

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:1204
ANSWERED ON:02.08.2010
CONSTRUCTION WORKERS WELFARE CESS
Roy Shri Nripendra Nath

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether builders and contractors have to pay 1 per cent cess for Labour Welfare Fund under the Building and Other Construction Workers Welfare Cess Act, 1996;
- (b) if so, the details thereof;
- (c) the amount/fund collected by the Government alongwith the amount being utilised for the welfare of construction labourers during each of the last three years and the current year, State-wise; and
- (d) the action taken by the Government against the defaulters, State-wise?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI HARISH RAWAT)

- (a) & (b): As per the Building and Other Construction Workers' Welfare Cess Act, 1996 and Rules made thereunder Cess @ 1% of the cost of construction incurred by the employer is levied for the purposes of Building and Other Construction Workers (RECS) Act, 1996. The proceeds of the cess collected is transferred to the State Building and Other Construction Workers Welfare Board.
- (c): As per the information received from State/UT Governments a statement indicating the cumulative amount of cess collection and cess spent for the last three years is annexed. Information in respect of current year is yet to be received from the State/UT Governments.
- (d): Though the responsibility of collecting cess and its utilization for welfare activities is that of respective State Governments, the Central Government has been impressing upon the State Governments to implement the provisions of the Act effectively through letters, video conferences and workshops.