the maternal mortality rate are unacceptably high in India. . The high rate of mortality among mothers and infants can be attributed largely to inadequacy of food and nutrition due to poverty and self denial by the women of their share of the food in order to feed others in the family. It is therefore necessary that women should have adequate income when they are pregnant and also after delivery in order that they are fed with nutritious food at the time when they are nourishing another life. If the women are employed the maternity benefit cannot be less than 75% of their wages as per ILO Convention no. 102 . On this basis, if a woman is working on a floor level minimum wage of Rs.66 per day the maternity benefit payable to her would be about Rs.3980. The National Commission on Labour had, however, recommended payment of maternity benefit at Rs.2000 per delivery. Even if a woman is not working for wages she should be regarded as unpaid worker in view of the multiple roles she plays in the family and given all the benefits a worker would get. There is, therefore, a strong case for enhancing the rate of maternity benefit to Rs.2000.

The existing arrangements made by the Department of Women and Child Development for providing supplementary nutrition to women should be improved.

5. The National Family Benefit Scheme and National Pension Scheme for Widows

Whenever an accident takes place resulting in death of one or more persons Government has lately been announcing a compensation of Rs.1 lakh to each of the bereaved families. Recently the Railway Minister announced a relief of Rs.5 lakhs each to the kin of the persons who died of a railway accident . In this background, the amount of family benefit paid under this Scheme would appear to be too small. It may be adequate just for the funeral and other incidental expenses incurred by a family when the breadwinner dies . It cannot serve the purpose of income security to the family. The Working Group is therefore of the view that while the quantum of the Family Benefit may remain as it is it needs to be supplemented by a family pension Scheme which is now being paid in the form of Widow Pension Schemes in many States. . The Working Group therefore suggests that the Government may introduce a National Family Pension Scheme or Widow Pension Scheme whereby every "BPL" widow may be entitled to a pension equal to one and half times the old age pension payable under the NOAPS , irrespective of her age.

In this connection the following facts may be noted :

The World Bank the ADB and the UNDP recognize that widows as a class qualify for social assistance.

Most if not all States have had a widow pension scheme but the rates of pension as well as the eligibility conditions vary widely.

The National Policy for Empowerment of Women requires special assistance to be provided to women in difficult circumstances including single women in difficult circumstances, women heading households, disabled, widows etc.

6. National Scheme for Pension to Handicapped Persons

Disability is one of the cases of undeserved want mentioned in Article 41 of the Constitution which requires public assistance.

According to the National Policy for Disabled Persons "Disabled persons, their families and care givers incur substantial additional expenditure for facilitating activities of daily living, medical care, transportation, assistive devices, etc. Therefore, there is a need to provide them social security by various means". In particular the policy specifies rationalisation of the amount of pension and unemployment allowance payable to persons with disabilities.

Most of the State Governments have schemes for payment of pension to physically handicapped persons. They need to be rationalized. The Working Group suggests as follows:

(i) The Persons with Disabilities Act, requires payment of unemployment allowance to such persons with disabilities who are registered with Special Employment Exchanges for more than two years but could not be placed in any gainful occupation A few States have introduced schemes for the purpose which provide for payment of unemployment allowance ranging from Rs.50 to Rs500. The eligibility criteria also vary. The Working Group suggests that a National Scheme of Unemployment Allowance to Persons with Disabilities who have some earning capacity but no employment be introduced providing for payment of an unemployment allowance at a uniform rate subject to conditions common to all States.

(ii) In the case of persons suffering from autism, cerebral palsy, mental retardation and multiple disabilities the care givers or the guardians appointed to look after them may be compensated for the cost incurred by them in terms of money, time or effort in discharging their responsibilities at a rate equal to old age pension under NOAPS.

(iii) In respect of all other cases where the persons with disabilities have no earning capacity or whose earning capacity is less than 40 percent as assessed by a competent medical authority including physically handicapped as well as mentally handicapped persons, another national Scheme may be introduced providing for a monthly pension equal to the old age pension under the NOAPS. The pension will be meant for the "BPL" handicapped irrespective of the age.

The Working Group also suggested that a mechanism be put in place for regular search and identification of handicapped.

7. **Homes**

A National Programme may be introduced to establish and to run homes for the maintenance at State cost of the following classes of persons:

(i) The elderly persons who have no family and cannot live alone
(ii) Orphan and Street children who have no parents or guardians
(iii) Deserted women who have no one to fall back upon
(iv) Lepers
(v) Mentally ill persons who have no guardians

The homes should provide food clothing and shelter to the inmates. In the case of children there should be provision for their education and vocational training.

In all cases there should be provision for appropriate standards of health care through the Public Health Care System.

8. **Other cases of Undeserved Want**

The following classes of persons also need social assistance for short periods

Persons affected by natural or other calamities
Displaced persons
Families of prisoners
Families of persons suffering from serious diseases such as leprosy
Families of persons who commit suicide owing to poverty or other reasons
Families affected by riots
Workers retrenched from employment without any unemployment benefit
Labour released from bondage
Manual scavengers

There may already be schemes to help these people at the Central or State levels but they need to be standardized.

In some of these cases assistance is given for rehabilitation of the persons but they need to be given assistance for their subsistence during the gestation period of the respective rehabilitation projects.

9. **Identification and registration of beneficiaries**

Those seeking assistance under the Schemes should register themselves with the Panchayat.

At present the Gram Panchayats / Municipalities are expected to play an active role in the selection of beneficiaries. However, it is felt that there should be no discretion for selection and hence the aged belonging to the BPL families as identified by the latest survey of MoRD should be eligible for the old age pension rather than to have selection by Gram Sabha.

Similarly "BPL" families as identified by the latest survey of MoRD would be eligible for NFBS and the pension for widows and the physically handicapped. This was essential as some times States adopt criteria different from those prescribed by the MoRD leading to disparities between States. In the case of NMBS, the Ministry of Health has kept the scheme open for "BPL" and "non-BPL".

10 Mechanism for sanction and maintenance of accounts

The power to sanction the benefits may be delegated to the panchayats and the responsibility for disbursing the amounts may be entrusted to the local post office which may be required to maintain the accounts of the disbursements they make. If necessary an imprest may be kept with each post office for making the payments and it may be replenished from time to time.

There should be an annual verification of the various kinds of pensioners by a designated official.

The payments made at or by a post office should be subject to Government audit and also social audit through a voluntary organization.

11. Financing of Schemes

All the Schemes framed under the National Social Assistance Programme should be treated as Centrally Sponsored Schemes and monitored by the Central Government to ensure that all the people entitled to the benefits are getting them. The expenditure on the Schemes may be shared by the Central and State Governments in the ratio of 75:25.

12. Timely release of funds

The monetary allocations made by the Government of India for the Programme must not fall short of the amount required or estimated for payment to all the registered pensioners and other beneficiaries The moneys allocated should be transferred to the State Governments in equal quarterly instalments . The State governments should put the moneys received from the Central Government for the NSAP into a non lapsable fund in the Public Account and use it for replenishing the imprests with the post offices.

13. Flexibility in the use of funds

The discretion given to the State governments for re-appropriation of funds meant for one scheme for use for another should be withdrawn.

14. Administration of the Schemes

Considering the volume of the funds involved and the number of beneficiaries, it seems necessary to establish or identify a separate Department or Directorate at the Central as well as State level for administration of the Programme.

An officer designated as a Commissioner of Social Assistance may be appointed by the Central Government for administration of the Scheme.

Similarly, at the State level an officer designated as Director of Social Assistance may be appointed in each State government for administration of the programme.

Necessary staff may also be provided at the lower formations for the programme as required.

Advisory Boards/Committees at Central, State and district levels may be constituted for advising the administrative authorities on the administration of the Scheme.

15. Research and Studies

The Working Group suggests that studies be commissioned by the Ministries implementing the Schemes which would look into the conditions of life of the various classes of people for whom social assistance has been proposed to determine whether they need the assistance and if so of what orders . The Schemes may, if necessary, be modified suitably depending on the findings of such studies.

Provision may be made for social audit and evaluatory studies of the Schemes after they are introduced to determine whether they are being implemented well and whether their purpose has been achieved.

16. Appointment of an Ombudsman

The possibility of appointing an Ombudsman to hear complaints and grievances regarding the administration of all the Schemes under the NSAP may also be considered.

17. Creation of Awareness

Evaluation studies have shown lack of awareness of the Programme among the beneficiaries. Arrangements should be made for giving greater publicity to the Programme at frequent intervals in languages understandable by the people through audio visual means. A body or an officer at the district level should be made responsible for purpose.

18. Financial Implications

The funds required have been worked out only for the cash transfer schemes of NSAP and not for "homes" or the short term assistance suggested for certain cases of undeserved want. The number of beneficiaries to be covered have been estimated from data available in the website of Census India, SRS 2003 and the latest poverty ratio of 2004-05. Annexure-A indicates the calculations for estimating the funds required for universal coverage.

* * *

FINANCIAL IMPLICATIONS

National Social Assistance Programme (NSAP) would include National Old Age Pension Scheme(NOAPS), National Family Benefit Scheme (NFBS), Pension for the Widows, Pension for the Disabled and National Maternity Benefit Scheme (NMBS). The number of beneficiaries estimated for universal coverage and the funds required thereof for the various component are as follows :-

(a) NATIONAL OLD AGE PENSION SCHEME (NOAPS) :-

Projected population ages 60 year and above as on 1st March, 2006	Poverty Ratio for 2004-05	Estimated Number of beneficiaries	Total requirement of funds(rate of assistance @Rs.400 p.m.) *(Rs. in Cr.)*	Central Share *(Rs. in Cr.)*	State Share *(Rs. in Cr.)*
1	2	3 = (1x2)	4	5	6
83,580,000	0.28	23,402,400	11233.15	8424.86	2808.29

Source : Col.1 based on Table- 18 : All India Projected population by age and sex as on 1.3.2006 (as per website of census India)
Col.2 As per Approach Paper of Planning Commission for the XI Plan

(b) NATIONAL FAMILY BENEFIT SCHEME (NFBS) :-

Mortality figure age 20-59 as per projected population as on 1.3.2006 & SRS 2003	Poverty Ratio for 2004-05	Estimated Number of beneficiaries	Total requirement of funds(rate of assistance @Rs.10000 in lump sum) *(Rs. in Cr.)*	Central Share *(Rs. in Cr.)*	State Share *(Rs. in Cr.)*
1	2	3=(1x2)	4	5	6
2,454,540	0.28	687,271	687.27	515.45	171.81

Source : Col.1 based Table- 18 : All India Projected population by age and sex as on 1.3.2006, Table-8 : Age specific death rate by sex and residence, 2003, SRS Report 2003
Col.2 As per Approach Paper of Planning Commission for the XI Plan

(c) PENSION FOR WIDOWS :-

Number of female Widow as per Census 2001	Poverty Ratio for 2004-05	Estimated Number of beneficiaries	Total requirement of funds(rate of assistance @Rs.600 p.m.) *(Rs. in Cr.)*	Central Share *(Rs. in Cr.)*	State Share *(Rs. in Cr.)*
1	2	3= (1x2)	4	5	6
34,289,729	0.28	9,601,124	6912.81	5184.61	1728.20

Source : Col.1 based on Table C2 Page 2 : Marital Status by Age and sex, Census of India 2001
Col.2 As per Approach Paper of Planning Commission for the XI Plan

(d) PENSION FOR DISABLED :-

Number of Total Disabled population as per Census 2001	Poverty Ratio for 2004-05	Estimated Number of beneficiaries	Total requirement of funds(rate of assistance @Rs.400 p.m.) *(Rs. in Cr.)*	Central Share *(Rs. in Cr.)*	State Share *(Rs. in Cr.)*
1	2	3=(1x2)	4	5	6
21,906,769	0.28	6,133,895	2944.27	2208.20	736.07

Source : Col.1 based on Table 2 : Distribution of the disabled by type of disability, sex and residence – 2001, Census of India, 2001
Col.2 As per Approach Paper of Planning Commission for the XI Plan

(e) NATIONAL MATERNITY BENEFIT SCHEME (NMBS) :-

Projected population as on 1.3.2006	Poverty Ratio for 2004-05	Crude Birth Rate	Ratio of 1st two births in total births	Estimated Number of beneficiaries	Total requirement of funds(rate of assistance @Rs.2000 in lump sum) *(Rs. in Cr.)*	Central Share *(Rs. in Cr.)*	State Share *(Rs. in Cr.)*
1	2	3	4	5=(1x2x3x4)	6	7	8
1,112,187,000	0.28	0.0248	0.632	4,880,953	976.19	732.14	244.05

Source : Col.1 based on Table- 18 : All India Projected population by age and sex as on 1.3.2006 (as per website of census India)
Col.2 As per Approach Paper of Planning Commission for the XI Plan
Col.3 based on Statement-13 : Crude birth rate by residence, India and bigger states, 2003), SRS Report 2003
Col.4 based on Statement-36 : Percentage distribution of current live births by birth order and residence, India and bigger states, 2003

(f) Abstract of total Requirement of Funds for universal coverage :

Name of the Scheme	Estimated Number of Beneficiaries	Requirement of Funds (Rs. In Cr.)	Central Share (Rs. In Cr.)	State Share (Rs. In Cr.)
NOAPS	23,402,400	11233.15	8424.86	2808.29
NFBS	687,271	687.27	515.45	171.82
Pension for Widows	9,601,124	6912.81	5184.61	1728.20
Pension for Disabled	6,133,895	2944.27	2208.20	736.07
NMBS	4,880,953	976.19	732.14	244.05
Total	**44,705,643**	**22753.69**	**17065.26**	**5688.43**

Social Assistance – concept, need and experience in other countries

(Paper for consideration of the Working Group)

Social Protection -concept and aspects

According to the ADB[1]:

"Social protection consists of policies and programmes designed to reduce poverty and vulnerability by promoting efficient labour markets, diminishing people's exposure to risks, enhancing their capacity to protect themselves against hazards and interruption / loss of income.

There are five main areas in social protection:

Labour Market policies and programmes designed to promote employment, the efficient operation of labour markets and the protection of workers,

Social Insurance programmes to cushion the risks associated with unemployment, ill health, disability, work related injury and old age,

Social assistance and welfare service programmes for the most vulnerable groups with no other means of adequate support, including single mothers, the homeless or physically or mentally challenged people,

Micro and area based programmes to address vulnerability at the community level including micro insurance, agricultural insurance, social funds and programmes to manage natural disaster,

Child Protection to ensure the healthy and productive development of children[2].

The Working Group is concerned with social assistance.

Social Assistance – the Concept

Social assistance is one of the ways of providing social security

The main characteristic feature of social assistance is that the total cost of the programme is met by the State or the local governments out of their general or special revenues. The assistance is given as a matter of right, when the prescribed conditions of need are met, and not on the basis of entitlements. It is meant for persons who have little or no income, being unable to work, because of age, health or other reasons

[1] The views of the ILO World Bank and others concerning social Protection are given in the annexure

[2] www.adb.org/socialprotection

Social assistance is usually subject to a means test.

Need for social assistance

1. WFP: According to the World Food Programme "one in every five Indians suffers from overt or covert hunger. " Hunger" as stated by Amarthya Sen, and Jean Dreze, "is intolerable in the modern world" in a way it could not have been in the past, because it is "so unnecessary and un warranted." India is a poignant example of how food sufficiency at the aggregate level has not translated into food security at the household level. A staggeringly large number of under nourished -about 214 million people – is chronically food insecure. Many more varyingly about 40 million, are exposed to natural disasters. About 50 percent of children (mostly tribal and rural) are under nourished and stunted, 23 percent have a low birth weight and 68 out of 1000 die before the age of one year.. There is high prevalence of anaemia and other micronutrient deficiencies"[3].

These observations are corroborated by the National Health Survey and the WHO.

2. *WHO: The WHO Report for 2005* puts India in the list of 51 slow progressing countries as far as infant and child mortality and maternal mortality is concerned with an estimated 1,36,000 maternal and one million newborn deaths and newborns suffering from pregnancy birth related mortality and where morbidity continued to take a toll on the lives of Indian women and their newborns.

One in every three world's malnourished children lives in India and about 50 percent of all childhood deaths in India are attributable to malnutrition. The proportion of low birth weight babies remains high at one third of all births.

3. *National Family Health Survey: 3 (2005-06):* According to this survey "the infant mortality rate continues to remain higher than it should be. It is as high as 71 per 1000 live births in Chhattisgarh. Although Punjab has an IMR of 42 and Maharashtra 38 both below the national average of 66, they are still below the target set by the National Population Policy of achieving an IMR of 30 by 2010.

Similarly, the percentage of children below three who are underweight is disturbing. In Gujarat, the percentage has actually increased from 45% to 47% while in the other four states it has declined. In Punjab it is 27 percent while in Chattisgarh it is 52 percent.

The percentage of children between six and 35 months who are anemic has also increased in Gujarat from 75% to 80 % and in Orissa from 72 to 78%. In Punjab it is 80% and remains unchanged. It is the highest in Chhattisgarh at 81percent.

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[3]Gian Pietro Bordignon WFP Representative and Country Director in India in the Hindu

The number of women who are anemic, particularly pregnant women, is also unacceptably high. This is despite targeted intervention to deal with anemia in pregnant women. Clearly, this is an area that will need to be investigated more closely as it reflects on other forms of economic deprivation in a large percentage of population. One of the direct outcomes of this is the impact on women's health, particularly during pregnancy when they deny themselves food in preference to feeding the rest of the family. Thus the cycle of anemic mothers giving birth to underweight children who die before they complete one year remains unbroken.

According to a recent newspaper report "After a gap of about four years, crib deaths returned to haunt the West Bengal health Department on Saturday as 18 babies succumbed at the B.C.Roy Memorial Hospital for Children in Kolkata in a span of three days . It was a return of September 2002, when 31 babies had died at the hospital.

On Thursday, nine new born children mostly less than one month old died at the hospital.. A day later, there were eight more deaths, taking the total to 17 – the highest number of deaths at the hospital in 48 hours since August –September 2002. Another baby died at the hospital on Saturday ***The normal death rate at the hospital is two babies in a day.***

"Almost 60 % of the infants who died were prematurely born and grossly underweight. The babies weighed between 650g to 1500 g. It is very difficult to save such infants. The rest came to the hospital with sever infection "said M.K.Chatterjee, the hospital's vice Principal and superintendent.

The other babies were suffering from acute meningitis, encephalitis and septecemia. " A year old child came to the hospital in a gasping condition. He was suffering from meningitis and was referred by Kalyani hospital. We tried to save the boy but we could not.", said Chatterjee"

4. NHRC: The National Human Rights Commission recently went into the responsibility of the State to prevent due to hunger in the context of certain starvation deaths in Orissa and observed as follows:

"Article 21 of the Constitution of India guarantees a fundamental right to life and personal liberty. The expression 'Life' in this Article, has been judicially interpreted to mean a life with human dignity and not mere survival or animal existence. In the light of this, the State is obliged to provide for all those minimum requirements which must be satisfied in order to enable a person to live with human dignity, such as education, health care, just and humane conditions of work, protection against exploitation etc. In the view of the Commission, the Right to Food is inherent to a life with dignity, and Article 21 should be read with Articles 39(a) and 47 to understand the nature of the obligations of the State in order to ensure the effective realisation of this right. Article 39(a) of the Constitution, enunciated as one of the Directive Principles, fundamental in the governance of the country, requires the State to direct its policy towards securing that the citizens, men and women equally, have the right to an adequate means to livelihood. Article 47 spells out the duty of the State to raise the level of nutrition and the standard of living of its people as a primary responsibility. The citizen's right to be free from hunger enshrined in Article 21 is to be ensured by the fulfillment of the obligations of the State set out in Articles 39(a) and 47. The reading of Article 21 together with Articles 39(a) and 47, places the issue of food security in the correct perspective, thus making the Right to Food a guaranteed Fundamental Right which is enforceable by virtue of the constitutional remedy provided under Article 32 of the Constitution. The requirements of the Constitution preceded, and are consonant with, the obligations of the State under the 1966 International Covenant of the Economic, Social and Cultural Rights to which India is a party. That Covenant, in Article 11, expressly recognises the right of everyone to an adequate standard of living, including adequate food.

It follows, therefore, that there is a fundamental right to be free from hunger. Starvation constitutes a gross denial and violation of this right. As starvation deaths reported from some pockets of the country are now invariably the consequence of misgovernance resulting from acts of omission and commission on the part of public servants, they are of direct concern to the Commission under the provisions of the Protection of Human Rights Act, 1993.

Persons living in conditions of poverty and hunger in areas such as the KBK districts have often been found to be suffering from prolonged hunger and mal-nutrition. Even when their deaths cannot, in a strictly clinical terms, be related to starvation, the tragic reality remains that they often die of prolonged mal-nutrition and the continuum of distress which has, inter-alia, rendered them unable to withstand common diseases such as malaria and diarrhoea. The situation is all the more painful in view of the fact that granaries of the Food Corporation of India are overflowing – a matter that is, at present, under consideration of the Supreme Court.

The Commission, therefore, agrees with Dr. Rangasami's view that the present practice of insisting on mortality as a proof of starvation is wrong and needs to be set aside. In the view of the Commission, therefore, there are obvious policy implications as far as the obligations of the State are concerned. The Right to Food implies the right to food at appropriate nutritional levels. It also implies that the quantum of relief to those in distress must meet those levels in order to ensure that the Right to Food is actually secured, and does not remain a theoretical concept.

The Commission also agrees with the petitioner that destitution and the continuum of distress should be viewed as the necessary conditions for the prevalence of starvation. There is thus a concomitant need for a paradigm shift in public policies and the Relief Codes in this respect."

Survey conducted by Government of Karnataka

A random survey conducted by the Law Department of the Government of Karnataka as part of the drafting of the Food Security Act has brought forth shocking information: Nearly 50 percent of the homeless people in the State had only one set of clothes, 33 percent of them were over 65 years of age., at least seven percent of them were mentally challenged and 15 percent were physically challenged . further a large number of them did not have even one square meal for long periods and they survivied virtually on crumbs. If the urban poor had scope for begging at road intersections and bus stands , the condition of the rural poor and destitutes was worse. . There were instances wher the mentally challenged had to compete with street dogs to pick up leftovers from dustbins in the vicinity of hotels and marriage halls.. This is corroborated by the press reports about individuals who are trying to help such people.

There are reports in the press and elsewhere about NGO's and individuals picking up people from the streets in a state of extreme destitution and helping them by providing shelter food and clothing etc No society which claims to be caring society can tolerate such conditions of life . The enormity of the problem is such that it cannot be left entirely to such individuals. It is the problem which the State and the community should handle.

Dr Amartya Sen says: "The demands of human security include a balanced view of tragedies that are the result of terrible omissions as well as dreadful commissions. Since security is often considered only in the context of military challenges and violent deeds, it is necessary to emphasize the massive toll of human neglect. A adequate concept of human security in the contemporary world must include at least the following distinct elements:

(1) a clear focus on human lives (this would contrast , for example, with the technocratic notion of national security- the favoured interpretation of security in the military context);
(2) an appreciation of the role of society and of social arrangements in making human lives more secure in a constructive way (avoiding a socially detached view of individual's human predicament);
(3) A fuller understanding of the coverage of human rights , which have to include not just political freedom and personal liberties (important as they are) but also societal concern with food, medical attention, basic education, and other elementary ingredient so human lives[4].

What other countries are doing

Latin America

In Brazil a scheme called Bolsa Familia which was set up in 2003, provides a basic income to 7.5million of Brazils' poorest families or 30 million people. The goal is to reach all with a monthly income per head of less than 100 reals – 11.2 million families or about a quarter of the population by the end of 2006 . It is the biggest of a new generation of social programmes across Latin America , known as "conditional cash transfer" schemes (CCTS) The aim is to alleviate today's poverty , in Brazil's case by transferring upto 95 reals a month to poor families (which states and districts can top up) and to short circuit tomorrow's by making the transfers conditional; beneficiaries must have their children vaccinated, and their health monitored and keep them in school.

[4] Principal Voices: Amartya Sen : The Economist

Although CCTS are a Brazilain invention, the first large scale programme began in Mexico Originally called Progress and now Portunidades it now provides government cash transfers to 5 million Mexican families or nearly a quarter of the population. As in Brazil there are condition attached . The payments are mandatory every two months, to female heads of household . One element of around $10 per month is to help with food. A larger element is to help buy school supplies and pay for transport to and from school. If a child misses more than 15% of class days or fails a grade twice these payments are suspended. The payments are also conditional on the family's regular visits to health clinics.

Similar schemes now exist in half a dozen Latin American countries though details vary[5]

Malayasia

Monetary and other benefits in kind such as clothing and food parcels as well as apprenticeship training and small business launching grants are provided by the government and administered by the Department of Social Welfare This scheme is strictly means tested and low income is the principal determinant of eligibility However benefits are not provided to claimants who have relatives that are liable and able to support them.

The federal government sets limits for the amount of public/social assistance given to claimants. Benefits are based on the total monthly income of a family and should not be above RM400 a month. Monthly allowances are given at a rate of RM 60 per person , upto a maximum of RM350 per family. Old people above the age of 60 years who are destitute , not able bodied and do not have any relatives to depend on for support are eligible to apply for assistance or RM130 per month. Benefits at the State level vary between RM40 per person to RM, 135 per person . These levels are set in each State.

Theoretically all needy people qualify for social assistance but in practice there is a bias in favour of claimants in the urban areas . Most rural dwellers are excluded from the benefits, either through ignorance or through administrative procedures

The Philippines

In the Philippines the most important social assistance programme is the rice price subsidy scheme The government experimented with a public works programme and a health insurance scheme for indigents In addition the government has implemented the Comprehensive and Integrated Delivery of Social Services programme in poor communities as an integrated approach to poverty alleviation

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[5] Economist September 17, 2005

Vietnam

There are three nationwide funds for social assistance

(a) Social Guarantee Fund for Regular Relief : This fund operates a categorical benefit system for a defined group of people who are assessed as being unable to provide for themselves or to be supported by family members. The fund also finances some institutional placements and social rehabilitation programmes.

Of the various programmes financed by this fund the Regular Monthly Benefit programme is the most important.

Regular monthly benefits for the elderly alone, orphans, and disabled civilians
These groups are regarded by the authorities as being genuinely unable to assist themselves , namely

(i) The elderly alone (frail elderly people who are in extreme poverty and have no other family members to assist them). People receiving social assistance benefits are a small proportion of the total elderly population The numbers represent about 0.8 percent of those aged 60 and above. In 1999 about 51 % of those deemed eligible for assistance actually received it ;

(ii) Orphans. Orphans and unsupported children are a growing problem for Vietnam Street children exist in large numbers in all major cities . The number of orphans is 1999 was about 156,000; from this number 40,500 receive social assistance (26%);

(iii) The seriously disabled .In 1999 Vietnam was estimated to have about 5 million disabled people of whom . 1.3 million were severely disabled. Due to the large number of disabled , those capable of suitable employment or those supported by their families as well as those receiving disability or invalidity pensions from the government are excluded from receiving assistance under this programme.

In 1999, the total number of those potentially eligible was 415,444 persons of whom only 63,125 were receiving assistance under this programme.

(b) Contingency Fund for pre-harvest starvation and Disaster Relief : This Fund covers two areas of social relief

(a) it acts as a focus for providing aid when natural disasters strike an area;
(b) It provides supplementary assistance to very poor people ; much of it in the form of food aid (or cash to buy food) in the pre-harvest starvation period; some forms of supplementary assistance (e.g., waiver of school fees) are also some times charged to this fund.

(c) Disaster relief
Vietnam is situated in a highly disaster prone area . Disasters occur quite often every year . The disaster relief component of the fund is designed to deal with at least some of the consequences of natural disasters . Other components include medical assistance

and the rebuilding or clearing of roads and infrastructure and seed or other assistance to farmers to replant devastated croplands

Assistance provided under the Contingency fund covers only part of the losses households suffer. The priority is to save lives and prevent disaster linked deaths, such as death due to subsequent starvation. Actual deaths from the disasters are compensated at a standard payment of 1 million dong per death , but most compensation for property damage is a partial grant-in-aid . While there is no formal schedule of assistance for destroyed or damaged houses calculation of average payments suggest that grants may normally be around 1 million dong for a destroyed house and half a million dong for a damaged house

Pre- harvest starvation relief

In 1999 a total of 1.3million people were given grants for purposes classified as pre-harvest starvation (50% of total eligible persons). These are people suffering from pre-harvest problems , from poverty unemployment and other problems Normally , these people have real incomes below the poverty level throughout the year. Some food starvation may arise from other incidents; for example, the need to pay medical costs because of serious illness . Also some food aid is given to allow poor people to celebrate some of the festivals.

The average grant amounts to about 50,000 dongs per person assisted. In terms of purchase power it may enable the person to buy 20 or 30 kgs of rice at rural prices [6]

Target groups proposed for social assistance

According to the ILO "a number of developing countries have set up social assistance schemes that are aimed at people in need who cannot be reached by employment or other social policies and who have not been able to protect themselves through social insurance . Social assistance schemes in developing countries are predominantly contingency based , as they limit means tested support in cash or in kind to specific needy groups, such as widows, orphans and elderly people without income and family support ."

According to the ADB vulnerable groups with no other means of adequate support , including single mothers , the homeless, or physically or mentally challenged people are provided social assistance . In India the following classes of persons who satisfy the eligibility criteria may be given social assistance :

1. Pregnant women
2. Children in the age groups 0-6 months

[6] Social Protection in south east and East Asia ed by Erfried Adam et al Friedrich Ebert Stiftung

3. Lactating mothers

4. Orphans 0-14 years

5. Street children.

6. Persons sick with Cancer TB and other major diseases

7. Persons with physical or mental disability

8. Persons who are unemployed

9. Widows with or without children (single mothers)

10. Women who are divorced or deserted

11. The elderly

12. Bonded labour released from bondage

13. Workers retrenched from employment without any unemployment benefit

14. Displaced Persons.

15. Persons affected by natural calamities

16. Families / Children of prisoners.

17. Families /children of leprosy patients

18. Families of farmers who commit suicide owing to inability to bear the debt burden

Eligibility criteria

Individual income is less than a specified amount
Family income is less than a specified amount
(Family to be defined)

Forms of assistance

1. Considering the incidence of malnutrition and consequential fatalities it seems necessary to improve the existing arrangements for providing supplementary nutrition to women and children . Perhaps the ICDS has to be revamped

The rate of maternity benefit needs to be enhanced.. The National Commission on Labour has recommended . that the rate of maternity benefit should be raised to Rs.2000.

Working of the midday meal scheme may be evaluated and the shortcomings if any may be overcome. The Scheme may be extended to all the children in all classes up to SSLC (10th Class) in all government schools and government aided schools

2. It is necessary to establish adequate number of orphanages for the protection or orphans. There are some orphanages at the State level. It does not seem that their adequacy has been verified. Some of the orphanages are maintained by the Governments and the others by private agencies . It seems necessary to have their performance evaluated periodically It is also necessary to introduce a National Scheme of orphanages laying down the minimum standards for their performance.

3. There are central as well as State schemes for providing night shelters to street children . Even so there are reports of death due to cold of such children Adequacy of the number of shelters to be provided and the facilities to be provided therein need to be reassessed on a systematic basis.

4. Persons sick with cancer, TB and such other major diseases need assistance for their subsistence, their medical expenditure and for the maintenance of their families.

In Kerala there is a scheme for providing financial assistance to TB cancer and leprosy patients . Under the scheme TB patients are paid financial assistance of Rs.50 p.m. and the cancer and leprosy patients are paid Rs100 p.m. It is necessary to have a similar scheme at the national level with a provision for medical treatment.

5. Tamilnadu has a destitute physically handicapped pension scheme . Under this scheme physically handicapped destitute persons whose disability is 50 percent or more are eligible for a pension. The age limit prescribed is 45 years . Leprosy patients are also eligible for the pension. The other conditions of the scheme are the same as those applicable to for old age pension (normal scheme) .The rate of pension is Rs.200 per month.

Kerala also has a special pension scheme for the physically handicapped and mentally retarded persons. The rate of pension in 1996 was Rs.100. The current rate needs to be ascertained. Persons whose individual income is less than Rs.75 per month and the family income is less than Rs.300 per month are entitled to pension under the Scheme.

Some other States also have similar schemes

Having regard to these facts it is felt that there should be a national scheme of pension for the physically and mentally handicapped persons whose disability is such that it has reduced their earning capacity by 50 % or more . The rate of pension should be the same as for old age pension.

6. The Persons with Disabilities Act, 1995 stipulates payment of unemployment allowance to such persons with disabilities who are registered with special employment exchanges for more than two years but could not be placed in any gainful occupation. The Act provides for framing schemes by State Government for this purpose keeping in view of their economic capacity and development. Different State Governments have adopted different eligibility criteria for providing unemployment allowance.

Nine States are providing unemployment allowance to disabled persons rates of which vary from Rs. 50/- to Rs. 500/- per month as shown below:

Sikkim and Tripura:	Rs. 500/- per month,
Punjab	Rs. 150/- to Rs. 400/-
Tamil Nadu	Rs. 200/- to Rs.300/- per month.
Mizoram,	Rs. 100/-
Andhra Pradesh	Rs. 75/-
Meghalaya	Rs.50/- per month.

West Bengal and Haryana have also schemes providing the allowance (information about rates not available) [7]

We should ascertain the eligibility criteria prescribed in each State . Considering the broad range of rates of the allowance prevailing in the various States it seems necessary to establish a national minimum rate of allowance.

7. Some States have introduced schemes for payment of unemployment allowance [8].We should call for details of such schemes and consider suggesting introduction of a national scheme

8. Tamilnadu Kerala, Gujarat and Orissa have pension schemes for destitute widows, whether old or young. Tamilnadu, Kerala, and a few other States extend a one time assistance to young destitute widows for performing death rites for their deceased husbands or for the marriage of their daughters. In addition, Tamilnadu has a pension scheme for destitute widows without any age limit ; a similar scheme exists in Orissa for destitute widows who are 50 years and above and in Gujarat for widows who are

[7] Source : Answers to questions in Rajya Sabha on 3.5.200

[8] Report of the national commission on Rural labour

45 years and above, they become eligible for the OAP at 65 if they remain destitute. Karnataka has a pension scheme for all widows 18 years and above.[9]

The Government of Gujarat started a social security scheme for the rehabilitation of destitute widows and deserted or divorced women The scheme provides financial assistance for three years and facilities for vocational training and financial assistance for purchase of raw material and equipment after completion of training.

The National Commission on Rural Labour had recommended that the widows should be enabled to earn their livelihood and for this purpose a suitable rehabilitation and training programme should be evolved , presumably on the lines of the Gujarat scheme This recommendation may be reiterated.

If a national widow pension scheme is introduced on the lines of the schemes in Kerala and Tamilnadu or on the lines of the Gujarat Scheme, the need for continuance of the National Family Benefit Scheme would need to be reviewed. Payment of an amount for performing the funeral rites might serve the purpose.

9. Tamilnadu has a destitute /deserted wives pension scheme. Under the Scheme wives of those who are not less than 30 years of age, deserted by their husbands for more than five years or obtained legal separation certificate from the competent court of law are eligible for pension even if they have legal heirs of the age of 18 or more . The other conditions of the scheme are the same as applicable to old age pension scheme . Gujarat has a scheme for rehabilitation of deserted and divorced wives. There may be similar schemes elsewhere . A national Scheme may be drawn up on the lines of the Gujarat Scheme.

10. Almost all States and Union Territories have Old age Pension Schemes The National Old age Pension Scheme was introduced to bring about a measure of uniformity in these schemes. Even so there are large differences in the eligibility criteria for the pension. In this connection the National Commission on Rural Labour had observed as follows: "It is felt that as minimum benefit to be provided by way of old age pension there can be no reason why criteria must be different in various states. A broad measure of uniformity is considered desirable, in respect of age, quantum and eligibility criteria It is recommended that old age pension be paid to all males and females subject to eligibility criteria indicated in the succeeding paragraphs above the age of 60.

As for other eligibility criteria other than age, it is found generally that the pension is payable to destitute, with provision for inclusion of physically handicapped persons, widows etc. below the prescribed age limit The Commission is of the view that relaxation of age limit in respect of physically handicapped persons may be permitted at the discretion of each State.

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[9] Report of the National Commission on Rural Labour

The Commission felt that too many refinements on income eligibility limit are best avoided to make administration easy and chances of corruption /harassment minimal.

The Commission would suggest the following eligibility criteria:
(a) Where the spouses are over 60 years of age, their combined annual income should be below Rs 2400 for each of them to be eligible for the pension.
(b) Where only one of the two is over 60years of age, that person will be eligible for pension only when their combined income is less than Rs2400 per year.
(c) Where however, the person above the age of 60 years is single and his /her income is below Rs.1500 per year he/she should be eligible for the pension. It is considered undesirable to link up family income with eligibility of old age pension for a variety of reasons.
This is the appropriate time to adopt these recommendations

The rate of pension has recently been enhanced . It may be adjusted to the rise in the cost of living index by periodical revision or attachment of a dearness allowance formula.

It appears that all the eligible elderly are not covered under the old age pension schemes because of the existence of numerical and financial ceilings . These ceilings should be removed .

The persons who are eligible for coverage under the old age pension scheme but not covered are supplied foodgrains at concessional rates under the Annapurna Scheme As the rate of pension may not be adequate for the subsistence of the persons it is suggested that persons covered under the oldage pension scheme may also be covered under the Annapurna Scheme.

Tamilnadu has a scheme under which pensioners male or female are given one dhoti or one saree twice a year during Pongal and Deepawali festivals Similar scheme may be introduced at the national level.

Persons who have no families may at their option be kept in old age homes and provided food clothing and shelter at State cost instead of being paid pension.

11. Under the Bonded Labour Rehabilitation Scheme labourers who are released from bondage are given some assistance for their rehabilitation. But they need additional assistance in the nature of relief for their livelihood until they start earning under the rehabilitation schemes . Otherwise they will eat into the capital They may be paid an allowance equal to the floor level minimum wage for a period of say six months.

12. Goa, Tamilnadu and West Bengal States have introduced schemes for giving cash assistance to workers who have lost their jobs due to retrenchment or otherwise for no fault of theirs. Under the Goa Scheme retrenched workman would be entitled to monetary benefit ranging from Rs2000 to Rs.3000 per month depending on his age .

Under the West Bengal Scheme the eligible workers would be entitled to a cash assistance of Rs.500 per month. Under the Tamilnadu scheme the eligible worker will get Rs.250 per month It is necessary to introduce a National Scheme for such assistance with the provision for payment of an allowance of at least Rs.500 per month unless an unemployment insurance Scheme is introduced.

13. Several persons are displaced from their hearths and homes whenever a major industrial or irrigation project is undertaken They are given some assistance for their resettlement but they would need some assistance in the nature of relief until they settle down and start earning their livelihood They may be paid a sum of Rs.500 per family per month for a period of six months from the date of their displacement.

14. Natural calamities such as floods, cyclones drought occur frequently affecting the people in one part or the other of the country. People are also affected whenever there is a motor , railway or air transport accident occurs and or a communal or other riot takes place They are usually give relief as well as rehabilitation assistance The existing norms may be reviewed.

15. Families / Children of prisoners. When a person is convicted of a crime and is sentenced to a term in prison his family especially the children suffer for no fault of theirs. They need to be protected. They may be given assistance at the same rates as applicable to widows with children.

16. Families /children of leprosy patients. Similarly the families especially the children of persons who are affected by diseases like leprosy also need to be protected They may be given assistance at the same rate as applicable to widows with children.

17. Families of farmers who commit suicide owing to inability to bear the debt burden. In the past there was a group insurance scheme for persons who had taken loans under IRDP for which the premium was paid wholly by the Government of India. It is necessary to revive that scheme to support the farmers who are heavily indebted and their families.

18. All the persons who are entitled to social assistance may be provided medical care in Government dispensaries and hospitals free of cost.

Annexure

Concepts of Social Protection

According to the ILO

Over the last 30-40 years the concept of social security has been further expanded to encompass a framework of social protection which provides generalized basic social support for all citizens, regardless of contribution, or employment history, although these factors remain important in determining the level of some benefits above their basic minimum. This has enabled the State to extend income support to individuals on the basis of need rather than acquired rights , and has facilitated the provision of health care to entire population. In these new structures, benefit levels tend to be set by governments in relation to needs rather than entitlements, and contribution rates have become the dependent variable, frequently indistinguishable from general taxes in their incidence [10].

There are essentially four ways to extend social protection:

- Extending social insurance schemes
- Encouraging micro insurance
- Introducing universal benefits or services financed from general state revenues
- Establishing or extending means tested benefits or services (social assistance) also financed from general state revenues

According to the World Bank

The definition of social protection encompasses all public interventions that help individuals households and communities to manage risk or that provide support to the critically poor

The World Bank recommends that social protection programmes should be embedded in an integrated approach to poverty reduction based on a new framework for social risk management . The concept of social risk management asserts that individuals, households and communities are exposed to multiple risks from different sources, both natural and manmade. A clear assessment of a risk management system for any population is possible by examining the available risk management instruments in a matrix of strategies and arrangements- a risk management framework

(www:worldbank.org/sp)

Social protection traditionally consists of labour markets, pensions, social funds, and safety nets[11]

According to DFID

Even poor countries aim to ensure minimum standards of livelihood for their citizens While broad based social security programmes are confined mainly to developed and transition economies, two thirds of the Highly indebted Poor countries with Poverty

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[10]Social Insurance and Social Protection: Report of the Director General: ILO 1993)

[11] Social Protection Sector strategy World Bank Group: the Human development Network

Reduction Strategy documents explicitly include measures which could be seen as safety nets for the vulnerable. Social Protection (SP) covers this broad territory

Definitions of Social Protection:

- The public action taken in response to levels of vulnerability, risk and deprivation which are deemed socially unacceptable in a given polity or society; (Conway et al)
- Policies and practices intended to protect and promote the livelihoods and welfare of people who have lost out, or stand to lose out, in processes of social and economic change and development (Marcus and Wilkinson)

Overview of the debate

Different policy stances on SP often relate to understanding of where its boundaries should be set. At its broadest, SP can be seen as a dimension of all social policy or development interventions. Many see all social services (for instance health, education , water supply), or all community driven development (exemplified by World Bank supported Social funds) as part of the prevention, if not actually the mitigation, of risk. But even in narrower definitions, these are the fundamental questions:

- Who should be protected : the destitute, the declining poor or the coping poor, tomorrow's poor, or anyone at a vulnerable point in their life cycle?.

- What sort of risks should be mitigated : disasters, economic shocks, economic and social change , conflict?

- Who is responsible fro protection : only the state, also the non profit sector, civil society generally or even the immediate non – poor? There is concern that Government intervention may destroy existing (often informal) mechanisms, or undermine economic development (crowding out productive investment)

- Should social protection primarily be aimed at livelihood protection or livelihood promotion (safety net or springboard)?

- Should even the poorest countries be aiming at maximising coverage with a universalist (European approach) or is the residualist (North American) model the only sustainable answer?

- Where the decisions is to raise SP to particular groups, how can it best be delivered in the face of (often severe) implementation constraints ?

- Should SP be limited to national level? What about international measures in a world where globalisation has brought new vulnerabilities

Key Issues in Decision Making

Decisions on SP measures will depend on political priorities, economic and social histories, philosophy of progress , and of course resources and capacities to deliver. Recently, there has been interest in explicit linkages with human rights, given that a number of international documents recognize the rights to livelihood security.

- Europe has long history of universal social protection provided by the State, through formal channels, with employment insurance, pensions and health insurance. Apart from arguments about affordability in developing or transition countries, these do not all work well to protect the poor in the informal economy

- There is a spectrum of commitment to such measures but few agencies or national governments in the poorest countries regard widespread provision as a priority. They prefer to focus on economic growth, with specal protection measure "targeting " resource transfers to a restricted proportion of the population, and often in response to particular shocks

- Many national poverty reduction strategies and plans emphasise SP measures as an area for investment. Typical are measures to increase employment and income supplements to vulnerable groups. However , there is normally also reference to fiscal tightness. Social protection is not integrated into growth strategies

- Strategic choices among alternative routes to SP will reflect he balance struck between maintaining the most vulnerable at an acceptable level during shocks (livelihood protection) , enhancing the capacity of the vulnerable to help themselves out of poverty (livelihood promotion) , or on addressing the root causes of vulnerability, such as unequal access to livelihood resources . Some choices revive old debates about the priorities of relief as opposed to development.

- Livelihoods approaches have concentrated on the second route (enhancing capacity) and most of the recent literature has endorsed this, with metaphors shifting from "safety nets" and "ropes" to "springboards" – building on the assets of the poor, and avoiding creating dependency. The combination of livelihoods and rights approaches argues powerfully for amending growth focused strategies to include more SP

- Livelihood approaches also aim to build on existing mechanisms, whether of informal social protection, the role of the non profit sector and even now the private sector. There is a perennial debate on whether measures such as food aid or employment creation schemes crowd out production focused investments After the Asian financial crisis some observers note the damage to informal SP mechanisms caused by unsustainable formal mechanisms. Others argue that the widespread NGO provision of micro credit at interest in Bangladesh has undermined the traditional dhar system of free loans – now even the family charges interest.

Background Note

for

Working Group

on

Social Protection Policy - National Social Assistance Programme and Associated Programmes

Government of India
Ministry of Rural Development
Krishi Bhawan, New Delhi

- The World Bank, I particular, has supported efforts to involve the private sector, for instance in supplying in kind benefits through normal retail outlets. It is widely accepted that design of interventions needs to take account of impacts on the market. Most SP measures in poorer countries are rationed (targeted) to the poor. Identifying and delivering to categorise of the poor which are fluid and mobile is difficult. However, some general lessons are emerging

- Ways to determine efficiency of resource transfer (the rate of benefits to costs) now exist. Administrative targeting is expected to raise costs but in Latin American Programmes this added only 8% (Devereux)

- Cost benefits ratio measures do not always analyse leakage potential. In India, pensions transfer small individual sums and have a better record than housing schemes which transfer larger amounts (Nayak)

- Such measures need to account for costs which can be offset by additional benefits, such as creation of physical assets (through public works) or enhancements to other assets – social natural or financial

- There are also decisions on the form of transfer .In employment schemes, for instance, men prefer cash, while women may prefer food or inputs (this also may depend on the season). Food aid may entail risks resulting from a supply led orientation

- Setting benefits at such low levels helps ensure that the poor self select: the non poor will not make . the effort. This also avoids driving up wages for casual labour

- No matter what form SP takes there is always a risk of introducing measures inappropriate to the intended recipients. This can be minimized when SP strategies are based on participatory planning, responding to the priorities of the vulnerable and building on their own assets

Social Protection in the next decade
International finance institutions are likely to continue to emphasise SP in the context of growth. The ILO and other multinationals will be among those linking rights and livelihoods , as they start to engage with setting normative standards in informal contexts. There will be demand for a more systematic international approach. Overlap with disaster mitigation will continue , with increasing vulnerabilities resulting from climate change, demographic shifts (ageing, AIDS) globalisation and other processes.

Contents

Background Note for the use of Working Group on Social Protection Policy – National Social Assistance Programme and Associated Programmes

1. Introduction

India is a welfare State whereby the Government has taken upon itself the responsibility of looking after the well being of its people. The Directive Principles of State Policy in the Constitution of India enjoin upon the State to undertake within its means a number of welfare measures. These are intended to secure for the citizens adequate means of livelihood, raise the standard of living, improve public health, provide free and compulsory education for children etc. In particular, Article 41 of the Constitution of India directs the State to provide public assistance to its citizens in case of unemployment, old age, sickness and disablement and in other cases of undeserved want within the limit of its economic capacity and development. It is in accordance with these noble principles that the Government of India has set up a Working Group on Social Protection Policy – National Social Assistance Programme and Associated Programmes. A copy of the order setting up the Working Group issued by the Planning Commission on 23rd August 2006 is enclosed as *Annexure – 1*. The terms of reference of the Working Group are as under :-

1. To consider the need for National Minimal Standards of public assistance in cases of old age, sickness, disablement and other cases of undeserved want.

2. To examine all Central and State Schemes in operation for the poor, in cases of old age, untimely death of bread-earner, serious illness and for persons with disability and suggest a comprehensive framework for national policy and coordinated implementation of the policy by the Centre, States and Local Governments Institutions.

3. To examine the changes made in the National Social Assistance Programme (NSAP) since its inception and suggest measures for revising this programme for providing minimal social protection for the socially excluded categories.

4. To consider the Unorganized Workers' Social Security Bill, 2006 prepared by the National Commission for Enterprises in the Unorganized Sector and harmonise the minimal protection and promotion measures suggested in this Bill with the need for a national policy towards the vulnerable referred to in item 2.

5. To study the implementation of NSAP in all the States in the country and suggest a better procedure jointly to be operated by the Centre, State Governments and Local Governments Institutions.

2. To consider the National Minimal Standards of Public Assistance in cases of Old age, Sickness, Disablements and other cases of undeserved want

Social security refers to the various mechanisms by which society protects its members, from economic contingencies and other exigencies encountered by individuals and members due to certain disadvantages faced by them. As India is yet to evolve a comprehensive national social security policy, defining vulnerability and identifying vulnerable groups can be a major exercise. However several such attempts have been made in the context of unorganised workers, which are relevant for this exercise.

The International Labour Organisation's notion on social security as expressed in the International Convention No. 102, includes nine core contingencies that lead to stoppage or substantial reduction of earnings. These are sickness, maternity, employment injury, unemployment, invalidity, old age, death, need for long-term medical care and for supporting families with children.

The National Commission on Rural Labour (NCRL), 1991 under the chairmanship of Dr. C H Hanumantharao, discussed the issue of social security and recommended minimal social security benefits for rural labourers such as old age pension, life insurance, maternity benefit, disability benefit (accident compensation), minimal health care and sickness benefit. Similarly, the 2nd National Commission on Labour, (2002) suggested (a) insurance against death or disability (b) health insurance, (c) maternity cover and (d) old age benefits. Following the recommendations of this Commission, the Government formulated the Unorganised

Sector Workers Bill 2004 and the National Advisory Council (NAC-2005) also prepared a draft Bill titled "The Unorganised Sector Workers' Social Security Bill" listing the proposed social security benefits.

National Commission for Enterprises in the Unorganised Sector in its report on Social Security for Unorganised Workers (May 2006) has examined the recommendations of the above mentioned three National Bodies and also various studies to arrive at the social security needs of unorganised sector workers. The study of Rajasekhar et al (2005) revealed that old age was the major concern for the workers. Among the workers surveyed, 92.3% felt that benefits towards old age, unemployment, death, sickness and employment injury were relevant to them. Women in reproductive age group also felt that maternity benefits were important. The Commission concluded "that there should be a national minimum social security with flexibility being accorded to the State Government to add on or strengthen the national minimum in the respective States. The constituent elements of such a national minimum level of social security have been identified as **health security, old age security and life insurance**. The raison d'etre for inclusion of these securities by the Commission are as explained below.

Health Security including Maternity Needs

1. Health security can be described as ensuring low exposure to risk and providing access to healthcare services along with the ability to pay for medical care and medicine when necessary. Such health security should be equally available and accessible to all citizens.

2. A number of studies show that risks and crisis situations occurring due to a low level of health security are endemic for the poor.

3. A number of studies have shown that if the poor lack the resources to pay for healthcare, they often forego it completely or end up becoming indebted or impoverished while trying to pay for it.

4. A field study in India (Noponen and Kantor, 1996) observed that among the stress events that households faced, which placed their income and resources under great strain, illness episodes were the most important.

5. Two studies found that illnesses requiring hospitalisation were often 'catastrophic' costing more than 10 per cent of the annual incomes of the households studies (Chen and Snodgrass, 2001). A shock that has a relatively small impact on the non-poor can be a cause for great concern for the poor, since even marginal downward fluctuations in income can push them irreversibly below destitution levels.

6. India has a high maternal mortality rate, even judging by the standards of developing countries as a whole, not to speak of the Asian region. The National Human Development Report prepared by the Planning Commission (GOI, 2002) states that, as of 1999, the maternal mortality rate (MMR) was 407 (indicating deaths per 100,000 deliveries based on the Sample Registration System, SRS). The National Family Health Survey (NFHS) I and II, however, recorded a higher MMR and worse still, an increase in MMR from 424 in 1992-93 to 540 in 1998 (Priya, 2006).

7. Causes of mortality suggest that a large number of maternal deaths are preventable. While nutrition and adequate spacing between births are important, the crucial factor that often comes into play is the lack of professional help during delivery. Maternity benefits are likely to increase the chances of institutional delivery.

8. Another concern is the loss of income during the advanced period of maternity and immediately after childbirth. Maternity and childbirth also entail a lot of risks and expenses that could plunge a poor household into a financial crisis involving borrowing and high interest expenditure. This would inevitably result in reduction in incomes and savings for the poor households.

Life and Accident Security

(i) The death of a breadwinner is a tragic event, but in the case of poor, it also raises the question of survival for the family left behind due to a permanent loss of income. Further, death entails additional expenses for which the family has to borrow money, often on onerous terms, spend savings or sell assets.

(ii) An accident, either during the course of work or otherwise, is a major crisis since it leads to loss of income. It further implies additional expenditure of medicines, hospitalisation, etc. If the accident leads to partial or permanent disability the financial loss is much greater.

Old Age Security and Unemployment Security

1. The share of the aged (60+ years) in India is lower than the corresponding figure in its Asian neighbours in East and South East Asia. However, as the demographic transition picks up in India the share of the aged is likely to increase. Projections indicate that the current share of 7.47 per cent for the aged is likely to increase to 9.8 per cent by 2021. What is important from the social security point of view is the need for an institutional mechanism for taking care of the aged and the poor, in particular.

2. With the proportion of aged persons expected to increase significantly in the future, the insecurities of the aged are expected to increase due to various reasons. Firstly, adults in poor households themselves face insecurity of work and income in their quest to lead lives of security and some dignity. Secondly, in India, the aged are generally dependent on their children for support. The presence of the aged in poor families adds to the financial burden and further deprivation of the family as a whole. The insecurity of the household is further exacerbated by general poverty and greater morbidity among the aged. Thirdly, the absence of adequate public health care facilities, and the increasing cost of private healthcare facilities for the aged can throw the household into a major crisis.

3. In India, the newly enacted National Rural Employment Guarantee (NREG) Act is an attempt to provide employment security by guaranteeing at least 100 days of work in the most backward districts of the country. The Employment Guarantee holds the promise of significantly alleviating the problem of under-employment for those sections of the labouring population who can undertake manual labour. However, informal workers who are varied in terms of both the nature and location of work, would continue to face the risk of loss of employment for a variety of reasons. Hence the provision of unemployment allowance to help workers face certain type of contingencies needs to be considered.

3. To examine all Central and State Schemes in operation for the poor, in cases of old age, untimely death of bread-earner, serious illness and for persons with disability and suggest a comprehensive framework for national policy and coordinated implementation of the policy by the Centre, States and Local Governments Institutions.

The Central Government has over the years taken a number of initiatives to extend social security cover both to the very poor citizens and to workers in the unorganized sector. Apart from the Central Government initiatives on social security a number of social security initiatives have also been taken at the State level. A large number of voluntary and peoples' organizations are also involved in providing a measure of protective social security. Many of these relevant to workers in unorganised sectors have been examined by the National Commission for Enterprises in the Unorganised Sector in their report on Social Security for Unorganised Workers and a table giving details of these schemes is enclosed as *Annexure-II*.

In the same report, the (i) Health and Maternity Insurance Scheme (ii) Life Insurance and (iii) Provident Fund to all APL workers and Monthly Old Age Pension to all poor old aged have been suggested for delivering the benefits of a national minimum social security programme.

For the Health and Maternity Insurance Scheme, it was suggested that an annual premium of Rs. 380/- per person could cover a typical family of five members. The minimum benefits stipulated could be (a) hospitalisation cover upto Rs. 15,000/-

(b) maternity benefit of a maximum of Rs. 1000/- per delivery (c) Personal accident cover in the event of the death of the earning head of the family (Rs. 25000/-); and (d) sickness cover for the registered workers during hospitalisation (Rs. 50/- per day for a period of 15 days). For life insurance, the suggested annual premium for life insurance was Rs. 150/- per person per annum. This was expected to provide a benefit of at least Rs. 15000/- per person. Two types of old age security were suggested. These were (a) Provident Fund for all APL workers (of Rs. 565/- per year for old age security), with unemployment insurance where necessary and (b) monthly old age pension to all poor BPL old aged for (60+) persons.

It was suggested that against this requirement of Rs. 1095 per worker per year, only the APL workers could contribute Rs. 365 per year for Provident Fund and the remaining funds could be contributed by the Central and State Government.

For a coordinated implementation, it was suggested that a National Social Security Board (NSSB) as well as the National Social Security Fund (NSSF) be created. NSSB would be responsible for formulation of policies and guidelines at the national level. The State Governments would implement the social security schemes at the State level, through the creation of Social Security Board as well as a Social Security Fund. The Workers Facilitation Centres (WFC) would be responsible for identification of the beneficiaries and ensuring payment of contribution.

4. To examine the changes made in the National Social Assistance Programme (NSAP) since its inception and suggest measures for revising this programme for providing minimal social protection for the socially excluded categories.

The National Social Assistance Programme (NSAP) comprising of National Old Age Pension Scheme (NOAPS), National Family Benefit Scheme (NFBS) and National Maternity Benefit Scheme (NMBS) came into existence w.e.f. 15th August, 1995 for providing social assistance benefits to poor households in the case of old age, death of the primary bread winner and maternity. NSAP represented a significant step towards the fulfillment of Directive Principles in Articles 41 and 42 of the Constitution recognizing the concurrent responsibility of the Central and State Government in the matter. The programmes of NSAP aimed to ensure minimum national standards in addition to the benefits that the states were currently providing or will provide in future. The scales of benefit under NSAP when it was first started was for

(i) National Old Age Pension Scheme (NOAPS): Rs. 75 per month per beneficiary.

(ii) National Family Benefit Scheme (NFBS): Rs. 5000 in case of death due to natural causes and Rs. 10,000 in case of accidental death of the primary breadwinner to the bereaved household.

(iii) National Maternity Benefit Scheme (NMBS): Rs. 300 per pregnancy up to the first two live births.

In 1998, the Cabinet approved the modifications in the National Social Assistance Programme guidelines. Earlier the benefits under National Family Benefit Scheme were limited to a sum of Rs.5,000/- in case of natural death and Rs.10,000/- in case of accidental death of primary breadwinner of a household below the poverty line. As against this, the amount of benefit was raised to Rs.10,000/ in the case of death due to natural causes as well as accidental causes. The assistance under the national maternity benefit scheme was fixed at Rs.500/- against Rs.300/- being paid earlier. Another change made by the Cabinet was that the assistance could be sanctioned and cash disbursed in public meetings preferably of Gram Sabha by either Gram Panchayat functionaries or block functionaries of appropriate level. In the case of urban beneficiaries, elected local self government officials, wherever available, were to be involved in the process of sanctioning the assistance. The disbursement in such cases would also preferably be made in public meetings of neighbourhood / mohalla committees.

As per the guidelines issued in 1998, any scheme of social security operated in the States/UTs with the Central funds provided for the National Social Assistance Programme (NSAP) was to carry the name of the appropriate component of the NSAP such as National Old Age Pension Scheme, National Family Benefit Scheme and the National Maternity Benefit Scheme. The States/UTs had to ensure wide and continuous publicity to the benefits under the NSAP and the procedures for claiming them through posters/brochures, media and other means. They had to ensure that the application forms were widely available in local offices. Procedure for verification of applications had to be prompt and simple. Sanctions were expected to be expeditious and delays and malpractices were expected to be eliminated in disbursement. Adequate accounting procedures had to be instituted to enable proper post audit. The guidelines also provided that States would ensure constitution of State level and District level Committees for ensuring proper implementation of the schemes.

During the course of deliberations to consider National Population Policy in the second meeting held on 15th June,1999, the Group of Ministers observed that National Maternity Benefit Scheme being implemented by the Ministry of Rural Development could be assigned to the Department of Family Welfare to become part and parcel of the Population Stabilization Programme. On receipt of a communication in this regard from the Planning Commission, the then Secretary, Ministry of Rural Development agreed to transfer NMBS to the Department of Family Welfare from the Financial Year 2001-2002 and thus the Scheme was transferred to that Ministry w.e.f. 1st April,2001.

On 1st April, 2000 a new Scheme known as Annapurna Scheme was launched. This Scheme aimed at providing food security to meet the requirement of those senior citizens, who though eligible, had remained uncovered under the NOAPS. Under the Annapurna Scheme 10kgs of food grains per month was to be provided free of cost to the beneficiary. The number of persons to be benefited from the Scheme were, in the first instance, 20% of the persons eligible to receive pension under NOAPS in States/UTs.

In the National Development Council Meeting held in January 1997 to discuss the Draft Approach to the Ninth Plan, several Chief Ministers of States suggested transfer of the Centrally Sponsored Schemes to States. As per the Approach Paper to the Ninth Five Year Plan, it was emphasized that in principle Centrally Sponsored Schemes should be confined to schemes of an inter-state character, matters impinging on national security, selected national priorities where central supervision is essential for effective implementation.

As a result of the review of the Centrally Sponsored Schemes by the Planning Commission in consultation with the Ministry of Rural Development, it was decided to transfer NSAP and Annapurna to the State Plans from the year 2002-03. With this change, the funds for the operation of the scheme are now being released as Additional Central Assistance (ACA) to the States by the Ministry of Finance. The ACA to be provided to the States / UTs for the NSAP and Annapurna Scheme is decided by the Planning Commission, while the State-wise allocation of ACA is made by the Ministry of Rural Development and Planning Commission. The ACA provided to the States/UTs under NSAP and Annapurna could be utilized by the States / UTs as Welfare Schemes of NOAPS, NFBS or free foodgrains to the aged by taking one or two or all of the three schemes or in any other combination in accordance with their own priorities and needs. The Additional Central Assistance to the States constituted a general additionality over and above the normal allocation of the States for such welfare schemes as reflected in the States Budget, both under Plan and Non-Plan. The States have to therefore, provide the Mandatory Minimum Provision (MMP) for these schemes under their own budget. The MORD has a role in recommending the releases of ACA to the States for the last of financial year and in monitoring the expenditure against the ACA and the MMP.

The Finance Minister in his Budget Speech for 2006-07 on 28.2.2006 announced that the Old Age Pension is granted under NSAP to destitute persons above the age of 65 years at Rs.75 per month. He stated that this was woefully inadequate and proposed to increase the pension to Rs.200 per month. Hence, necessary approval of the Cabinet has been obtained on 13.7.2006 and the process of releasing the funds to the States at the enhanced rates has been started. The Finance Minister also announced that he would urge State Governments to make an equal contribution from their resources so that a destitute pensioner would get at least Rs.400 per month. Minister of Rural Development has also urged the State Governments in this regard. Another announcement made by the Finance Minister was that he proposed to work with the Department of Post and the Banks to establish, within two years, a system under which the pension would be credited directly to the account of the beneficiaries in a post office or a bank. The process in this regard has also started.

The details of Financial and Physical progress for the three Schemes for the year 2002-03, 2003-04, 2004-05 and 2005-06 are enclosed as *Annexure III-VI*. An abstract of the financial and physical progress can however be seen in the tables below.

Financial Progress (Rs. In lakh)

Year	Combined Allocation for 3 Schemes	Total Release	Expenditure reported			
			NOAPS	NFBS	Annapurna	Total
2002-03	68000.00	65709.86	51893.63	4672.88	5987.33	62553.84
2003-04	67987.00	60226.79	44346.63	16813.59	3956.80	65099.82
2004-05	118987.00	103201.74	70009.65	11985.48	2623.86	84618.99
2005-06	119000.00	118971.01	68608.34	18600.52	6318.80	94065.92

Physical Progress

Year	No. of Beneficiaries Reported		
	NOAPS	NFBS	Annapurna
2002-03	7464514	85209	796682
2003-04	6534000	209456	958669
2004-05	8079054	261981	844089
2005-06	7558200	239414	659458

5. To consider the Unorganized Workers' Social Security Bill, 2006 prepared by the National Commission for Enterprises in the Unorganized Sector and harmonise the minimal protection and promotion measures suggested in this Bill with the need for a national policy towards the vulnerable referred to in item 2.

In order to provide legislative backing for the national minimal social security scheme proposed in the report of the National Commission for Enterprises in the Unorganised Sector, the Commission has drawn up a comprehensive draft bill for the consideration of the Government of India. The Commission has stated that such legislative backup will make the scheme a right based one for the unorganized workers in the country. As per the Commission it will thus initiate a much needed process of inclusion of the unprotected labour in the country in so far as a modicum of protective social security is concerned. A copy of the unorganized workers social Security Bill 2006 is enclosed as *Annexure - VII.*

6. **To study the implementation of NSAP in all the States in the country and suggest a better procedure jointly to be operated by the Centre, State Governments and Local Governments Institutions.**

In this context, it would be useful to examine the findings of two evaluation studies i.e., quick evaluation study of National Social Assistance Programme conducted by Centre for Management Development (CMD), Thiruvananthapuram in November 2000 and another evaluation of National Social Assistance Programme conducted in selected States by Operations Research Group in 1998. In addition the recommendations made by Prof Moneer Alam in the case of Old Age Pensions and of Dr. N C Saxena, Commissioner of Supreme Court in the case of NSAP are also relevant.

The evaluation of National Social Assistance Programme conducted in the States of Madhya Pradesh, Kerala, Andhra Pradesh, Bihar, West Bengal, Orissa, Gujarat and Maharashtra, was entrusted by the Ministry of Rural Development to Operations Research Groups in 1998. The extract of findings regarding various aspects of the programme such as physical achievement, programme coverage and reach, effectiveness of benefits and problems and constraints faced by the implementing agencies in smooth functioning of the three schemes under NSAP is as follows:

Physical Achievement under NSAP

"The study reveals low levels of physical achievement for all the three schemes in the sample states in the first two years of implementation. However, in the third year achievement under NOAPS has surpassed targets in most of the states whereas achievement under NFBS and NMBS continues to be low. Some of the reasons for low achievement are discussed below.

The NSAP guidelines has fixed the numerical ceiling for each state for the three schemes based on a predetermined formula. This formula is based on projected population data and data from SRS and expert group on poverty under the Planning Commission. There are certain limitations in these data. First it refers to the 1990-92 period, secondly it provides estimates at the state level only.

As a result of this, many states have revised the numerical ceiling . While in states such as Maharashtra and Gujarat the numerical ceiling is considered to be high, in states such as Orissa and Madhya Pradesh, the ceiling was said to be very low. Hence while Madhya Pradesh shows an achievement rate beyond 100%, the same is only 50% in case of Gujarat. Therefore there is an urgent need to rework the numerical ceiling for all the states.

The study also observes that the programme does not provide any guidelines in target fixation at the district level. Most of the data (other than census) used in the estimation of numerical ceiling is not available at the district level. In the absence of such data, the implementing agency has adopted different criteria in district wise allocation. Most of these are simple criteria and may not be the true indicator of the potential of the district. All these result in uneven district-wise achievement rates. Discussion with programme functionaries on this issue also corroborates the finding. While in some districts officials opined that coverage of eligible beneficiaries have been to an extent of 80-90%, in others it has been as low as 20-30% though in terms of achievement rates both the categories rank high (NOAPS).

In some states (Gujarat/Kerala), the targets for the subsequent years have been revised based on the performance in the preceding years. This move has overcome the problem of target allocation to some extent. However, there is a need to lay down well defined criteria for district wise target allocation.

The NSAP programme was launched in August, 1995. Prior to introduction of NSAP, every state had some social welfare programme similar to NSAP (particularly NOAPS and NFBS). After introduction of NSAP most of these parallel schemes either had to be merged with NSAP or, eligible beneficiaries under one scheme was excluded from the purview of the other. Defining guidelines for implementation, allocation of targets (district-wise), assigning responsibility, availing funds from the centre etc. took a considerable amount of time which has been reflected in the low achievement rates in the first year of the programme. Though these administrative problems have been sorted out for NOAPS and NFBS, it persists with NMBS, which is normally monitored by a different department. This is evident from the achievement rates of the three schemes in the subsequent years.

The funds from the centre are released in two instalments; one in the beginning of the financial year and the second on receiving utilisation certificates and audited figures of the previous year. In most of the districts, delay in release of funds was observed because of non-submission of these figures. Better co-ordination between the centre and states are required to streamline the problem. Some of the other problems associated with the institutional arrangement are discussed in the subsequent sections."

Coverage and Reach of the Programme

"In the present evaluation study an attempt was made to evaluate the coverage and reach of the programme across various socio-economic indicators. The indicators used to assess the reach were caste, landholding, literacy, occupation and annual income. However, these were later aggregated into Rural Social-Economic (R-SEC) classes and the reach across these classes was determined.

As discussed earlier, the programme does not have any caste consideration, rather it is based on income criteria. Nevertheless, the study reveals that the programme has largely benefited the SC/ST section of the population. However, coverage has been relatively low among NFBS beneficiaries.

The NOAPS and NFBS schemes are targeted at either sex. Coverage of these two schemes among women as per the secondary data reveals coverage to an extent of 50% in NOAPS and 40% in case of NFBS. The survey also corroborates this finding. Coverage of women as per the primary survey range from 40-60% in case of NOAPS and 40-50% in case of NFBS.

The programme has also followed the age criteria as laid down by the Ministry. More than 95% of the beneficiaries of NOAPS and NMBS were found to be as per the prescribed age.

The National Social Assistance targets at BPL families and "destitute" (for NOAPS). Most of the sample states were found to adopt the BPL criteria for defining destitute. In some states such as in Orissa and Kerala annual income ceiling has been prescribed. Whereas in states such as Gujarat and Madhya Pradesh "destitute" criteria has been fixed in terms of earning members in the household. However, in both cases establishing " destitute" criteria has been noticed to be a problem. The responsibility of establishing authenticity of "destitute" has been entrusted to the Panchayat/VLW. Awareness on "destitute" criteria was found lacking among these functionaries. In some states (Bihar) where the Panchayat elections have not been held for quite some time, authenticating destitute criteria has been a major constraint. Keeping in view these operational problems, there is an urgent need to define the "destitute criteria clearly by the centre so that it can be implemented uniformly across the country.

* The programme has in fact reached the target segment. Most of the beneficiaries were found to be illiterate, SC/ST, landless and residing in kutcha houses. However, analysis of the reach across R-SEC reveals that higher coverage has been achieved among the E-class and less among the F-class. Though both E and F-classes would qualify as BPL household, the programme should aim at the F-classes comprising the "poorest of the poor". This is true particularly in states such as Gujarat, Maharashtra and Kerala."

Awareness Level

"Awareness level among the potential/eligible beneficiaries was found to be low in all the sample states. Though the programme has provision for publicity of the scheme, the impact has been found to be inadequate. Most of these IEC materials were prepared during the launching of the programme and were used extensively initially. This has taken a backseat in the subsequent years.

Secondly there seems to be lack of a formal system of information dissemination in both rural and urban areas. The Gram Panchayat was found to be the major source of information to the applicants. The use of "gram sabhas" as a platform for generating awareness was found to be very effective. However, such sabhas were not practiced in all villages and wherever practiced were not held regularly. Under such circumstances the informal channels for information flow was found to be very strong. Recipients of benefits under NSAP were found to be an important source of information flow.

Large proportions of the beneficiaries surveyed were found to be unaware of the actual amount they are entitled to. In spite of receiving benefits for quite sometime, they were unable to report correctly the benefits that they are supposed to get. This was true particularly in case of NOAPS where frequency of disbursement and amount disbursed is not uniform over a period of time."

Registration Procedure

"The registration procedure for availing benefits was found to be cumbersome in all the sample states. The application form has to be accompanied by numerous proofs, which vary across the states. The procedure for getting these proofs authenticated also differs from states to states. However, in most of the states, the ward member or the sarpanch was found to authenticate these claims. In a number of sample villages the Panchayat was found to be ridden with factions and this resulted in delay., Similarly in some states, the death certificates are to be authenticated by the nearest police station. In some, the death certificate has to be issued by the PHC. In rural areas with inadequate reach of the police station, non-availability of post mortem facilities and large distance factor often dissuades the prospective beneficiaries in availing these claims. Under such diverse situation, the Panchayat or the ward member may be entrusted with the responsibility of authenticating the claims instead of collecting proofs from different sources. However, the Panchayat members need to be trained on the eligibility criteria of each scheme.

The study also reveals that verification of claims by the department is negligible in almost all the states. In cases where the Panchayat has been asked to authenticate the claims, there could be misuse of power resulting in cornering of benefits by the influential people in the village. Hence there is an urgent need to step up the verification process on a sample basis to prevent such misuses."

Benefits of the Programme

"The NSAP guideline specifies that introduction of this central assisted programme in no way should displace states allocation to similar programmes. After introduction of this programme, most of the states have merged the ongoing programmes with NSAP. In such states, the beneficiaries tend to benefit from both the schemes. However in some states, such as in Kerala, the allocation has been reduced. Prior to introduction of NSAP, beneficiaries were entitled to a benefit of Rs.

80 (for NOAPS). Though after introduction of NSAP the beneficiaries now get Rs. 100 p.m. the contribution of the state in reality has gone down by about 70%. Hence, even after introduction of NSAP the beneficiaries have received only a marginal increase in benefits.

The NOAPS scheme in this regard has been a success. The study reveals that about 1/3rd of the beneficiaries were found to be neglected by their offspring or were living alone. Similarly another 1/3rd of them were found to have a dependent (most spouse) in addition to being neglected by their offspring (or no offspring). In the remaining cases, the beneficiaries did not have a regular source of income. Under such circumstances, the benefit under NOAPS has been widely accepted. As is evident from the benefit utilization pattern, more than 95% of them were found to have spent the money on meeting the daily/routine household expenditure. Further, the benefits provided under the scheme accounted for about 25-40% of the total annual income. Hence, the dependence level on the monetary support was high.

This is not true in case of NFBS. This scheme has a high coverage in R-SEC E-Class and low among the F-class. Hence, utilization pattern indicates that large proportion of the beneficiaries had either saved it in a bank or was used to repay old debts. Use of the benefit in income generating activities was negligible.

Further, many states have parallel schemes in case of accidental deaths, which are more remunerative. Hence, prospective beneficiaries show more inclination to those schemes. However, in case of natural deaths, an NFBS benefit proves to be an important source of support.

Regularity or timelines of benefit disbursement is very important. This is particularly true of NOAPS which was supposed to target people with "no regular source of income". The scheme was envisaged to provide a regular source of income to the destitute. But the survey reveals that none of the sample states were found to have adhered to this regularity norm. In some states, benefits were distributed once in two months, whereas in others there was no fixed frequency for distribution. Though regularity of distribution has improved over the years, a lot need to be done to achieve this objective of the scheme.

Among the NMBS beneficiaries, most of them reported to have received the benefit after the delivery. This was found to be uniform across all the sample states. However, this delay has been primarily due to delay in submission of claims by the beneficiaries. The study reveals that more than 70% of the beneficiaries were found to have submitted these claims during 5/6 month of pregnancy. Thus, benefits were availed after 3/4 months of submission. Therefore, there is a definite need to step up awareness level among the target segment so that claims are made well in advance.

Though benefits under NMBS were mostly found to be received after the delivery, the utilisation pattern shows that it was primarily used to meet maternity and childcare related expenses."

Institutional Support

"At the state level the programme is monitored by the department of social welfare/rural development in case of NOAPS and NFBS and by the department of health/women and child development. At the district level, the district collectorate is nodal implementing agency and funds from the centre are directly send to the implementing agency.

The programme does not define any specific institutional arrangement for implementation of the programme. Though involvement of the Panchayat / municipality was contemplated to reach the target segment.

The institutional arrangement in the sample states reveals that the district collector is only the sanctioning authority. The sub divisional officers or the deputy collector look after all operational aspects. Below the sub divisional level, the Block Development Officer or Tehsil are involved in scrutinizing and verification of claims. The ANM / AWW / VLWs attached to the BDO/PHC are involved in beneficiary identification along with the Panchayat. Hence, implementation is done in a four tier structure with the Panchayat at the village, the Janpad/Block/Tehsil as the second tier, the collector/sub divisional officer as the third tier and the state level monitoring agency as the fourth tier. This has resulted in undue paper works and procedural delays. Further, the role of each tier is not very clearly defined. As a result, publicity and awareness generation has taken a back seat.

For smooth implementation of the programme, it is essential to minimize paperwork in each tier and define responsibility at each level.

In case of NMBS, which is monitored by a different agency, there is a lack of coordination among them causing delay in sanctions. A formal system of coordination needs to be introduced to streamline the procedural bottlenecks. The district level advisory committees need to meet more frequently to discuss problems arising in programme implementation.

It may be summarized that NSAP has in fact reached the target segment. Achievement rates are also increasing over the years. Benefits offered under the programme have met the objective as laid down in the programme. However, the programme now needs to re-look into the numerical ceiling norms, provide provision for updating BPL list, clearly define responsibility among the various functionaries involved in the implementation, ensure timely release of benefit and lay greater emphasis on publicity and awareness generation."

The study done in 2000 by CMD ranked the States / UTs according to their performance in the implementation of the NSAP Scheme. This ranking was done based on criteria like coverage of the scheme, utilization of the funds, economic backwardness of recipients, timeliness of release of benefits, expenditure incurred by the recipients for getting the benefits, impact of the NSAP schemes in social development, follow up action by concerned officials on complaints from beneficiaries etc. Accordingly, Andhra Pradesh was ranked first followed by Karnataka and Nagaland. The extracts from the Executive Summary of the report of Centre for Management Development in respect of NOAPS and NFBS is enclosed as *Annexure-VIII.*

Based on field studies and secondary data the Commissioner, Dr. N C Saxena appointed by the Supreme Court in the WP196/2001 has given a set of recommendations as part of his Sixth Report in December, 2005. The recommendations are as follows:

1. "The Court must direct either the Central Government to issue centralised guidelines for the implementation of the scheme, or the State Government must be directed to issue clear-cut guidelines for the proper implementation of the scheme.

2. The monetary allocations made by the GOI must not fall short of the minimum allocations required to cover the proposed number of beneficiaries, and the proposed number of beneficiaries should be such that it is sufficient to cover the entire eligible population.

3. A large-scale revision of the numerical ceilings is imperative and urgently needed. Pension benefits should be least be ensured to all old people below poverty line as per 1993-94 poverty estimates and the Census 2001 data.

4. the Court must issue orders to the effect of universal coverage under the NOAPS. The States must be directed to identify all the potential beneficiaries, within a defined period. Allocations must be based on estimates of all impoverished aged people, to ensure full coverage as an entitlement for this entire category, and the distribution of pension must start at the earliest.

5. the pension amount needs to be adequately raised to a minimum of Rs. 250 a month, as recommended in the fifth report of the commissioner. The Central Government should commit an assistance of Rs. 200 per month per pensioner and it should be made mandatory for all States to make contributions of at least Rs. 50 per month per pensioner or the per pensioner contribution made by the States on 31st March 2005, whichever is higher. This rate should be revised bi-annually automatically based on increase in the Consumer Price Index.

6. The Court must direct the State Governments to initiate the verification exercise. All the listed beneficiaries should be verified by competent authorities. The Court must also direct the State Governments to conduct the mandatory quarterly verifications of the beneficiaries. This verification

exercise should be followed up with the identification of new beneficiaries.

7. Clear-cut guidelines should be issued by the Central Government for the implementation of the scheme. The responsibility of the Central and State Governments should be fixed. The size of benefits entitled under the scheme should be clearly defined.

8. The applications should not be kept pending for want of funds from the Central Government. The State Governments must be directed to use funds out of their State Plan and reimburse the amount once the funds are released, in case of delay.

9. An explanation must be sought from the States that have discontinued Annapurna Scheme.

10. The Central Government must be directed to make timely allocations under Annapurna and the scheme should not be disrupted for lack of grains by the State Governments.

11. The State Governments must be directed to fully utilise the allocated funds under the NSAP and Annapurna."

Prof. Moneer Alam also a Member of the Working Group in his book "Ageing in India" has made the following observation about NOAPS

- *"The Scheme severely suffers for two reasons: (i) it involves complex administrative procedures and, therefore, proves especially difficult for the illiterates and (ii) the size of programme beneficiaries is capped artificially by using an arbitrary ceiling formula".*

- *"The ceiling formula, used by the Centre to decide the size of target beneficiaries in each State, is written as :*
  Numerical Ceiling = Total Population x Poverty Ratio x proportion of 65 and above x 0.5".

- *"The ceiling formula assumes parity between the old age and the general poverty. In reality, however, this may not be the case. Intra-household* *studies have shown that aged men and women are far more vulnerable and lack bargaining strength – especially in crisis situations (Agarwal, 1990 and Visaria, 1980). The second observation relates to the discriminatory procedure, which is inbuilt in the ceiling formula namely, only half of the below poverty aged are considered as worthy for pension benefits. The remaining half is considered as drawing support from one or the other source. This leaves district administrations and Panchayats with considerable leverage for subjective decisions".*

- *"In a newspaper write up, Dreze (2003) has noted that 2421 applications were pending for the old age pension in the ~~Lesliganj Block (Palamu,~~ Jharkhand State)at the time he was visiting the area. "As the quota of 1663 pensions assigned to the block was fully utilised, new pensions are sanctioned only when a former pensioner dies. Assuming a mortality rate of 50 per 1000 among the elderly, this means that a new applicant would have to wait for about 30 years for a pension".*

The implementation of NSAP in various States is through different departments as also at different norms and by different mechanisms. Statements showing the details of departments handling these schemes and norms of assistance being followed as reported by some of the States are enclosed as *Annexure IX-X*.

7. Possible areas and issues of concern

It may be noted that the background note is based mainly on the report by the "National Commission for Enterprises in the Unorganised Sector" on Social Security for Organised Workers, as also the evaluation studies on NSAP and the data available in the Ministry. The report of the Commission suggests a comprehensive model listing the components of a national minimum social security programme while indicating both the financial implications and the framework for the implementation of such a scheme. This model can be the basis of discussion for the working group to arrive at its own recommendations. The possible areas of concern and issues to be examined in this context are, therefore, listed under Part A below. Further, the background note on NSAP throws up issues which need consideration by the working group. These are listed under Part B below.

Part A

1. The Commission has given a fairly detailed explanation for including health security including maternity needs, life and accident security, old-age and unemployment security as part of the National Minimal Standards of public

assistance. These have been suggested in the context of informal workers. It now needs to be examined (a) whether findings of the Commission can also be considered applicable to the poor of the country and (b) whether only these securities need to be included for a national minimum social security scheme or there need to be some addition or deletion.

2. At present the old age pension and NFBS amount is being distributed directly under NSAP. Similarly the maternity benefit is also being delivered directly under the Janani Suraksha Scheme of the Ministry of Health. The Commission has suggested insurance schemes for the flow of benefits under the various securities except for old age. In this context, the issue is whether social security schemes can be implemented more effectively through insurance schemes or by direct distribution of benefits through Government departments.

3. The Commission has suggested that for the poor the social security scheme should be non-contributory. However, the experience with NSAP shows that while NOAPS has to be of a non-contributory nature, other security schemes could be more effective if they are of a contributory nature. Hence this aspect needs consideration.

4. In the context of health security the experience of Arogya Raksha Scheme (which is very similar to Health Insurance Scheme suggested by the Commission) in Andhra Pradesh is relevant. Field experience revealed that (a) whenever the scheme is non-contributory the beneficiaries are by and large left unaware about the benefits they can avail of, (b) in the case of a cashless scheme the beneficiaries are unaware of the kind of claims made by the nursing homes. This leads to misuse by the nursing homes while depriving the poor of a decision about the illness for which the security should be availed of, and (c) the poor might find it more beneficial to have a health security confined to episodes of certain illnesses like TB, kidney failure, etc., rather than to have hospitalisation cover. Besides there is an argument whether it would be better to improve and expand the existing public health care system than to invest in a health insurance scheme.

5. Finally, the mechanism of implementation by creating Boards at the National and State level and appropriate agencies at the district level has to be examined.

Part B

1. The National Policy on Older Persons which was adopted in the year 1999 recognises the age of 60 years as the age at which one becomes a senior citizen and is eligible for the facilities and the concession available to the senior citizen. Hence in this context the working group needs to examine whether the NOAPS should also be made applicable to persons aged above 60 years.

2. The various evaluation reports and studies indicate that the criteria of destitute cannot be defined clearly and that establishment of the destitution of beneficiary is difficult. This leads to problems in the selection process. The removal of the condition of destitution and making the scheme applicable to all BPL persons under NOAPS needs to be therefore examined.

3. There is also a problem in identifying BPL families. The NSSO survey estimates the percentage of population which is below poverty line at the State level. However, it is not clear whether this estimate is applicable for old-age people. Also the findings of the last NSSO Survey were not readily accepted by the State Governments. The NSSO survey does not give the estimates district-wise. In fact the issue of identification of beneficiaries has to be resolved not only for NOAPS but perhaps for all the social security schemes. One solution would be to entrust the Gram Panchayats with the responsibility of ranking all families as per their poverty status. At the same time only a certain pre-determined percentage of total families could be made eligible for the social security schemes.

4. The issue of merging Annapurna scheme with NOAPS needs to be examined since both schemes are meant for the same target group. Otherwise there is a discrepancy in the kind of benefit flow amongst the deserving aged.

5. Even though the Finance Minister has announced the change in norm for NOAPS from Rs. 75 to Rs. 200 pm and has also urged State Governments to contribute another Rs. 200 pm, the issue of adequacy of pension amount needs to be examined.

6. With regard to NFBS, the following problems need to be examined (a) as there is flexibility with the State Governments to allocate budgets amongst the three schemes, lower allocation are given to NFBS (b) besides, budget allocation for NSAP were always lesser than that required for the so called numerical ceilings or estimations worked out by the Ministry. In such a scenario the coverage under NFBS was much lower than that required possibly leading to discretion in selection of beneficiaries and poor targeting.

7. Problems relating to mismanagement of scheme could be sorted out if the States are continuously vigilant and are sensitive to the need of effective implementation of the scheme. Ensuring this is difficult when the scheme funds are released by the Government of India as Additional Central Assistance (ACA). Hence there is need to examine (a) whether the social security schemes should be implemented as State Plan Schemes or as Centrally Sponsored Schemes (b) whether there is need for setting up a national body like the National Security Board and State body like the State Security Board and district implementing agencies to ensure effective implementation of the schemes.

8. As NSAP is administered through different departments in various States, there is difficulty in monitoring the schemes by Government of India. Hence the issue of identifying the department for implementation of the scheme at the State level needs to be resolved.

9. Problems are being observed with regard to timely release of pension amount at the State level and timely disbursement of pension to the pensioners. Hence a mechanism needs to be evolved which would enable regular release of funds and timely disbursement of pension. One solution could be to create a non-lapsable fund at the State and District level.

10. There are reports of misuse of funds in the scheme and in order to overcome this (a) arrangement could be made for disbursement through post offices and banks (b) a system could be introduced for annual verification of pensioners (c) a set of checks and balances could be introduced for example, making it compulsory to verify a pensioner in case he has not drawn pension for successive 3 months or so.

11. It is also necessary to spell out the mechanism of sanction and maintenance of accounts so that the procedure involved for sanction is simple and easily understood by the beneficiary and at the same time it permits post-audit verification.

12. Evaluation studies have also indicated that the work of selection of beneficiaries, removal of names ineligible for pension and proper monitoring is best achieved by entrusting greater responsibility upon all the three-tiers of Panchayati Raj and Municipalities. The working group has to give its views on this and details about the responsibilities need to be listed out.

13. Certain State Governments have also made a suggestion for enlarging the scope of NSAP to cover the disabled below 60 year and widows below the age of 60 years. This needs to be examined.

14. The mechanism for grievance redressal also needs to be firmed up.

15. Finally as per the evaluation studies, there is need for creating greater awareness among the target group so that there is more transparency and that the public can avail of the benefits due to them.

Annexure-I

No.M-12018/11/2006-RD
Planning Commission
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, August 23, 2006

ORDER

Subject: Setting up of a Working Group on Social Protection Policy – National Social Assistance Programme (NSAP) and Associated Programmes.

It has been decided to set up a Working Group on Social Protection Policy – National Social Assistance Programme (NSAP) and Associated Programmes for the Eleventh Five Year Plan.

II The composition of the Working Group will be as under:

1. Shri T. S. Sankaran — Chairman
Former Chairman
Central Advisory Contract Labour Board
No. 9, 3rd Seaward Road
Valmiki Nagar
Thiruvanmiur
Chennai – 600041
Tele: 044 - 42084236.

2. Shri. R.K.A. Subrahmanya — Member
Secretary General
Social Security Association of India
Bangalore - 560078.

3. Prof. Sheila Bhalla — Member
Institute of Human Development
New Delhi-110002

4. Prof. Moneer Alam — Member
Institute of Economic Growth
Delhi-110007.

5. Dr. S. Mahendra Dev — Member
Director
Centre for Economics & Social Study
Nizamiah Observatory Campus
Begumpet
Hyderabad, Andhra Pradesh.
Tele. 040 – 6570480.

6. Dr. D. Rajasekhar — Member
Professor & Head of Department
Centre for Decentralisation and Development Unit
Institute of Social and Economic Change
Nagarbhavi
Bangalore - 560072
Tele: 080 – 23215468 / Ext. 416

7. Dr. (Mrs) Renuka Viswanathan — Member
Secretary
Ministry of Rural Development
Krishi Bhavan,
New Delhi – 110001

8. Smt. Sarita Prasad — Member
Secretary
Ministry of Social Justice and Empowerment
Shastri Bhavan
New Delhi - 110001

9. Ms. Meenakshi Datta Ghosh — Member
Secretary
Ministry of Panchayati Raj
New Delhi-110001.

10. Shri R. Bandyopadhyay — Member
Adviser (RD)
Planning Commission
New Delhi - 110001

11. Shri Vijay Anand — Member
Secretary (Panchayati Raj)
Government of Kerala
Thiruvanathapuracm.

12. Shri G. B. Panda — Member
Adviser (Social Welfare)
Planning Commission
New Delhi – 110001.

13. Shri Manohar Lal, — Member
Director General,
Ministry of Labour,
Shram Shakti Bhavan,
New Delhi-110001.

14. Shri K.S. Vatsa — Member
Secretary (RD & Water Conservation Deptt)
Government of Maharashtra
Mumbai- 400032.

15 Mrs. Malovika Pawar Member
Secretary (RD)
SSO Building
Secretariat
Government of Rajasthan
Jaipur

16 Ms. Nilam Sawhney Member Secretary
Joint Secretary
Ministry of Rural Development
Krishi Bhavan
New Delhi-110001

III. The terms of reference of the Working Group are as follows

1 To Consider the need for National Minimal Standards of public assistance in cases of old age, sickness, disablement and other cases of undeserved want.

2 To examine all Central and State Schemes in operation for the poor, in cases of old age, untimely death of bread-earner, serious illness and for persons with disability and suggest a comprehensive framework for national policy and coordinated implementation of the policy by the Centre, States and Local Government Institutions

3. To examine the changes made in the National Social Assistance Programme (NSAP) since its inception and suggest measures for revising this programme for providing minimal social protection for the socially excluded categories

4 To consider the unorganized workers' social Security Bill, 2006 prepared by the National Commission for Enterprises in the Unorganised Sector and harmonise the minimal protection and promotion measures suggested in this Bill with the need for a national policy towards the vulnerable referred to in Item 2.

5 To study the implementation of NSAP in all the States in the country and suggest a better procedure jointly to be operated by the Centre, State Governments and Local Government Institutions.

IV. The Chairperson of the Working Group may set up sub-group/task forces, if necessary for undertaking in-depth studies.

V. The Working Group may co-opt non-official experts/representatives of other agencies if required.

VI. The expenditure of the official members for attending the meetings of the Working Group will be borne by the respective parent-Department / Ministry / Organisations as per the rules applicable to them. The expenditure regarding TA / DA of non-official Members will be borne by the Planning Commission according to the appropriate rules and practices.

VII. The Working Group will submit its final report to the Planning Commission by 30.11.2006

(Rupinder Singh)
Deputy Secretary

Copy to:

All Members of the Working Group.

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Member Secretary, Planning Commission
PS to Member (BNY), Planning Commission
Heads of all Divisions
All Officers of the Rural Development Division
Reception Officer, Planning Commission

Annexure-II

Central Social Security Schemes

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
1# National Social Assistance Programmes (1995)					
a) National Old Age Pension Scheme	The applicant should be a destitute in the sense of having little or no regular means of subsistence from his/her own sources of income or through the support of family members or other sources and more than 65 years of age.	Fully Central Government-sponsored	Rs. 75/- p.m.	States/UTs	Coverage is 72.8 lakh as in 2005-06.
b) National Family Benefit Scheme	The family which is below the poverty line and who has lost the	-do-	Rs. 10,000/- in case of accidental and natural deaths	States/UTs	Coverage is 2.11 lakh as in 2005-06.

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implement-ing Agency	Other Details
	'primary breadwinner' (will be the member of the household--male or female--whose earnings contribute substantially to the total household income). The applicant should be in the age group 18 to 65 years.				
c) National Maternity Benefit Scheme	Pregnant women of households below the poverty line for upto first two live births, provided they are 19 years of age and above.	-do-	Rs. 500/-, which is given 12-8 weeks prior to the delivery	States/UTs	Coverage is 11,52,558 as in 2000-01.
2. Social Security through Central Welfare Funds				GoI, Ministry of Labour.	The annual expenditure under these funds is around Rs. 100 crore covering more than 40 lakh workers and their families.
a) The Mica	Mica mine workers	Financed out of	Medical assistance		

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
	'primary breadwinner' (will be the member of the household--male or female--whose earnings contribute substantially to the total household income). The applicant should be in the age group 18 to 65 years.				
c) National Maternity Benefit Scheme	Pregnant women of households below the poverty line for upto first two live births, provided they are 19 years of age and above.	-do-	Rs. 500/-, which is given 12-8 weeks prior to the delivery	States/UTs	Coverage is 11,52,558 as in 2000-01.
2. Social Security through Central Welfare Funds				GoI, Ministry of Labour.	The annual expenditure under these funds is around Rs. 100 crore covering more than 40 lakh workers and their families.
a) The Mica	Mica mine workers	Financed out of	Medical assistance		

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
Mines Labour Welfare Fund Act (1946)		proceeds of cess levied under respective Cess/Fund Acts on manufactured *beedi*, feature films, export of mica, consumption of limestone and dolomite and consumption and export of iron ore, manganese ore and chrome ore.	worth Rs. 150/- provided for the purchase of spectacles, Rs. 1500/- in case of permanent incapacitation, Rs. 450/- for 5 years for member's widows, Rs. 20,000/- per patient per year and reservation of bed in T.B. hospitals, treatment and subsistence allowance not exceeding Rs. 750/- p.m. in case of tuberculosis, reimbursement of expenditure up to Rs. 10 lakh for heart disease and kidney transplant, etc.		-do-
b) The Limestone and Dolomite Mines Labour Welfare	Limestone and dolomite mine workers.	-do-	-do-		-do-

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
Fund Act (1972)					
c) The Iron Ore, Manganese Ore and Chrome Ore Mines Labour Welfare Fund Act (1976)	Iron ore, Manganese ore and Chrome ore mine workers	-do-	- do-		-do-
d) The *Beedi* Workers Welfare Fund Act (1976)	*Beedi* workers.	Premium of Rs. 18/- per annum per member, which is shared 50-50 by the Labour Welfare Organisation and Social Security Fund.	They are insured under the General insurance Scheme providing Rs. 3000/- in case of natural death, Rs. 25,000/- due to accidental death or total disability, Rs. 12,500/- in case of permanent partial disability under Group Insurance scheme. Medical assistance worth Rs. 150/- provided for the		

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
			purchase of spectacles, reservation of bed in T.B. hospitals, treatment and subsistence allowance in case of tuberculosis, reimbursement of expenditure up to Rs. 10 lakh for heart disease and kidney transplant, etc.		
e) The Cine Workers Fund Act (1981)	Cine workers whose income ceiling is Rs. 1600/- p.m.	Premium of Rs. 30/- per year per member is fully paid by the Labour Welfare Organisation.	Rs. 5000/- in case of natural death and Rs. 10,000/- in case of accidental death under Group Insurance Scheme.		
3# Varishta Pension Bima (July 14, 2003)	Unorganised sector workers aged 55 years and above.	Fully based on the investment of the beneficiary.	The amount of pension benefit may vary according to the amount invested subject to 9% of the minimum (Rs.33,335/-) and maximum (Rs.2,66,665/-) ceiling	LIC	

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
			prescribed.		
4# Social Insurance Scheme Janashree Bima Yojana	Persons in the age group of 18 to 60 years and living below or marginally above the poverty line.	Premium is Rs. 200/- per beneficiary annually of which 50% is given from Social Security Fund and 50% from the beneficiary/state government/nodal agency	Rs. 20,000/- in case of natural death, Rs. 50, 000/- in case of death or total permanent disability due to an accident and Rs. 25,000/- in case of partial disability.	LIC	
5# Universal Health Insurance Scheme [UHIS] (2003)	Unorganised sector workers.	Premium is Rs. 165/- for individuals annually, Rs. 248/- for a family of 5 and Rs. 330/- for a family of 7. For families below the poverty line, the government will provide premium subsidy of Rs. 200/- per individual,	Insurance cover of Rs. 25,000/- on death due to accident and reimbursement of hospitalisation expenses up to Rs. 30,000/- to an individual/family.	Public sector insurance companies	Coverage is 11,408, which covers only 0.001% of the total number of persons. It is available to a group of 100 or more families. However, the scheme provides for only hospital care and excludes maternity benefit, outpatient care, etc.

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
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4# Social Insurance Scheme Janashree Bima Yojana	Persons in the age group of 18 to 60 years and living below or marginally above the poverty line.	Premium is Rs. 200/- per beneficiary annually of which 50% is given from Social Security Fund and 50% from the beneficiary/state government/nodal agency	Rs. 20,000/- in case of natural death, Rs. 50, 000/- in case of death or total permanent disability due to an accident and Rs. 25,000/- in case of partial disability.	LIC	
5# Universal Health Insurance Scheme [UHIS] (2003)	Unorganised sector workers.	Premium is Rs. 165/- for individuals annually, Rs. 248/- for a family of 5 and Rs. 330/- for a family of 7. For families below the poverty line, the government will provide premium subsidy of Rs. 200/- per individual,	Insurance cover of Rs. 25,000/- on death due to accident and reimbursement of hospitalisation expenses up to Rs. 30,000/- to an individual/family.	Public sector insurance companies	Coverage is 11,408, which covers only 0.001% of the total number of persons. It is available to a group of 100 or more families. However, the scheme provides for only hospital care and excludes maternity benefit, outpatient care, etc.

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
c) Group Insurance Scheme	-NA-	-do-	Sum assured is Rs. 10,000/-.	-NA-	
d) Workshed-cum-Housing, Health Package and Group Insurance Scheme		-NA-	-NA-	Office of the Development Commissioner for Handicrafts	
e) Pension Plan Scheme	Master crafts-persons who are unable to work due to old age.	-NA-	Rs. 1000/- per month	-do-	
f) Insurance for Powerloom Weavers	Workers in the age group of 18 to 60 years and earning Rs. 700/- per month.	The Central and State governments equally share the annual premium of Rs.120/-.	Rs. 10,000/- in case of natural death, Rs. 20,000/- on accidental death in addition to the accumulated amount in the member's running account payable with	-NA-	

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
		Rs. 300/- for a family of 5 and Rs. 400/- for a family of 7.			
6 Scheme for Handloom Weavers and Artisans a) Thrift Fund Scheme	-NA-	The member contributes 8 paise per rupee of wage earned and the Central and State governments contribute 4 paise each to the fund.	Temporary advance, partial and final withdrawal	Weavers' co-operative societies/ Corporations etc.	The objective is to ameliorate some of the health problems related to this profession like T.B.
b) New Insurance Scheme		Central Government, State government and the handloom weavers @ Rs. 60/-, Rs. 40/-, and Rs. 20/-, respectively, share the annual premium of Rs. 120/-	Rs. 1000/- in case of loss of dwelling due to natural calamities or fire, Rs. 1 lakh in case of accidental death, reimbursement of hospitalisation charges up to Rs. 2000/- and maternity benefits.	United India Insurance Company	

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
			the interest @ 11% per annum.		
7. Krishi Samajik Suraksha Yojana (July 1, 2001)	Every agricultural worker within the age group of 18-50 years.	The worker was required to pay Re. 1/- per day and the contribution of government was Rs. 2/- per day.	Benefits included life-cum-accident insurance, the lump sum amount of Rs 4,000/- as money back after the tenth year and to be doubled after every next 10 years till the age of 60 years, pension ranging from Rs. 100/- to Rs. 1900/- per month depending upon the age of entry.	LIC	This scheme will be carried out in 50 identified districts to cover 10 lakh agricultural workers. The Ministry of Finance has taken a decision to close this scheme. However, the workers registered till March 31, 2004 would receive the benefit.
8. Welfare Legislation for Building and Other Construction Workers a) The Building and Other	It is applicable to every establishment that employs ten or more workers in any building or construction work, where the project cost is more than Rs. 10 lakh.	Contributions from beneficiaries, levy on cess on all construction works at a rate between 1 to 2% of the construction cost incurred by an employer and non-mandatory grants by State/Central	Given in case of accidents, old age pension, housing loans, payment of insurance premium, children's education, medical and maternity benefits.	Governments of Andhra Pradesh, Maharashtra, Uttar Pradesh, Madhya Pradesh, Manipur, Punjab, Goa, West	These legislations provide for regulating the employment and conditions of service, safety, healthcare and welfare measures for the construction workers.

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Other Details
Construction Workers Act (1996) b) The Building and Other Construction Workers Welfare Cess Act (1996) c) Building and Other Construction Workers (RECS) Central Rules (1998)		governments.		Bengal and Delhi are in the process of completing the formalities to implement the Act. Kerala and Tamil Nadu have formed a Welfare Board.	

Note:
 # SL No. 1, 3, 4, & 5 are schemes meant for the welfare of the whole unorganised sector workers without any specification to a particular working class.

**Beedi* workers, brick-kiln workers, carpenters, cobblers, fishermen, *hamals*, handicraft artisans, handloom weavers, handloom and *khadi* weavers, ladies' tailors, leather and tannery workers, *papad* workers attached to SEWA, physically handicapped self-employed persons, primary milk producers, *rickshaw* pullers/auto drivers, *safai karmcharis*, salt growers, *tendu* leaf collectors, urban poor, forest workers, sericulture, toddy tappers, power loom workers, women in rural remote hilly areas.

Sources:

a) Planning Commission (2005).
b) NCL, (2002),
c) http://rural.nic.in/book01-02/ch-7.pdf
d) http://pib.nic.in/archieve/lreleng/lyr2001/rdec2001/28122001/r281220012.html
e) http://muepa.nic.in/programs/index2.htm
f) http://labour.nic.in/dglw/welcome.html

State Level Social Security Schemes

1. KERALA

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Coverage	Problems	Other Details
(1) Kerala Toddy Workers' Welfare Fund (KTWWF) (1970)	A toddy worker is defined as any person who is directly or indirectly engaged in the production (tapping), collection and distribution of toddy for his livelihood. All toddy shops/premises are covered under the Act (Fund).	Employee: 8% of his wages as PF, Employer: 8% towards PF and for gratuity equal to 5% of the wages of the employee.	Pension: Rs. 100/- p.m., Gratuity: 50% of monthly wage, Children's education: 50% of the contribution or Rs. 1200/-, Medical allowance: 50% of contribution or 3 months wage and Rs. 7000/- for cancer treatment.	Labour Dept. and Board of Directors	40,860 as on 31-10-03	Nil	Nil

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Coverage	Problems	Other Details
(2) Kerala Labour Welfare Fund) (KLWF) (1977)	Workers in factories, plantations employing 10 employees and above, shops and commercial establishments employing two and more workers and co-operative institutions employing 20 workers and above are covered by the Fund.	Employer: Rs. 8 per half year per worker Employee: Rs. 4 per half year per worker	*Ex- gratia*: Rs. 2500/-, Grant to libraries: Rs. 5000/-, Children's education: Rs. 250/- to Rs. 1800/-, Medical benefit: Rs. 10,000/-, Craftsmen training: Rs. 150/- p.m. stipend.	Labour Dept. and Board of Directors	5,08,454	The Board has not been receiving financial assistance from the plantation sector and the government since 1991. With the slashing of interest rates on fixed deposits by banks, the board is finding it difficult to disburse the statutory benefits.	Nil
(3) Kerala Head Load Workers'	A 'Head load worker' is defined as an individual who works	Employer: 25 % of the workers' wage	Pension: Rs. 200/- to Rs. 2400/-, Rs. 150/-	Labour Dept. and Board of Directors	30,061 as on 31-032003	Nil	Nil

Serial No. and Name of Scheme (Year of Starting)	Target Group	Source of Financing	Benefits	Implementing Agency	Coverage	Problems	Other Details
Welfare Fund (S) (KHEDLWWF, 1981)	for an establishment either directly or through a contractor for wages, in loading, unloading, carrying on his head or in a trolley, any article from any place. But this does not include a person engaged by an individual for domestic purposes.	Employee: 10 % of wage	p.m. (invalid pension), Death: Rs. 15,000/- (normal death), Rs. 50,000/- (accidental death), Rs. 3000/- (funeral expenses), Marriage: Rs. 5000/- for 3 times, Medical: up to Rs. 7000/- per annum, Bonus: 11% of the total wages in a year, Education: Rs. 200/- yearly, Rs. 100/- to 300/- (scholarship), Others: Rs. 10,000/- (family welfare), Rs. 5,000/- (festival allowance), 10% of the total wages				