

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

UNSTARRED QUESTION NO:1465
ANSWERED ON:21.07.2014
CESS FROM CONSTRUCTION WORKERS
Birla Shri Om

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

- (a) whether any cess has been imposed on the States under the Workers Welfare Act, 1996 for welfare of workers engaged in construction sector;
- (b) if so, the details thereof along with the total amount deposited under the said head and the amount spent out of the amount collected during each of the last three years and the current year, State-wise;
- (c) whether the Government proposes to formulate uniform guidelines for each State for ensuring proper use of the said fund by the State Governments for the welfare of construction workers in the country; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE FOR STEEL, MINES, LABOUR AND EMPLOYMENT (SHRI VISHNU DEO SAI)

(a) & (b): Under the Building and Other Construction Workers' Welfare Cess Act, 1996, a cess @ 1% of the construction cost is collected by the State governments and given to the respective State Building and Other Construction Workers' Welfare Boards for meeting the expenses on welfare of construction workers. As per the information received from State governments, a statement indicating the cumulative amount of cess collected and amount spent during the last 3 years is annexed.

(c) & (d): The responsibility of collecting cess and its utilization for welfare of workers lies with the respective State Governments and State Building and Other Construction Workers' Welfare Boards.

The Central Government has been issuing instructions to the State Governments and State Building and Other Construction Workers Welfare Boards for taking steps to accelerate registration of construction workers, collection and utilization of cess. The Central Government has also issued directions under Section 60 of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 asking, inter-alia, the States to mandatorily provide welfare schemes for the workers covering death benefits, accident benefits, funeral assistance, education assistance, pension for persons not able to work due to old age/ disability, medical insurance, assistance for purchase of tools, skill upgradation, maternity benefits and grant for repairs and construction of houses.