

An Audit Perspective on Risks and Countermeasures in China's Social Security System

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Abstract: With the rapid social and economic development of China, the social security system plays an increasingly important role in protecting the basic rights and interests of citizens and promoting social harmony and stability^[1]. Since the beginning of reform and opening up, remarkable results have been achieved in the construction of China's social security system, the coverage has been continuously expanded, and the people's welfare level has been markedly improved. However, with the changes in the economic and social environment, the social security system also faces many challenges and risks in the process of operation, such as the imperfection of the legal system, the imbalance of income and expenditure of the social security fund, and the lack of professional ability of auditors. In view of these problems, this paper analyzes the risks faced by China's social security system from the perspective of auditing, and puts forward corresponding countermeasures and suggestions, in order to provide theoretical support and practical guidance for the further improvement of the social security system.

1. Introduction

The social security system is the cornerstone of the country's economic and social stability and is related to the basic livelihood and welfare of every citizen. Since the reform and opening up, China has made remarkable progress in the construction of the social security system, and the coverage and level of social security have been continuously improved. However, the imperfections in the system, especially in the coverage of rural pension insurance and the uneven regional security, still restrict the overall development of society. As an important means of monitoring and improving the social security system, the effectiveness of audit has a direct impact on the operational efficiency of the system and public trust^[2]. Starting from the connotation and role of the social security system, this paper analyzes the current situation and problems from the perspective of auditing, and puts forward corresponding countermeasures, aiming to promote the comprehensive improvement and long-term healthy development of China's social security system.

2. The Connotation and Role of the Social Security System

2.1. The connotation of the social security system

Since the beginning of reform and opening up, remarkable results have been achieved in the construction of China's social security system, the coverage and level of social security have been gradually improved, and the people's social welfare and quality of life have been markedly improved. However, despite these achievements, the imperfection of the social security system still restricts China's comprehensive economic and social development to a certain extent.

First of all, many problems in the rural social endowment insurance system are still a weak link in the social security system. The coverage of rural old-age insurance is relatively narrow, and the elderly population in many rural areas is difficult to obtain due old-age security due to insufficient payment ability or inadequate policy implementation. In addition, there is also an imbalance in the coverage of social security, with large disparities between urban and rural areas and between different regions. Especially in economically underdeveloped areas, the level of social security is relatively low, which cannot fully meet the basic living needs of local residents.

As a result of these problems, the gap between the rich and the poor between regions has gradually emerged, which has led to challenges to the fairness and effectiveness of the social security system. This unbalanced development has not only affected social harmony and stability, but has also had a negative impact on the sustained and healthy development of China's economy. There is a mutually reinforcing relationship between economic development and the construction of the social security system, and a sound social security system is conducive to alleviating regional differences, promoting common prosperity, and achieving sustainable economic development.

2.2. The role of the social security system

According to the regulations, citizens have the right to receive the necessary material assistance from society or the state in the event of illness, old age or incapacity for work^[3]. The realization of this right is not only a basic responsibility and obligation of society to citizens, but also an important embodiment of the modern state welfare system. However, the full implementation of this right cannot be achieved without the support of a sound and well-developed social security system. The effective operation of the social security system requires systematic planning and in-depth implementation at multiple levels such as welfare, insurance, and social assistance^[4]. Only in this way can we give full play to the overall function of social security, ensure that the security projects are truly implemented, and enable citizens to truly enjoy their due legitimate rights and interests.

The core of the social security system is social insurance, which covers multiple types of insurance, such as medical insurance, work-related injury insurance, pension insurance, maternity insurance and unemployment insurance. These types of insurance constitute the basic framework of social security, which aims to provide effective economic support and protection for citizens in the event of different risks. Medical insurance provides citizens with reimbursement and subsidies for medical expenses to reduce the financial burden of individuals and families; Work-related injury insurance provides compensation in the event of work-related injury or death of an employee; Pension insurance provides basic living security for elderly retirees; Maternity insurance provides financial support for employees during childbirth; Unemployment insurance provides a certain amount of living allowance to help citizens tide over difficulties during the period of unemployment.

However, the basic framework of social insurance alone is not enough to fully guarantee the quality of life of citizens, especially when dealing with the "old, weak, sick and disabled" and special groups without financial resources. To this end, the social security system also needs to be appropriately supplemented on the basis of social insurance. Through special care for these special

groups, welfare and social assistance programs are included in the security system. Welfare policies can provide additional financial support and life care for these groups, while social assistance can provide timely assistance when they face emergency or severe hardship. Only in this way can we ensure that the basic livelihood of special groups of people is guaranteed, so as to achieve social fairness and justice, and maintain the overall harmony and stability of society.

A sound social security system is not only the foundation for the realization of citizens' rights, but also a symbol of the progress of civilization in modern society. Through the strengthening of social insurance and the supplementary protection for special groups, the overall effect of the social security system can be better brought into play, so that every citizen can receive due help and support when needed, so as to enjoy a more dignified life.

2.3. Analyze China's social security system from the perspective of auditing

The social security system has a direct bearing on the country's economic development and social stability. A sound social security system can effectively protect the basic life and health of citizens, thereby promoting social harmony. However, the proper functioning of this system must depend on a sound oversight and audit system. Only through strict audit and supervision can we ensure that the management and use of social security funds are more standardized and transparent, so as to improve the operational efficiency and credibility of the entire system.

From an audit perspective, there are two areas to focus on. First of all, it is necessary to further strengthen the supervision and auditing of social security funds. Through enhanced auditing, it is possible to ensure that the operation process of the fund is more standardized, and that the income and expenditure of the social security fund are more accurate and reasonable. This will not only prevent the misuse or loss of funds, but also increase the transparency of fund management and enhance public trust in the social security system.

Second, it is necessary to deepen the reform of the social security system in order to improve and perfect the entire social security system. Although audits play an important role in monitoring and ensuring the stable operation of the system, audits alone are not enough. To truly address the deep-seated problems in the system, comprehensive reforms are needed to make the social security system more inclusive, efficient, and sustainable. These reforms should focus on optimizing the design of the system, enhancing the adaptability of the system so that it can better respond to changes in the economic and social environment, and ultimately build a more solid and effective social safety net that better serves the needs of the general public.

To sum up, from the perspective of auditing, it is necessary not only to strengthen the supervision and audit of the social security fund, but also to continuously deepen and promote the reform of the social security system, which complement each other and jointly ensure the long-term stability and effective operation of China's social security system.

3. Risks faced by the social security system

3.1. The Incomplete Legal System of Social Security

With the continuous deepening of China's economic opening up, the business model of enterprises has undergone significant changes. Wholly foreign-owned enterprises, joint ventures and non-state-owned enterprises have achieved rapid development driven by the national tax reduction and interest concession policy. However, due to the many deficiencies in China's social security-related legal system, the basic rights of employees in these enterprises in terms of social security cannot be fully guaranteed^[5]. The lag of laws and regulations makes it difficult for enterprises to obtain effective legal protection of their social security obligations, which in turn affects the fairness and integrity of

the social security system. Therefore, with the development of economic globalization, there is an urgent need to continuously improve and improve the laws and regulations related to social security, provide clear institutional guidance for all kinds of enterprises, and ensure that the social security rights of all citizens are treated fairly and effectively guaranteed.

3.2. Imbalance between Income and Expenditure of the Social Security Fund

From an audit point of view, the current imbalance between income and expenditure of the social security fund has become a major obstacle to the effective operation of the social security system^[6]. The lack of basic data of the social security fund can not provide a scientific and reasonable basis for the management and income of the fund, resulting in the lack of transparency in the management of the fund's income and expenditure, and it is difficult to accept public supervision, and the phenomenon of omission occurs from time to time. In addition, there is a serious disconnect between the registration, collection and declaration of the social security fund in practice. For example, the independence of law enforcement and collection has led to the widespread existence of arrears, and the complex and cumbersome collection process, cross-management of multiple departments, and the separation of collection and verification links have made the management and audit of the social security fund more difficult, which in turn has affected the long-term stability and healthy development of the social security fund. Therefore, in view of the imbalance between income and expenditure of the social security fund, it is urgent to carry out systematic reform and improvement by strengthening basic data management, optimizing the collection process, and improving the efficiency of law enforcement.

3.3. Weak Professional Skills of Social Security Fund Auditors

The sound operation of the social security system is directly related to the basic interests of the people throughout the country, and the social security fund, as the core of the system, not only involves the vital interests of the broad masses of the people, but also has a bearing on the construction of the country and social stability. Although the auditors found and put forward many effective suggestions for the management of the social security fund in the audit process, and also promoted the healthy development of the social security fund, with the rapid development of the social economy and the improvement of people's requirements for the preservation and appreciation of the social security fund, the focus of the audit work has gradually shifted from the traditional "error audit" to the "benefit audit"^[7]. This puts forward higher requirements for the professional skills and comprehensive quality of auditors. However, at present, many auditors are still deficient in professional skills and overall quality, and it is difficult to fully and effectively supervise the operation of the social security fund, and can not fully prevent the potential operational risks of the social security system. Therefore, improving the professional skills of auditors and strengthening their comprehensive quality is an important measure to ensure that the audit work of the social security fund can effectively respond to new challenges.

4. Recommendations for Improving the China's Social Security System

4.1. Strengthen the Construction of Legal System and Related Systems

In order to ensure the healthy development of China's social security system, efforts must be made to strengthen the construction of relevant laws and regulations. This includes not only improving the existing legal framework, but also improving the related review and filing system and labor security supervision system, so that the operation of the social security system can truly be based on the law

and evidence. By improving these systems, we can provide a solid legal basis for the implementation and supervision of the social security system, and ensure that all aspects of social security work can be effectively monitored and managed.

Specifically, we can gradually change the social security fee to social security tax by strengthening the pilot construction work, so as to solve the current problems in the collection and non-payment of social security funds. This transformation not only helps to increase the stability of the social security fund, but also lays a solid foundation for the rapid development of China's economy. In addition, the implementation of the development strategy of "promoting the system through auditing", through auditing to promote the continuous improvement of the social security system, improve the efficiency and effectiveness of auditing, to ensure the steady operation of the social security system.

4.2. Ensure the Balance of Income and Expenditure of the Social Security Fund

In order to deal with the imbalance of income and expenditure of the social security fund, the relevant departments must adopt scientific and effective management methods. On the one hand, a special account should be established to efficiently manage the social security fund to ensure that the flow of funds is transparent and orderly. On the other hand, it is necessary to regularly publicize the income and expenditure of the social security fund to the public, so that the public can understand the specific operation of the social security fund and enhance the transparency and credibility of the social security fund. This can not only improve the public's trust in the social security system, but also mobilize more social forces to participate in the supervision of the social security fund.

In addition, a special social audit system has been established to strengthen the effective supervision and audit of the social security fund. In the internal audit process of the social security fund, it is necessary to establish a sound supervision and management mechanism to ensure that problems can be found and reported in a timely manner during the audit process, and measures to be taken quickly to solve them. Through this multi-level audit and supervision, we can effectively prevent and resolve various risks in the operation of the social security fund and ensure the long-term and healthy development of the social security fund.

4.3. Improve the overall quality of auditors

The overall quality of auditors has a direct bearing on the quality and effectiveness of social security auditing. In order to ensure the smooth development of the audit work of the social security fund, it is necessary to strengthen the continuing education and training of auditors, and comprehensively improve their professional skills and comprehensive literacy. Through continuous education and training, auditors can continuously improve their professional knowledge and technical level to better adapt to the increasingly complex audit requirements.

At the same time, attention should also be paid to strengthening the moral training of auditors and establishing their correct values and outlook on life. Through this all-round quality improvement, auditors not only have solid professional ability, but also have high professional ethics standards, and can perform their supervisory responsibilities well in practice. Only under such efficient and professional audit supervision can China's social security system achieve healthy, stable and sustainable development.

5. Conclusion

The soundness and perfection of China's social security system are crucial to the nation's economic development and social stability. By further enhancing the legal and regulatory framework, improving the management of social security funds, increasing the efficiency of audit supervision,

and elevating the overall quality of auditors, we can effectively prevent and address the various risks and challenges faced by the social security system. These measures will promote the long-term, healthy development of China's social security, contributing not only to the realization of social equity and justice but also to laying a solid foundation for national prosperity and societal harmony.

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