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Challenges of Contribution-based Social Security in Nepal

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Abstract

This article provides a comprehensive analysis of Nepal's contribution-based social security system, focusing on its development, current challenges, and future prospects. It delves into the legislative framework, particularly the labour Act 2074 and the Contribution Based Social Security Fund Act 2074 and examines the system's impact on the labour market and social protection. The study identifies key challenges such as administrative inefficiencies, gaps in coverage, and financial sustainability issues. It also presents policy recommendations to improve the system's effectiveness and inclusivity, emphasizing the need for robust reforms and better implementation strategies. The findings, supported by data from the International Labour Organization and other relevant sources, aim to offer a thorough understanding of Nepal's social security landscape and inform future policy decisions.

Keywords

Social Security, Contribution, Challenges, Nepal.

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1. Introduction

Social security is an attempt to bring the socially and economically vulnerable people out of crisis by arranging their safety and security that improves their economic and social status. Under social security, policy and programs are formulated to provide security or protection to the poor, marginalized, and vulnerable citizens. The International labour Organization (n.d.) has defined social security as protection against life risk which includes nine principal branches of social security namely medical care, sickness, unemployment, old age, employment injury, family, maternity, invalidity, and survivors' benefits. There are three key issues that social security covers. First is the positive intervention on labour market, second, social security insurance and the third one is social assistance (Ghimire, 2078 B.S.).

According to Article 22 of the Universal Declaration of Human Rights 1948, a person has the right to social security and every country should ensure the protection of economic, social, and cultural rights of an individual (United Nations, 1948). The article 43 of the Constitution of Nepal has included the provision of social security as a fundamental right. The Constitution includes the provision in the concurrent list of the federal, provincial, and local level. To ensure the contribution based social security right of the labourers and provide them the social security, the Contribution Based Social Security Act, 2074, Contribution Based Social Security Fund Regulations was promulgated in 2074. After this, the Social Security Fund (SSF) was also established in Nepal. Section 4 of the Act has provisioned that the contribution from the contribution qualified income of the labourers should be contributed to the fund and the employer enrolled in the fund should contribute the additional fixed amount to the fund in the name of its employees. However, it has been five years since the establishment of the fund and the number of employees enrolling in the fund has been slow.

From Fiscal Year 2068/069 SSF started the collection of contributions and providing insurance for workplace accidents, health insurance, and maternity health etc. The record as of 23 July 2024 shows that altogether 19,238 employers (government, non-government, and private sector) with a total of 1502924 individual workers are registered in the social security fund. In this context, the general objective of this study is to identify the challenges of contribution based social security programs in Nepal. The study focuses on the awareness status that contributes to the perception of employers on contribution based social security program in Nepal.

2. Research Methodology

For this study, researchers have used a qualitative research method. Researchers used for data collection included content analysis, Focused Group Discussions (FGDs) and Key Informant Interviews (KII). The three data collection tools were deployed during the research. First, content analysis. Under the content analysis the constitution of Nepal, legal provisions, and literature, related to contribution based social security in Nepal including the Labour Act 2074, Contribution Based Social Security Fund Act 2074, reports, various studies, and other relevant literature on contribution based social security were analyzed.

Similarly, during this research, five FGDs were held in different places in Nepal. The information on the issues such as employers' perception on SSF legal provision, its problems were collected from the participants during FGDs. Furthermore, checklist-based KIIs were conducted. Total 9 KII were conducted including trade union leaders, SSF representatives, representatives from ministry of labour, and other experts were taken. The interview checklist was prepared for this.

3. Understanding Social Security and Social Protection

The concept of social security started in the sixteenth century in Britain. According to this concept, the state had arranged a home for elderly and incapable people as well as employment opportunity for the unemployed. After the pension program for elderly people started in 1908, the formal social security program was started. After three years in 1911, insurance was introduced and in 1940 the public health insurance program was started (Briggs, 1961).

The application of social support system started in the USA and Canada in the seventeenth century. However, the formal social security plan started in the USA in 1935. The huge economic crisis in 1930s and war led to death of many people with thousands of disabled people. Thus, preventing people from the crisis at the old age and easy management of expenditure on time, the social security concept was introduced. In the Nordic countries Sweden, Norway, Finland, Denmark, and Iceland too, this plan had been initiated since long. Denmark had started the financial support to the elderly people in the early 1911. Iceland started the social security plan including old age insurance, health treatment facility and so on in 1909, Sweden in 1913, Norway in 1936 and Finland in 1939. Today most of the countries around the world have been implementing social security programs in one way or the other.

Social security is any kind of collective measure or activity designed to ensure that members of society meet their basic needs. Similarly, they are protected from the contingencies to enable them to maintain a standard of living consistent with social norms as suggested by international instruments (Khanal, 2012). He further argues that social security is any government system that provides the citizens or its members monetary assistance to people with an adequate or no income.

3·1 Social Protection

Social Protection is a set of public policies and programs which seeks to assure basic needs and a minimum level of security for the people (ILO, 2010). It refers to government interventions in response to vulnerability, risk, deprivation, and poverty which are deemed socially unacceptable in a country (Norton et al., 2002). They further argue that social protection addresses extreme deprivation, poverty and vulnerabilities and particular needs at different stages of the human's life cycle.

Social security always contributes to reduce inequalities and empower the vulnerable and marginalized population like PWDs, aging people, sick, girls, women, widow (Townsend, 2009). Khanal (2018) examines that social protection is important for inclusive, equitable, and sustainable development of the country. Social protection policies and programs can be well understood by dividing the concept into two parts. First is Social Insurance (SI) and second is Social Assistance (SA). SI covers the risks associated with sickness, unemployment, disability, maternity, old age, and industrial injury (ADB, 2012). ADB (2013) also incorporates under SI health insurance, old-age insurance, PWDs, unemployment insurances as well. According to Khanal (2018) there has been four kinds of social insurance in Nepal. The first one is retirement benefits i.e., pension, gratuities, allowances, and medical facilities, second, employees' provident fund, third, citizen investment trust and fourth, social security fund.

Similarly, SA includes health assistance, assistance for aging people, disaster relief assistance among others. These assistances are targeted to the poor and vulnerable people (Upreti, et al., 2012). Various programs under social security such as support to the senior citizens, PWDs as well as women allowances, scholarship, free health care and medicine distribution have been implementing in Nepal since long (Koehler, 2014).

3.2 Social Security

There is no common definition of the concept of social security. Social security is the security that the state furnishes against the risks of an individual and his/her dependents. Furthermore, it is instrumental in promoting human welfare and social consensus on a broad scale, and to be conducive to and indispensable for fair growth, social stability, and economic performance.

ILO (2010) defines social security as any program of social protection which is established by the legislation or any other mandatory arrangement that provides individuals with a degree of income security when faced with the contingencies of incapacity, old age, survivorship, unemployment, PWDs, or rearing children. It also offers access to preventive and curative medical facilities and services. Similarly, ILO Convention on Social Security (Minimum Standard) No. 102, in 1952 defined social security as follows:

> "Social security is widely accepted as the protection which society provides for its members through a series of public measures to; offset the absence or substantial reduction of income from work resulting from the contingencies of employment injury, maternity, sickness, unemployment, old age, invalidity, and death, provides them with health care and it also provides financial support to families with children."

Giri (1972) defined social security as one of the dynamic concepts of the modern industrial age which directly influences social, political, and economic policies in the state. Van (2007) explains the type of pension system and argues that system plays an important role to providing necessary income to elderly populations and in alleviating post retirement poverty among the poorest sector of society. According to Park (2010) a good social security system must have certain basic features including affordable, broad-based, robust, sufficient, and actuarial. Barrientos (2009) identifies a few characteristics of social security. These are certain desired properties, providing social insurance, and contributions relating to benefits, reducing inequalities across demographic groups, and increasing the incentives to work. In the meantime, Borsch-Supan (2005) explains certain prominent principles of social security. These are social Security should cover the total population of the country, welfare contributions should be withheld from employee's salaries, the level of benefits must be balanced with the contributions, it should be financially independent. Similarly, social security schemes should redistribute wealth from those who must those who need it, it should be compulsory for all citizens, and pension benefits need to be adjusted over time based on wages and inflation.

The Universal Declaration of Human Rights in Article 22 clearly indicated that everyone has a right to social security and realize it through national and international cooperation (United Nation, 2014). Article 25 of the same declaration imparts that everyone has the right to live a standard of the life for his/her health and his/her family and has the right of social security in the event of unemployment, widowhood, sickness, disability, old age, and in difficult conditions beyond his/her control.

3·3 Importance of Social Security

According to Ginneken (2005) a social security scheme is built around four constituent parts i.e., coverage, benefits, financing, and administration. Each of these has certain components for which indicators can be established. All components influence how effectively social security can be extended. Barrientos (2009) examines a large extension of the social security programs throughout the developing countries in recent times. Social security is important in developing countries, and it has a strong focus in reducing poverty and vulnerabilities. Social security always protects the poor and vulnerable people, family, and households. Barrientos further adds that social security is a key component of development policy and is expected to increase productive capacity through investing in human and physical effects.

The Social Protection Groups have recommended social security as the legal right with coverage to basic health and basic income assurance, social support to employment and creation of national security system. The groups strongly focus on basic health facilities for everyone with maternity support, elders, unemployed, sick persons, minimum income guarantee for children, and the persons with disability. ILO (2006) emphasis that there is need for countries to establish a sustainable social security system to address the growing inequalities in societies.

Social security and human rights have a very strong and significant relationship. Poudel (2013) finds out that social security benefits are related with maintaining and changing in the quality-of-life changes in living standard, maintaining the daily life after retirement from service, feeling secure and satisfied in their jobs. The main aim of social security is to ensure that no one lives below a certain level of income, and everyone has access to basic services.

3·4 Contribution-based Social Security

The contribution-based social security fund offers the different social security schemes altogether, which are in tune with the ILO Convention no. 102, 1952. ILO has a more administrative concept of social protection and includes labour protection in the social security. According to the Income Security Recommendation, 1944 No. 67, income security schemes should, restore up to a reasonable level, income which is lost due to the inability to work including old age or to obtain remunerative work, or by reason of the death of the breadwinner.

Contribution based social security is taken as a modern social security program. Traditional types of social security schemes are gradually losing their dominance in occupational pension schemes in many countries. According to Barrientos (2009) there has been a gradual shift towards a defined contribution scheme. Contributory pension is the amount of money set aside by an employer or employee or both to ensure that at retirement there is something to fall back on as income.

The contributory social security is a fully funded scheme which generates adequate funds through certain percentage of contribution from monthly earnings by both employee and employer through a form of savings. Contribution schemes are more secure because the participants see the contributions deposited in their individual accounts (Aiyabei, 2010).

Furthermore, contributory social security scheme is a system in which an employer pays certain amount of money regularly into a pension fund while the employee also pays some money into the same pension fund which forms the aggregate of what the employee gets at the time of retirement. It serves as a social welfare scheme for the age and ensures workers save to cater for their livelihood during old age (Sule & Ezugwu, 2009).

Asami (2011) evaluated the status and situation of social security in Asian countries. He found that newly industrial countries in Asia have shown good progress in the expansion and management of the social security program both quantitatively and qualitatively. According to him the two-tier mode is the best for providing basic social protection and avoiding unlimited increase in government expenditure on social insurance. Recently most of the social protection available to the public is state funded, but there is an increasing movement toward contributory social security programs in the Asian countries.

Gill et al (2005) argues that lack of proper information about the legal procedures and benefits in the reformed system leads to the employer and employees not being interested to enroll in the contribution based social security programs. Adeoye et al. (2016) studied the effectiveness of contributory pension scheme in Lagos and found that the contributory pension determines the employee's productivity and pensioners welfare. They further identified that the contributory pension scheme is one of the essential ingredients needed in both public and private enterprise which impacts on efficient utilization of employees in achieving the present and future goals of an establishment. From this study it can be concluded that contributory pension scheme is a strategy of minimizing overall cost and wastage thereby improving productivity and efficiency.

Sterns (2006) finds out that social security and pensions could discourage labour turnover from the company and enterprises. According to him if both employers and employees contribute to the scheme, then it serves as a general area of joint interest and cooperation and helps to foster better employment relations between employers and employees.

3·5 Social Security in Nepal

There is a long history of social security in Nepal. Buddhist and Hindu religion provide basic activities of social security such as giving alms, philanthropic health, and education services. According to Mathema (2012) the social security policy of Nepal was based on dictatorial system till Rana regime. It depended on the order of the head of the state.

The formal social security program started in Nepal from 1991 B.S. with the establishment of Military Money Fund for providing the financial support to the armies after retirement. Later in 2001 B.S. the public service provident fund was established for the government employees to provide financial assistance to them after retirement.

Democracy was established after the peoples' movement in Nepal in 2007 B.S. with the abolishment of autocratic Rana Regime. The country adopted the constitutions and formulated acts and regulations to turn the state activities under the rule of law in Nepal. In the meantime, Nepal became the member state of United Nation and signature country of ILO and various other international conventions.

The Public Service Act 2013 made provision of the Employees Provident Fund (EPF) the contribution based. There had been provision of collecting the saved amount of the employees in EPF established in 2019. Not only the government employees but the private organizations could also use the EPF for their labourers and employees. There are legal provisions on the social security schemes for employees such as insurance, treatment, leave, pension, and gratitude amount. The GoN initiated universal social pension scheme for the elderly, single women and PWDs in the 1994 (Khanal, 2014). These schemes have been expanded after the 2006 political change. The Constitution of Nepal gives highest priority to the social security and protection to the people.

There have been various social protection programs targeted to the vulnerable groups in the latest time in Nepal. The first step towards social protection was initiated by the GoN in 1994. The GoN announced one hundred rupees per month allowance for the seventy-five years and above citizens. The governments formed after this also went on adding some more provisions and benefits to make the beneficiaries' lives easier through social protection. Social security allowance with different rates is being distributed all over the country in cash or entitlement to the different categories of people. There are about 10 categories of beneficiaries. These are: senior citizens, widow, senior Dalits, Dalit children, single women, endangered indigenous nationalities, people with disabilities, Karnali zone children, fully disable person, Karnali zone senior citizens, and pregnant women.

They are receiving allowances as social security benefits. The Constitutions of Nepal provisioned social security to its citizens under the section of fundamental rights and duties. Social security has been included as the concurrent right of federal, provincial, and local government. Similarly, Article 41 provisioned rights for senior citizens, Article 42 specified the right to social justice, Article 43 mentioned the right to social security. There is the provision of making policy to protect the single women, orphans, children, disabled, incapacitated and people who are on the edge of extinction. Similarly, the Civil Servant Act 1993 has some provisions to support the government employees during the period of retirement in different forms.

Niraula (2018) focused on non-contributory social security program in Nepal. He further explains the trends and prospects of social security program in Nepal. He examines the social security system of Nepal that has been introduced by the government of Nepal as a social protection tool.

3·6 Contribution-based Social Security in Nepal

The concept of contribution based social security was introduced in Nepal through the budget speech of the fiscal year 2066/67 B.S. The social security program would be supported through 1 percent taxation of the first slab income of the employed people until the social security tax provision came into application. The main aim of the state was to manage further funds for expansion of the social security with time. The social security fund management and regulation was formulated in 2067 B.S. and SSF was established. The main aim of the fund was to keep the record of all contributions into a computerized system and implement various social insurance schemes.

Nepal promulgated two major legislations related to labour namely the Labour Act and the Contribution-based Social Security Act in Nepal. It also prepared regulations required for the implementation. The social security act 2074 and its regulations provide legal foundations for the application of the new scheme. The contribution based social security scheme is funded through the contributions made by the workers and the employers while workers contribute 11 percent of their basic salary, the employers to up 20 percent of the worker's basic salary. The labourers and workers are eligible to participate in the social security scheme from day one of their employment.

The Social Security Regulations has been published in Nepal Gazette on 19 November 2018 with immediate effect. The SSF has formulated the social security schemes operational directives to operate the social security schemes pursuant to section 10 of the social security act.

The regulations have not specified the sector or nature of industry, service, business, or transaction and other to enroll with SSF. So, all employers are required to be registered with the SSF. The SSF has introduced the following social security schemes,

- Medical treatment, health, and maternity protection scheme,
- Accident and disability protection scheme,
- Dependent family protection scheme, and
- Old age protection scheme.

The employer and the employees are required to contribute a certain amount of employee's basic salary each month to the SSF as showm in the following table:

Table-1 : Contribution Rate in SSF

Sr. No.	Contributor	Amount (%of basic salary)
1.	Employee	11 percent
2.	Employer	20 percent
Total		**31 percent**

Sources : Social Security Act, 2018.

According to the act, the total contributed amount is allocated for four different schemes of SSF. SSF provides each benefit within legislative framework developed and updated from time to time.

Table-2 : Schemes of SSF

Sr. No.	Social Security Schemes	% of Amount
1.	Medical treatment, health, and maternity protection scheme	1 percent

2.	Accident and disability protection scheme	1.40 percent
3.	Dependent family protection scheme	0.27 percent
4.	Old age protection scheme	28.33 percent
Total		**31 percent**

Source : Social Security Act, 2018.

At present there is provision of retirement age of 60 years and a regular pension scheme after working for 15 years according to the labour act. Only the employees who were getting salary from the government of Nepal and few public corporations were only getting these facilities while this is planned to expand to the people working in every sectors. The employees getting appointment after 17 July 2019 were covered with this scheme. However, the manpower appointed before this date and working also can be associated with this plan. Nevertheless, there have been problems with payment due to some unclear provisions in the fund. Khanal (2018) finds out that hardly any payment has been made by the fund to the intended beneficiaries.

4. Findings

In this research, five FGDs were conducted during the collection of perception of employers. These FGDs were conducted on fundamental concepts of social protection to improve understanding of social protection and contribution based social security. Similarly, KII were conducted with experts who were well known about social security and contribution based social security fund in Nepal. In this sub-chapter, the information attained from KII and FGD is analyzed and presented.

The employers during the FGDs and experts during the KIIs put forward their perceptions on why the employers have not registered in the contribution based social security fund. These are given below:

4·1 Lack of Proper Knowledge and Awareness of SSF

The employers who participated in the FGDs mentioned that they did not have enough information about the SSF policies. Some representatives from Small and Medium Enterprises (SMEs) stated that SMEs were not included in discussions regarding SSF and hence their knowledge regarding the fund and its policies is low. Similarly, participants also mentioned that their employees lack clear knowledge about SSF and its benefits. Due to this some employees feel insecure about what will happen to their salaries if the company registers in SSF. One participant mentioned facing situations where employees asked for their money back when it was deducted for SSF contributions. This is also due to lack of knowledge of SSF benefits. Some participants stated that there is a communication gap between employees and employers regarding SSF as well. Hence many employees are unsure/unclear about SSF's basic concept.

Some participants mentioned employers not being aware of their responsibilities towards employees because of not registering in SSF. One KII respondent said that although the SSF program is ideally good, there are few issues which act as impediment to being registered to the program. He added:

> "The program is ideally good; I do think that the government introduced it suddenly in a context where the stakeholders are used to the concept of EPF and are not aware of how SSF works. This made them reluctant to adopt SSF. In addition, the trust and assurance that stakeholders have in the government is not there. Another issue that employees have is receiving monetary benefits only in the future rather than present".

4·2 Confusion among the Organizations and Employers

Some SMEs representatives were not aware of SSF being compulsory for all sectors and businesses. Some had previously thought that SSF was only meant for large organizations. In the meantime, the confusion among employers is due to the existence of multiple similar programs. Some participants of FGD mentioned due to the existence of SSF along with EPF and other similar programs at the same time, employers were confused if they should register in SSF or not.

4·3 Unsatisfied by Benefits provided

Some participants of FGD expressed dissatisfaction with provisions related to returns/benefits from contributions made to SSF. A journalist who has been studying and reporting about social security and SSF for a long time also mentioned that the employees are not registered in SSF because the benefits for employees are not so attractive. He said:

> "The SSF has not brought working guidelines on benefits in accordance with the contribution collected. In many cases, the

guidelines have been made such that the benefits are less than what was received previously. Thus, banking, financial sectors and hotel business are not attracted toward SSF. The trade unions of the banking sector filed a case in the Supreme court. While contribution was 31 percent, the benefit packages are not in accordance with the contribution raised, the labour and trade unions are not attracted towards SSF. The employers also escape from this pointing on employees. In some sectors, the SSF is providing weaker benefits than that provided by insurance, Citizen Investment Fund or Employment Provident Fund. Thus, employees getting benefits from those other than SSF previously do not want to join SSF."

A high-level official of GoN also agrees with this. According to him, the benefits provided by the SSF is less compared to the contributions from the employees and employers. The employees are pressurizing the employers for not being registered to the SSF. He adds:

"Compared to the contribution, the benefit is insignificant. Until the fund rethinks this there is very little possibility of practical and effective implementation of contribution based SSF. Now the employees must contribute 31 percent and the benefit received is less than 20 percent. Thus, the employees are not attracted towards SSF. It seems that the benefit compared to that have been provided by corporate sector, bank/finances, hotel sector since long is more than that provided by SSF. The registering process has been hindered by this reason."

4·4 Problems arise when moving from one Organization to another

Some of the employers admit that it is difficult for being registered to SSF because of the employers not working in a company for long time and change the company rapidly. Participants of FGDs from Madhesh area mentioned of there being problems when a registered employee moves from one organization to another in short time.

4·5 Policy-related to SMEs and Self-employed

The SSF guidelines have not been able to include the policy related to SMEs and self-employed. The participants in the discussion stated that this is the reason for a big number of companies not being registered to SSF. Some participants of FGD mentioned that SMEs and self-employed organizations should also be included in SSF.

4·6 SSF's Administrative Procedures

Some participants mentioned that the complex administrative procedures of SSF are a reason why they have not been registered yet. The date by which contribution is to be deposited needs to be changed from the 15th of every month to a later date to make it easier for employers to process. Similarly, the participants of FGD mentioned that the insurance schemes of the SSF are extremely monotonous to claim. The process requires a lot of paperwork and requires a long time to get benefits for the victim. The process should be simplified and have easy access.

Some participants of FGD described cases where specified hospitals denied services via SSF as they confused the patient as beneficiary of the National Health Insurance program instead of SSF medical program. In order to avoid such situations, providing proper training or guidelines to implementing partners of SSF would be helpful.

4·7 Lack of Government Contribution

Many participants in the discussion admitted that they were dissatisfied with the government that there is not any contribution from the government side in the SSF. Participants in Madhesh area mentioned dissatisfaction with SSF due to there being no contribution to the fund from the government's side. An employer mentioned that there are various reasons for the employer not being registered to SSF. She said:

> "There are some issues with SSF policies that the companies are raising. There is no contribution from the government's side. There needs to be more welfare benefits in the fund for employees. The SSF is not appealing to the employers and employees for them to be registered."

4·8 Areas in Policy which require more Clarity

Many participants were not clear on what type of accidents were covered and what were not. Similarly, what is covered by the medical scheme and what by accident scheme was also not clear enough to them. SSF registration policy for firms employing ex-government, police, army personnel need more clarity as these employees cannot receive SSF currently because of the already received public pensions. This was a problem specifically expressed by representatives from security firms.

4·9 Political Reasons

The employers stated that there are two major political reasons which act as an impediment to them to being registered to SSF. First is the lack of Citizenship Certificate. Participants in all FGDs mentioned that some workers do not have Citizenship certificates which makes it difficult to register. Similarly, the second reason is foreign workers. Participants in Western Terai area pointed out that many organizations in the Terai region are dependent on workers from other nationalities including India. Those companies who rely more on Indian workers face problems in being registered to SSF because of lack of legal clarity in this issue.

4·10 Receiving Monetary Benefits only after reaching 60 years

The retirement age of government employees is 58 years. However, there is provision in SSF for getting pension only after the age of 60 years. All participants in FGD sited difficulties in motivating employees to join SSF due to provisions of SSF where monetary benefits are received only after retirement. They added that employees were unhappy that even after 60 years of age there are no provisions for receiving a one-off large amount instead. In the meantime, some respondents said that employees want money from the fund after leaving their job and not after retirement. So, though the SSF is beneficial, the employees are not positive towards this because of getting monetary benefits only after the age of 60 years.

5. Conclusion

Social security is a trendy issue and agenda in contemporary times. The traditional types of social security system and schemes are gradually losing their dominance from the many countries around the world. Barrientos (2009) explains that there has been a gradual shift towards contribution based social security from the traditional types of social security program. A contribution based social security program is a fully funded and contribution-based scheme that generates adequate funds through a certain percentage of contributions from monthly earnings by both employer and employee through a form of savings.

The awareness of the concerned persons and stakeholders is important for effective implementation of social security programs. Liebman and Luttmer (2012) argue that the contribution based social security program can be effective only when contributors are fully aware about it. Similarly, Reyers (2018) drew similar conclusion in his study carried out in South Africa. According to Reyers, if both the employers and employees are well informed about all aspects of the contribution based social security program including its importance and legal obligations, then it brings positive changes.

The study shows that employers are less aware and not fully aware of legal and policy level provisions of SSF. During the study, the majority of the employers were found to have not taken contribution as extra financial burden. However, lack of awareness, lack of knowledge of legal provisions of social security, lack of support of employees and trade unions were the major reasons behind the employers not being registered.

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