**[Social security](https://www.dawn.com/news/1425273/social-security)**

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THE Sindh Employees Social Security Institution (SESSI) has been trapped in the critical determination of the wage limit for the purpose of coverage under the scheme and payment of monthly contribution by employers, since labour laws were devolved to the provinces through the 18th Amendment in 2010. The other important welfare law, facing a similar issue, is the Employees’ Old Age Benefits Act, 1976.

The Provincial Employees Social Security Ordinance, 1965, had introduced a social security scheme to provide benefits to certain employees and their dependents in cases of sickness, maternity, employment injury or death. Although management of the medical scheme and its related benefits was always within the scope of the provinces, amendments to it were made by the federal government until devolution. In its first two decades, the scheme was effectively managed by provincial social security institutions, and the industrial workers found good relief for their medical needs.

The 1965 ordinance was last amended before devolution in 2008. In defining as to who was an employee, it was mentioned that any person employed on wages exceeding Rs10,000 per month would not be considered an employee. Previously, this amount was Rs5,000. The amendment implied that all those employees drawing a monthly salary of up to Rs10,000 would be covered under the scheme. Those covered are called secured employees.

*Many of Sindh’s workers have benefits, but only in theory.*

Under Section 20 of the ordinance, the monthly contribution was fixed at six per cent of the employee wages; in 2008, the minimum wage was Rs6,000, hence the monthly contribution towards an employee’s benefits could be up to Rs360. SESSI had increased the wage limit to Rs15,000 in Oct 28, 2013 and again to Rs22,400 in May 12, 2017. The Employers’ Federation of Pakistan had the SESSI notification of Rs15,000 suspended by the Sindh High Court. The notification of the increase to Rs22,400 was withdrawn by SESSI before its implementation by the employers, as this upper wage limit was approved by the governing body, which was not properly constituted.

However, a two-judge bench of the court has, vide its judgement of May 23, 2018, pronounced that the employers should pay the monthly SESSI contribution at the prevalent rate of the minimum wage. The Sindh government has carried out comprehensive amendments effective from May 17, 2018, to the Sindh Employees Social Security Act, which it had promulgated in 2016 following devolution. This act had not provided any wage limit at which the SESSI contribution was payable. Under the recent amendments, the lower wage limit has been fixed at Rs15,000 and the upper wage limit at Rs20,000. The monthly SESSI contribution will now be paid at 6pc of Rs15,000 per employee, which is also the existing minimum wage.

Under the law, SESSI has to allow eight types of benefits to the secured employees: sickness benefit, maternity benefit, death grant, injury benefit, disablement pension, disablement gratuity, survivors’ pension, death grant in case of death while in receipt of injury benefit or total disablement pension. Most of these benefits are paid either at the rate of full salary of the secured employee, or as percentage of the full salary.

For instance, the sickness benefit is paid at 75pc of salary for a period of 121 days in case of ordinary sickness. However, in the case of tuberculosis or cancer, the benefit is payable at 100pc of salary for 365 days. Similarly, in case of maternity, the benefit is payable at 100pc of salary.

As mentioned, over the last decade, SESSI has been substantially increasing the monthly amount of contribution payable by the employers on behalf of their secured employees. It has been pestering the employers and instituting court cases against them besides carrying out their audits to check whether they paid the contribution at the increased amounts. On the other hand, SESSI itself flouts the law by sticking to the maximum wage level of Rs5,000 prevalent in 2008, for the purpose of giving the mentioned benefits to workers.

How do sick workers react to this shabby treatment? They refuse such leave for which they receive paltry payment from SESSI and prefer to utilise the leave allowed to them at full salary by their respective companies. Thus, SESSI gains by saving money, the workers lose by consuming their fixed quota of company leaves, which is a deplorable situation.

Senior officials at SESSI boast in the media of spending huge amounts of money on the surgery and hospitalisation of ailing workers or the latter’s dependants, but this is how they treat the workers in general. SESSI should pay benefits to the secured workers at the actual rate of a worker’s salary — ranging from Rs15,000 to Rs20,000 — as per the existing law.

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