

MINISTRY OF LABOUR & EMPLOYMENT

Press Release

Date: 23rd June, 2020

Two crore Building and Other Construction Workers (BOCW) received cash assistance of Rs 4957 crores during lockdown

In a significant move, the States Governments, in response to the advisory dated 24th March, 2020 issued by the Ministry of Labour & Employment, have disbursed a substantial amount of Rs 4957 crores cash assistance till date to approximately two crore registered construction workers across the country during the lockdown. About 1.75 crore transactions were done directly into the bank accounts of the workers through Direct Benefit Transfer (DBT). Apart from cash benefits ranging from Rs 1000 to Rs 6000 per worker during the lockdown, some of the States have also provided food and ration to their workers.

During the challenging times of COVID-19 lockdown, Ministry of Labour & Employment, which is the Nodal Central Ministry to coordinate with all the State Governments and State Welfare Boards in the matter of welfare of the construction workers, has left no stone unturned in ensuring timely cash transfers to them, when they needed it the most.

The building and other construction workers (BOCW) are the most vulnerable segment of the unorganized sector workers in India. They work under aggravating conditions with uncertain future. A large chunk of them are migrant labourers working in different states far away from their native places. They play a significant role in nation-building yet find themselves on the margins of the society.

The Building and Other Construction Workers Act, 1996 was enacted to regulate the employment and conditions of service of these workers and to provide for their safety, health and welfare measures. The Act along-with the Cess Act has played a significant role in coming to the rescue of construction workers by providing them subsistence during the tough times of pandemic. Under the Act, the State Governments through their State Welfare Boards are mandated to frame and implement welfare schemes for construction workers. The fund comprises the Cess @1% of construction costs which is levied and collected by the State Governments and remitted to the Welfare Fund.

A timely advisory was sent to all the Chief Ministers on 24th March, 2020 by the Union Minister of Labour and Employment, advising the States to frame a scheme under section 22 (1) (h) of the Act, for transfer of adequate funds in the bank accounts of construction workers through direct benefit transfer (DBT) mode. The amount to be granted to the construction workers was to be decided by the respective State Governments necessary for their subsistence. The advisory was issued to help mitigate the financial crisis faced by construction workers. A similar letter was also written by the Secretary of Labour & Employment to the Chief Secretaries of all the States and vigorously followed through Video Conferencing from time to time.

There are some Building and Other Construction Workers, who are still out of the range due to reasons such as their migratory nature, changing work-sites, low levels of literacy and awareness. In order to address the issue, the Union Ministry has planned to launch a Mission Mode Project to fast track the registration of the left-out Workers, portability of benefits, universalisation of social security schemes on health insurance through Pradhan Mantri Jan Arogya Yojna (PM-JAY), life & disability cover through Pradhan Mantri Jeevan Jyoti Bima Yojna (PMJJBY) & Pradhan Mantri Suraksha Bima Yojna (PMSBY), life-long pension during old age through Pradhan Mantri Shram-Yogi Maandhan Yojna (PM-SYM) and provision of transit accommodations in large cities.
