



GOVERNMENT OF INDIA
MINISTRY OF LABOR & EMPLOYMENT
O/o the Director General (Labour Welfare)

**Draft Model Welfare Scheme for Building and Other
Construction Workers**

Pursuant to the directions of the Hon'ble Supreme Court dated 4th July, 2018 subsequent to the directions contained in the Judgment dated 19th March, 2018 and 7th May, 2018 in Writ Petition (Civil) No. 318 of 2006, draft Model Scheme for welfare of Building and Other Construction Workers is hereby placed on the official website of the Government of India, Ministry of Labour and Employment for perusal and comments of the General Public and stakeholders. It is requested that the suggestions/ comments/ inputs may be submitted on or before 10th August, 2018 at E-mail IDs: punhanir@nic.in, ajav.kumar67@nic.in, is.sidhu@nic.in, satvendra.chauhan@gov.in

Draft Model Welfare Scheme as modified upto 13.7.18

Life and disability cover:

The State Welfare Board should provide minimum coverage of Rs. 4 Lakh, in case of accidental death, and Rs. 2 Lakh in the event of natural death to the dependent(s) of the deceased beneficiary, besides disability benefits.

Alternately, the State Welfare Board may cover BOC workers between 18 years and 50 years under Pradhan Mantri Jeevan Jyoti Bima Yojana(PMJJB) and Pradhan Mantri Suraksha Bima Yojana(PMSBY), by making payment of 50 per cent of the total contribution of premium amounting to Rs.171 per worker per annum, as the remaining 50 per cent will be borne by the Central Government under the converged PMJJB/PMSBY Schemes. These schemes provide coverage of Rs.2 lakhs in case of natural death and Rs. 4 lakhs in case of accidental death, besides disability benefits as per this scheme.

Compensation should be disbursed in a definite time frame not exceeding 60 days from the date of death of the beneficiary.

Health and Maternity Cover:

A suitable scheme should be formulated to extend health & maternity benefits to BOC workers and their families through ESIC . The State BOC Welfare Boards may make the contributions as required to bring BOC workers under the ESIC fold.

Till the time such a scheme is formulated and modalities worked out thereof following benefits should be provided to BOC workers:

- (i) Reimbursement of expenses up to a prescribed limit in case of major diseases as listed by the Ministry of Health & Family Welfare.
- (ii) Paid maternity leave to registered construction workers ranging from 90 days to 26 weeks for up to two deliveries.

- (iii) Rs.6000/-per delivery for up to two deliveries to the wife of the registered construction workers, which will be in addition to any other benefit received from any Government Scheme in this regard.

Education:

A minimum financial assistance for education of wards of the beneficiaries should be given at the following rates per child per annum:

- a. Class 1 to 5 at the rate of Rs. 1800
- b. Class 6 to 10 at the rate of Rs 2400,
- c. Class 11 to 12 at the rate of Rs 3,000
- d. Graduation courses at the rate of Rs 10,000,
- e. Post-Graduation courses at the rate of Rs 12,000
- f. ITI/Vocational course/Professional Course at the rate equivalent to annual fee of Govt institutes/colleges

It should be ensured that the beneficiary ward maintains 50% of the annual attendance in the class.

This is besides the Special Centres that the State should open for migrant workers.

The above benefits will be in addition to any other benefit received from any Government Scheme in this regard.

It was felt that this amount is sufficient to incentivize the wards to go to school and encourage live registration of workers.

Housing:

Section 60 direction of the Central Government dated 11.7.17 in regard to provision of transit accommodation/hostel/labour shed/night shelter etc. are reiterated , the salient features of which are quoted below:

(A) The BOC workers are predominantly migratory who move from one place to other in search of work. During the period

of transit or until they find work, they face great hardship due to lack of basic facilities like transit shelters, toilets etc., in and around the area common for their gathering in a city or metro.

(B) In order to mitigate the hardship that a BOC worker faces, the States are advised to take proactive steps to facilitate transit accommodation/labour shed cum night shelter, mobile toilets and mobile crèches to BOC workers in the areas of their concentration prior to their finding work.

(C) While incurring expenditure on such facilities due care has to be taken so as to ensure that sufficient funds remain available for providing social security to BOC workers on a sustained basis, which is the first and foremost objective of the BOCW Act. Social security benefits will hold precedence over all other existing benefits and that only after meeting these priority expenses, any balance of fund may be utilised for giving additional benefits under section 22 (h) of the Act.

(D) Besides, the following conditions should be adhered to:

- (a) The land should belong to the Government/ Local Body;
- (b) It should be at a Central location;
- (c) Priority should be given to Tier I & II cities;
- (d) It must be used exclusively for BOC Workers;

- (e) A Rent/User-fee must be charged and a record/register for the same must be maintained;
- (f) The building must be maintained properly and all amenities provided for the users;
- (g) The cost of providing transit accommodation, mobile toilet facilities and mobile crèche facilities must not exceed 10 per cent of the total expenses incurred during that financial year; and
- (h) It must be ensured that it is not contrary to the provisions contained in Section 33, 34, 35 and 36 of the Act and the Rules framed there under wherein it is the employer's obligation to provide temporary accommodation and other facilities to the BOC workers within the work site or nearby it. Thus it is to be ensured that the transit accommodations and

other facilities are not used in lieu of accommodations and other provisions to be facilitated by the employer.

The above provision was objected to by the representatives of NCC and BMS, as they were of the view that transit accommodation/labour shed/night shelter etc should not be made out of the cess fund.

In light of the above, it is stipulated that not more than 10 per cent of the cess amount collected in a year should be spent on this provision, including for giving loans/advances to the BOC workers as per Section 22 (c) of the BOCW Act.

Skill development:

There should be convergence of the skill development activities of the BOCW Board with those of the State Skill Development Missions/Ministry of Skill Development and Entrepreneurship and National Skill Development Corporation so as to maximize benefits to the BOC workers and their dependents and help them upgrade their skills or diversify by acquiring new set of skills.

During such training period the worker should be given financial assistance in the form of stipend & training expenses and such training may be limited to once in 3 years. Skill development may also be provided to the dependents of a BOC worker but that may be without any stipend. A cap of 10% of cess collected in a financial year may be kept on the expenditure under this provision.

Pension:

There was difference of opinion regarding pension benefits as some members of the Committee were apprehensive that this would constitute a permanent liability which States may not be able to sustain in the long term. It was also pointed out by PFRDA/LIC representative that a corpus of more than Rs 1 lakh per worker is required to sustain a pension of Rs 1000 per month. One of the views in the Committee was to set side 20% of the cess fund, which at present would come to around Rs.6000 crores (i.e., 20% of the existing cess fund of approx. Rs.30,000 crore), to provide

pension of Rs.1000 per month to around 6 lakh workers. The figure of 6 lakhs is based on the premise that around 2% of approx 3 crore registered BOC workers would be of pensionable age.It was decided that full data from the states should be collected so as to arrive at any final decision in this regard.

The sub-committee constituted for this purpose would also explore the feasibility of extending the coverage of Atal Pension Yojana or similar scheme suitable to BOC workers in consultation with PFRDA while keeping in mind its sustainability in the long run e.g. for BOC workers in the age group of 18-40 years , the State Welfare Board may pay 50%of the contribution to the Atal Pension Yojana scheme, subject to a maximum of Rs.1000 per month. The remaining 50% contribution will have to be given by the worker.

It is also clarified that those BOC workers availing benefits from ESIC and EPFO through matching contributions from employer and employee (i.e. the organized workers), will not be entitled to such benefits under the welfare schemes under the BOCW Act, 1996.
