

“Arassawa”

“Arassawa” preplanned Social Security Benefit scheme

“Arassawa” preplanned Social Security Benefit scheme is executed under the parents or guardians who could enroll the children, who are below the age of 17 years under their guardianship. Once the children complete their 17 years of age, they are transferred to “Surekuma” monthly pension payment scheme and they become entitled to a pension at 60 years of age, and the amount receivable depends on the balance accumulated on their behalf.

4.1 Importance of preplanned Pension Scheme

Today's parents are highly competitive with the aim of providing the best education. In particular, parents who are restricted to a limited career framework may be restricted to it. Here, the parents struggle to get the child to have a profession limited to a certain framework, such as a doctor, engineer, accountant, etc. The main reason is that the parents direct the children for a job with a retirement salary to ensure the security of the children's future life. Here, as a trend, it is shown that people with higher wages leave a job in the private sector and turn to a job in the public sector with lower wages. To prepare the necessary path for this, parents can only be limited by a certain competitive approach to the objectives of education.

According to this, inconsistency between educational and professional qualifications and the necessary qualifications for employment can simultaneously lead to personal dissatisfaction with service, decrease in income level, and underutilization of labour resources as a whole, which can lead to loss of contribution to overall economic growth and development.

Here children are directed to extracurricular activities such as sports and creativity at a very low level. When talking about children's rights, this is also a kind of violation of rights. Furthermore, even though many people talk about the reform of children's education curriculum nowadays, when there is a change, there is a reluctance of parents with traditional ideas to face the change. The reason for that is the mentality of the parents to refer only the students to the traditional government jobs. In every aspect, the parents hope for the future security of their children to direct them to a job with a retirement salary. From all this, the parents hope to confirm the safety of the child's life after their own lifetime. Therefore, parents direct their children to sacrifice the other benefits of a job and economic stability. Keeping all this in mind, if there is a job that is stable in the present economy and ensures the future security of the children, and then a solution will be found for this problem that exists in the parents. Therefore, in the future, if you nominate a pension for your child, you will be able to provide your child with the necessary opportunity to

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do a job in the field that the child likes by providing the child with the education he or she wants without interfering with the child's existing education.

Among the challenges that we are currently facing as a country, the number of elderly population is increasing. Because of that challenge, a number of social and economic problems will be created as a society and country in the future. In such a social context, it is essential for Sri Lankan parents to include their children in retirement as a future investment. Because, there is no possibility anywhere in the world to provide a job with a pension to all the citizens.

Accordingly, in order to obtain the maximum level of contribution expected from the child in the future to the country, it is the responsibility or duty of the parents to provide the necessary social protection for the children from the beginning.

In order to reap the real benefits of the investment made in the children's generation, to ensure the necessary protection for the children in the face of the aging population of the country, and to provide solutions to the existing pressure of the entire society from the beginning, ensuring the social security of children in the overall economic growth and development process.

4.2 Benefits of “Arassawa” preplanned Social Security Benefit Scheme

“Arassawa” preplanned Social Security Benefit scheme was introduced to the children, who are below the age of 18 years under the guardianship of their parents or guardians this account will become mature when the child is 18 years old and then the account will be transferred to Surekuma Pension Scheme and afterwards member will be entitled to all benefits of Surekuma Pension Scheme subject to the mature account balance, the member’s pension will be determined.

4.2.1 Benefits of Educational milestones

- I. When Passing Grade 5 Scholarship Examination by taking the minimum Cut of Marks, a benefit of 50% from the aged value of pension will be owned.
Eg :- Rs.50,000 is granted if the minimum pension is Rs. 100,000
- II. In case the members has passed the G. C. E. (Ordinary Level) Examination with 05 Distinction Passes, a benefit equaling to the pension will be owned.
Eg :- Rs.100,000 is granted if the minimum pension is Rs. 100,000

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- III In case the member has been selected to the National University, having passed the G. C. E (Advanced Level), a benefit equaling to the double value of the pension will be owned.

Eg :- Rs.200,000 is granted if the minimum pension is Rs. 100,000

4.2.2 Other benefits

After completing the age of 18 years, the member will be granted the membership of the “Surekuma” pension Scheme and then he/ she will be entitled to all benefits of Surekuma Pension Scheme.

- Lifetime monthly pension starting from the age of 60 years
- Pension to the spouse
- Death Gratuity
- Permanent and partial disability benefits
- Permanent and completed disability benefits
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4.2.3 Other Conditions

- I. In order to receive educational benefits, the contribution must have been made one year before the date of the examination in case of payment in installments, and the membership must have been obtained before the date of the examination in case of lump sum payment.
- II. In order to be entitled to education leave benefits (additional benefits), one must have contributed towards a pension of Rs.10, 000 or more..

Chart No. 4.1: “Arassawa” Scheme – Preliminary premium chart for the monthly pension of Rs. 1,000.00

Age as at the next birthday of the Child (Years)	Amount of monthly premium (Rs.)	Number of monthly premiums	Amount if paid annually (Rs.)	Number of annual premiums	Amount if paid on lump sum basis (Rs.)
0	8	216	96	18	900
1	9	204	108	17	980
2	10	192	120	16	1,060

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3	11	180	132	15	1,150
4	12	168	144	14	1,245
5	14	156	168	13	1,350
6	16	144	192	12	1,460
7	18	132	216	11	1,580
8	21	120	252	10	1,712
9	24	108	288	9	1,854
10	28	96	336	8	2,008
11	34	84	408	7	2,175
12	41	72	492	6	2,355
13	51	60	612	5	2,550
14	67	48	804	4	2,762
15	93	36	1,116	3	2,990
16	145	24	1,740	2	3,240
17	303	12	3,510	1	3,510

- Above are the informations related to a monthly pension of Rs. 1,000 and the person can be contributed to any pension of his accord starting from the amount of Rs. 1000.00/-