

(C) SOCIAL SECURITY FOR INTERNATIONAL MIGRANT WORKERS

Social security is of utmost importance for the well-being of workers, their families and communities as a whole. It is a basic human right and a fundamental means for the creation of social cohesion, thereby contributing to social peace and social inclusion. Social Security protects not just the subscriber but also his/her entire family by giving benefit packages in financial security and health care. Social Security schemes are designed to guarantee at least long-term sustenance to families when the earning member retires, dies or suffers a disability. Thus the main strength of the Social Security system is that it acts as a facilitator - it helps people to plan their own future through insurance and assistance.

2. Economic liberalization coupled with rapid growth in developing economies, ageing population in western world and availability of large pool of young and technically qualified professionals in certain countries witnessed migration of such professionals across the world. As India is the major source of migrant professionals due to availability of vast reservoir of technically qualified manpower in sectors like IT, Health, and Management etc., movement of Indian professionals in various countries has witnessed over a period of time.

3. The necessity of ensuring social security protection to migrant international workers specifically has become increasingly important in the light of the new models of economic integration, which have emerged in several parts of the world over the last decades. The portability of social security rights undoubtedly facilitates the free movement of labour within economic zones and thus contributes to guaranteeing the proper functioning of these integrated labour markets. Also, the fact that social security benefits can form an important part of the remittances which are sent to migrant workers' countries of origin and which have been recognised by the world community as significant tools for development, emphasises the significance of social security rights for migrant international workers from an economic perspective.

4. While migrant workers run the risk of losing entitlements to social security benefits in their country of origin because of their absence, they may at the same time, in their country of employment, encounter exclusion from social security coverage as non-nationals or a denial of any right to benefits due to lengthy qualifying periods. The more a worker moves from one country of employment to another, the more he/she becomes vulnerable in this respect.

5. With a view to safeguarding the interest of Indian workers deputed to foreign countries by their respective employers, the Government of India has signed Social Security Agreements (SSAs) with seventeen countries so that the Indian migrant workers are exempted from the mandatory social security contributions in those countries.

6. The Ministry of Overseas Indian Affairs, Government of India, is the Nodal Ministry for initiating negotiations for Social Security Agreement.

7. SSAs with nine countries namely Belgium (01.09.2009) Germany (01.10.2009) Switzerland (29.01.2011) Denmark (01.05.2011) Luxembourg (01.06.2011) France (01.07.2011) Korea (01.11.2011) Netherlands (01.12.2011) and Hungary (01.04.2013) are operative and SSAs with eight countries namely Norway, Czech Republic, Finland, Canada, Japan, Sweden, Austria and Portugal are yet to be notified.

8. A social Security Agreement is a bilateral instrument to protect the social security interests of employees and it covers three important provisions:

- i) **Detachment** – Indian employees deputed to SSA countries by their respective employers are exempted from contributing to their Social Security System, provided they are complying with the Indian Social Security System. This exemption is available for a specified period stipulated in the agreement.
- ii) **Totalization of benefits** – The period of contributory service rendered in SSA country is counted for determining eligibility for pension. The actual pensionary benefits, however, are payable only for the period of contributory service on pro-rata basis.
- iii) **Portability of Pension** – Pension benefits are payable without reduction, direct to the beneficiaries choosing to reside in the home country or in any other country.

9. To accommodate the provisions of bilateral SSAs, enabling provisions in respect of International Workers were introduced in the EPF Scheme' 1952 and Employees' Pension Scheme 1995 effective from 01.10.2008.

10. EPFO has been entrusted the work of liaison agency in India as regards International Workers. EPFO liaises with the Liaison Agency of the other SSA country. EPFO issues the Certificate of Coverage (COC) to the Indian workers deputed to the SSA countries by their respective employers. As on date, 29606 COCs have been issued by the EPFO.
