

F.No.Z-13011/03/2007-BL (Pt)
Government of India
Ministry of Labour & Employment

Jaisalmer House,
26 Man Singh Road, New Delhi
Dated: September 9, 2015

Order under Section 60 of BoCW Act, 1996

Sub: Utilization of Building and Other Construction Workers' Welfare Cess –reg.

Read: Section 60 of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. (BoCW Act, 1996)

Whereas, the BOCW Act 1996 aims at regulating the safety, health, welfare and other conditions of service of BOC workers through the Welfare Boards in every State/UT, which are administered by the respective State/UT:

Whereas, Section 22 of the said Act comprehensively stipulates the functions of the Welfare Board as under:

- (i) Provide immediate assistance to a beneficiary in case of accident;
- (ii) Make payment of pension to the beneficiaries who have completed the age of sixty years;

- (iii) Sanction loans and advances to a beneficiary for construction of a house not exceeding such amount and on such terms and conditions as may be prescribed;
- (iv) Pay such amount in connection with premia for Group Insurance Scheme of the beneficiaries as it may deem fit;
- (v) Give such financial assistance for the education of children of the beneficiaries as may be prescribed;
- (vi) Meet such medical expenses for treatment of major ailments of a beneficiary or, such dependent, as may be prescribed;
- (vii) Make payment of maternity benefit to the female beneficiaries; and
- (viii) Make provision and improvement of such other welfare measures and facilities as may be prescribed.

Whereas, Section 24 (2) (a) mandates the Welfare Board to utilize the BOCW Fund for discharging the functions under Section 22;

Whereas, the said Act u/s 60 also empowers the Central Government to give directions to the State Government or to a Board as to execution of any of the provisions of this Act;

Whereas, it is observed that the directions issued in the past u/S 60 of the said Act have not yielded the desired outcome which is reflected by accumulation of huge amount of BOCW Cess Fund with the welfare Boards and inadequate provisions for safety, health, welfare and other conditions of service of the BOC workers; and

Whereas, it is felt expedient in the larger public interest to issue comprehensive set of directions, superseding all the directions issued in the past, for utilisation of the Cess Fund.

2. **Now, therefore,** in exercise of the powers conferred on the Central Government under Section 60 of the said Act, MoLE hereby directs all State Governments and Union Territory Administrations to mandatorily discharge their respective functions as delineated under Section 22 of the Act.

3. The welfare schemes which shall be facilitated and/or financed by the Board with reference to the mandatory provisions of the Act are mentioned below:

- i. To ensure benefits under the **Employees Compensation Act, 1923**; and **other life insurance schemes.**
- ii. To ensure payment of **additional ex-gratia amount** as fixed by the Board for death and disability in case of accident.
- iii. To ensure enrolment of the eligible workers under **Employees' Pension Scheme, 1995**, and **Employees' Deposit Linked Insurance Scheme.**
- iv. For the workers who are not covered under Employees' Pension Scheme, 1995, and Employees' Deposit Linked Insurance Scheme, the Board shall opt for **Atal Pension Yojana** or other similar schemes not inferior to Atal Pension Yojana, ensuring a **pension of at least Rs. 1000 per month. The Board shall pay a minimum of 50% of the contribution and remaining will be borne by the beneficiaries.**
- v. Board shall make contribution in payment of the premia payable by the beneficiary for enrolment under **Pradhan Mantri**

Suraksha Bima Yojana and Pradhan Mantri Jeevan Jyoti Bima Yojana. The Board shall pay a minimum of 50% of the premium and remaining will be borne by the beneficiaries.

- vi. For a scheme of funding for education of the children of the registered building construction workers, it has been provided that under the Aam Aadmi Bima Yojana scheme, the Board shall pay the scholarship if the same is not available from the Government.
- vii. Board shall ensure that the workers are enrolled under **Employees' State Insurance Scheme.**
- viii. The Board shall ensure that those who are not covered under ESIC are covered under **Rashtriya Swasthya Bima Yojana** or any other such scheme for the purpose of Health Insurance. The Board shall facilitate **Health Insurance coverage having annual premium of not less than Rs.750/- per beneficiary.** for those who are not covered under Rashtriya Swasthya Bima Yojana. The Board shall pay a minimum of 50% of the premium and remaining will be borne by the beneficiaries.
- ix. The Board shall ensure enrolment of female workers and drawal of benefits from the employer under the **Maternity Benefit Act.**
- x. The Board shall formulate a scheme, not inferior to the benefits being made available under **Maternity Benefit Act,** for the female beneficiaries who are not covered under **Maternity Benefit Act.** The Board shall pay a minimum of **50% of the premium and remaining will be borne by the beneficiaries.**
- xi. The Welfare Board shall facilitate payment of subsidy for the construction of houses by the respective authority under different schemes of the Government.
- xii. The Board shall ensure either implementation of **Recognition of Prior Learning (RPL) of Construction Worker Scheme** and

benefits thereunder to the construction workers or formulate and implement any other scheme for skill building of construction workers, the benefits of which are not inferior to Recognition of Prior Learning (RPL) of Construction Worker Scheme. The Scheme shall be funded through BoCW Cess as envisaged under the Scheme.

- xiii. The Board may formulate **skill development scheme** for the family members of building construction workers preferably at the site of the building construction.
- xiv. The Board shall also ensure that safe drinking water, sanitation, shelter, crèches and other welfare measures and facilities by the employers as prescribed under the Act are being provided to the building and other construction workers at construction site.
- xv. The Board will furnish **quarterly return** in regard to the activities mentioned above to the Central Government in terms of section 57 of the Act and shall **place the list of beneficiaries and the benefits made available to them in the public domain** through an IT platform.

4. State Governments/UTAs and their respective Building and Other Construction Workers' Welfare Boards shall take immediate steps for utilizing the cess fund on account of the above mentioned activities.

5. Any welfare scheme, which is not in conformity with the provisions of the Act and being undertaken by any State/UT Govt/ Welfare Board by way of utilizing BoCWCess Fund, collected under the BoCWCess Act, would cease to exist with immediate effect. If any State/UT Govt./ Welfare Board proposes to continue any such scheme

beyond the date of this Executive Order, then the expenditure on the same have to be borne by the State/UT Govt. through its own resources.

6. In case sufficient funds are not available with any Welfare Board, the schemes mentioned in para 2 above may be amended with the concurrence of the Ministry of Labour & Employment, Government of India.

By Order and in the name of the President of India, this 9th day of September, 2015.

Sd/-

(A K Singh)

Under Secretary

1. Principal Secretary to the Prime Minister
2. Cabinet Secretary
3. Secretary, GOI, Expenditure/MoHF&W/ MoC&IT/MoRD
4. Chief Secretaries (All Sates) /Administrators (All UTAs)/State/UT Labour Secretaries(All)