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## Prelim Bits 04-01-2023| UPSC Daily Current Affairs

### Living Wage

*The government is mulling shifting to 'living wage', which is indexed to inflation, from the existing 'minimum wage'.*

- A living wage is a socially acceptable level of income that provides adequate coverage for basic necessities such as food, shelter, child services, and healthcare.
- It is the remuneration received by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family.
- Elements of a decent standard of living include basic needs and other essential needs including provision for unexpected events.
- The living wage is different from the minimum wage.
- Minimum wage is the lowest amount of money someone can earn as mandated by law.
- The minimum wage does not provide enough income to survive as it doesn't rise with inflation.
- Another alternative to minimum wages is a [Universal Basic Income](#).

### References

1. [Business Standard - What is a living wage?](#)

### Domestic Systemically Important Banks

*The Reserve Bank of India (RBI) has released 2022 list of Domestic Systemically Important Banks (D-SIBs).*

- State Bank of India, ICICI Bank, and HDFC Bank have again been named as Domestic Systemically Important Banks (D-SIBs) by RBI in 2022 list.
- **SIBs** - SIBs are perceived as banks that are '**Too Big to Fail**' and their continued functioning is critical for the uninterrupted availability of essential banking services to the real economy.
- **Genesis** - The Financial Stability Board, in consultation with the Basel Committee on Banking Supervision (BCBS) and national authorities, has identified global systemically important banks (G-SIBs) since 2011.
- Similarly, RBI has identified Domestic Systemically important banks (D-SIBs) since 2015.
- **D-SIBs** - The RBI had issued the framework for dealing with Domestic Systemically Important Banks in July 2014.
- It requires to disclose the banks designated as D-SIBs and place them in **buckets**

depending on Systemic Importance Scores.

- **Criteria** - In order to be listed as a D-SIB, a bank needs to have assets that exceed 2% of the national GDP.
- **Classification** - The D-SIBs are placed across the five buckets based on the level of their importance, with bucket five representing the most important D-SIBs.
- There are no bucket five D-SIB in India.
- **Requirement** - Banks classified as D-SIBs are subjected to additional Common Equity Tier 1 (CET1) capital requirements in addition to the Capital Conservation Buffer.
- The additional CET1 requirement is provisioned as a percentage of Risk Weighted Assets (RWA).
- The additional CET1 requirement for D-SIBs was phased-in from April 1, 2016 and became fully effective from April 1, 2019.

Since	Bank	Bucket [1 - 5 ]	CET1 as percentage of RWAs
2015	SBI	3	0.60%
2016	ICICI Bank	1	0.20%
2017	HDFC Bank	1	0.20%

## References

1. [The Hindu - RBI tags 3 banks as Systemically Important Banks](#)
2. [Indian Express - Systemically Important Banks: RBI](#)
3. [RBI - 2022 list of Domestic Systemically Important Banks](#)

## High Powered Committee on Ladakh

*The Ministry of Home Affairs has constituted a high-powered committee to ensure protection of land and employment.*

- **Formation of Ladakh** - On August 5, 2019, the special status of former State of Jammu & Kashmir under Article 370 was revoked by the Parliament.
- The former State of Jammu and Kashmir was bifurcated into two UTs - J&K and Ladakh, the latter without a Legislative Assembly.

*According to the Census 2011, nearly 80% of the total population of Ladakh are tribals. The Union Territory has a majority Buddhist population, with a sizeable Muslim population in Kargil.*

- The Ministry of Home Affairs has constituted a high-powered committee to protect Ladakh's unique culture, language and employment.
- The 17-member committee is headed by Minister of State Nityanand Rai and includes Ladakh Lieutenant-Governor R.K. Mathur.
- It will discuss measures to protect the region's unique culture and language taking into consideration its geographical location and its strategic importance.
- The committee will also discuss
  1. Measures for inclusive development and employment generation in the region
  2. Issues related to empowerment of Ladakh Autonomous Hill District Councils of

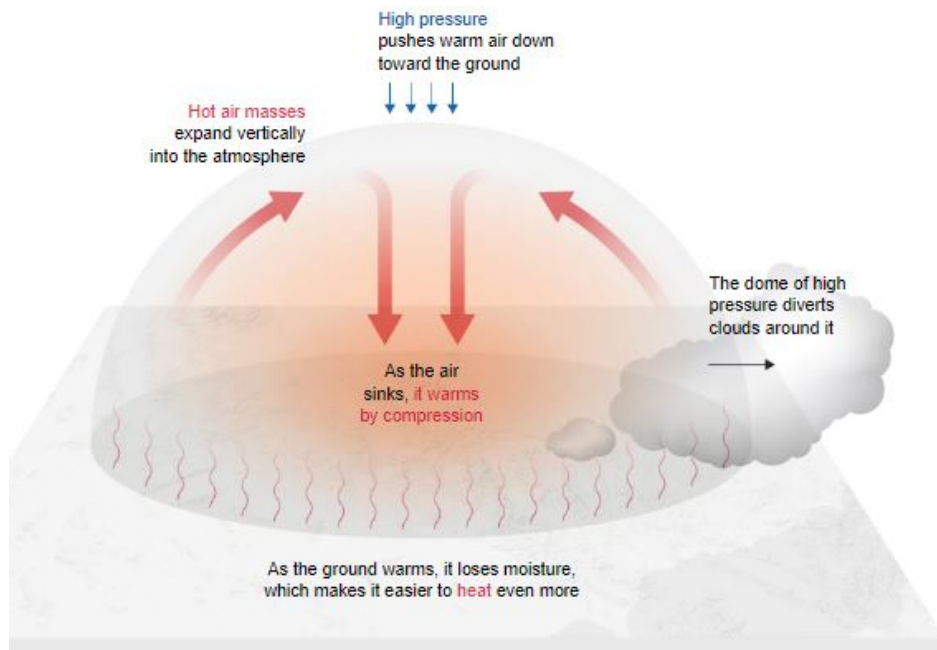
## References

1. [The Hindu - MHA constitutes high powered committee on Ladakh](#)
2. [Outlook - Ladakh Welcomes MHA High-powered Committee](#)
3. [News On Air - Centre constitutes High Powered Committee](#)

## Heat Dome

*Several parts of Europe witnessed an unprecedented winter heat wave over New Year's weekend.*

- Several parts of Europe witnessed an [unprecedented winter heat](#) wave.
- Seven European countries which includes Poland, Denmark, the Czech Republic, the Netherlands, Belarus, Lithuania and Latvia, recorded their hottest January weather ever.
- This extreme warm spell experienced by Europe is because of the formation of a heat dome over the region.
- **Heat Dome** - A [heat dome](#) occurs when an area of high-pressure traps warm air over a region (like a lid on a pot) for an extended period of time.
- The longer that air remains trapped, the more the sun works to heat the air, producing warmer conditions with every passing day.
- Heat domes generally stay for a few days but sometimes they can extend up to weeks, which might cause deadly heat waves.
- When this warm air sinks, it gets drier and further raises the temperature of the area.



## Heat dome and Jet Streams

- The formation of heat dome is related to the behaviour of the jet stream.

*Jet Stream - An area of fast-moving air high in the atmosphere which has a wave-like pattern that keeps moving from north to south and then north again.*

- When these waves get bigger and elongated, they move slowly and sometimes can become stationary.
- This is when a high-pressure system gets stuck and leads to the occurrence of a heat dome.

## **Recent Heat Domes**

- In [2021, a heat dome](#) formed over western Canada and the US, causing deadly heat waves.
- Another heat dome settled over the [US in September 2022](#) and raised temperatures which fuelled wildfires and stressed the power grid.

## **References**

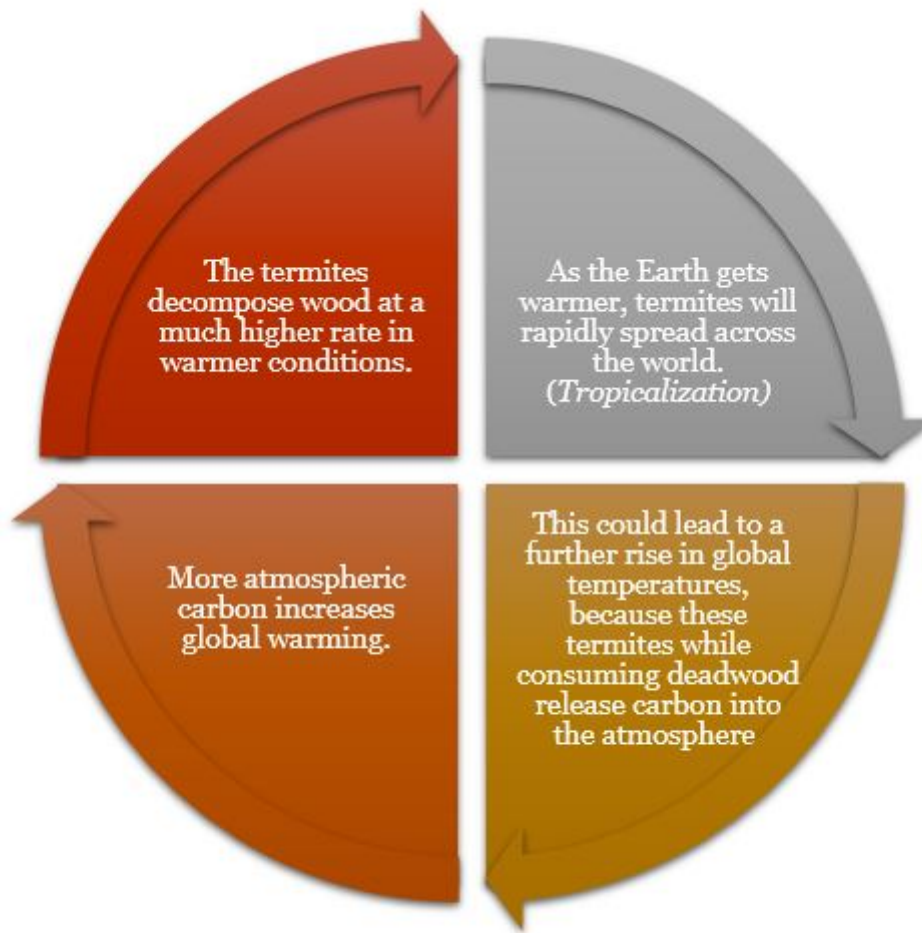
1. [Indian Express - Winter heat wave in Europe](#)

## **Termites and Global warming**

*A study revealed that as the Earth gets warmer, termites will rapidly spread across the world which in turn, lead to a further rise in global temperatures.*

- Termites are insects that feed on wood and dead plant matter.
- The termites' ability to decompose dead wood makes them an important part of the planet's ecosystem.
- They are found in colder areas as well but they play a limited role in the decaying of wood in comparison to fungi and bacteria.
- There are around 3,000 species of termites across the world, including the ones that consume plant material and even soil. The most famous are the wood-eating termites.
- These wood-eating termites were able to survive in warm and dry conditions, unlike microbes that need water to grow.
- Therefore, with tropicalization (Warming shifts to tropical climates), termite wood decay will likely increase as termites access more of Earth's surface.

*For every 10 °C increase in temperature, termites' decomposition goes up by almost 7 times.*



*Link between termite behaviour and warming world*

## References

1. [Indian Express - Link between termite behaviour and warming world](#)
2. [Science Alert - Termites May Make Global Warming Worse](#)



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