

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

UNSTARRED QUESTION NO:5126
ANSWERED ON:05.09.2011
SENGUPTA COMMITTEE REPORT
Nirupam Shri Sanjay Brijkishorilal

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

- (a) whether the Sengupta Committee Report estimates that 93 per cent of India's workforce is in the informal sector;
- (b) if so, the details thereof with specific reference to the recommendations of the Committee;
- (c) whether the Government has implemented the recommendations of the report and if so, the details thereof; and
- (d) the details of the legislations that pertain to this sector including those aimed at regulating the same?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF LABOUR AND EMPLOYMENT(SHRI MALLIKARJUN KHARGE)

(a) & (b) The report of the National Commission for Enterprises in the Unorganised Sector (NCEUS) estimates that about 92 percent workforce is in the informal sector. The salient feature of the report is annexed.

(c) On the basis of the recommendations of the Commission and comments of other stakeholders, the Government enacted the Unorganised Workers Social Security Act, 2008 envisaging formulation of social security scheme for these workers.

(d): The following are legislations for unorganized sector:

The Mica Mines Labour Welfare Fund Act, 1946;

The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972;

The Iron Ore, Manganese Ore and Chrome Ore Mines Labour Welfare Fund Act, 1976;

The Beedi Workers' Welfare Fund Act, 1976;

The Cine Workers' Welfare Fund Act, 1981.

The Building and Other Construction Workers (Regulation of Employment and working Conditions) Act, 1996;

The Inter-State Migrant Workmen Act, 1979

The Contract Labour (Regulation and Abolition) Act, 1970;

The Minimum Wages Act, 1948,

The Equal Remuneration Act, 1976; and

The Child Labour (Prohibition and Regulation) Act, 1986,

STATEMENT REFERRED TO IN REPLY TO PART (a) & (b) OF THE LOK- SABHA UNSTARRED QUESTION NO. 5126 FOR 05.09.2011 REGARDING SENGUPTA COMMITTEE REPORT

Salient features of the Report of National Commission for Enterprises in the Unorganised Sector on Social Security for unorganized sector The National Commission for Enterprises in the Unorganised Sector (NCEUS) in its report on Social Security for Unorganised Workers has recommended a legislation for the social security for unorganised workers. The salient features of the proposed legislation are:

Social Security Benefits

The Central Government to formulate a scheme to be called National Social Security Scheme for unorganised workers consisting of following minimum social security benefits:

(i) hospitalisation cover up to Rs.15,000 and sickness cover for the registered worker during hospitalization at Rs.50 per day for a maximum period of 15 days.

(ii) Maternity benefit of Rs.1,000 (maximum) per delivery

(iii) Personal accident cover in the event of death of earning head of family to the tune of Rs.25,000

(iv) Two options for old age security: (a) Monthly old age pension of Rs.200 per month to all poor (BPL) old aged (60+) workers, and

(v) Provident Fund to all other workers (who are required to contribute to the national social security scheme).

The State Government may formulate schemes relating to:

Provident fund

Employment injury benefits

Housing schemes

Educational schemes for children of workers

Skill upgradation; etc.

Funeral Assistance

Marriage of daughters; and

Any other schemes to enhance the socio-economic security of unorganized workers.

Setting up of National Social Security Fund:

(a) Grants and loans from the Central Government.

(b) Contribution from workers, employers, Governments for the specified national minimum social security given as under :

(i) Rs. 1/- per day for BPL workers by the Central Government

(ii) Rs. 1/- per day by the employer wherever identified. For those where employer is not identified, the contribution to be shared by the Central Government & State Government in the ratio of 3:1

(iii) Rs. 0.75 per worker per day by the Central Government and Rs. 0.25 per worker per day by the State Government