

7.1 The Government has provided social security cover to most of the workers in the organized sector through the Employees Provident Fund Organization (EPFO) and Employees State Insurance Corporation within the legal framework. However, by and large, no such social security cover has been provided to the workers in the unorganized sector who constitute 93% of the total work force. The concept of Labour Welfare Fund was, therefore, evolved in order to extend a measure of social assistance to workers in the unorganized sector. Towards this end, separate legislations have been enacted by Parliament to set up five Welfare Funds to be administered by Ministry of Labour & Employment to provide housing, medical care, educational and recreational facilities to workers employed in beedi industry, certain non-coal mines, and cine workers.

7.2 The scheme of Welfare Funds is outside the framework of specific employer and employee relationship in, as much as the resources are raised by the Government on a non-contributory basis and delivery of welfare services affected without linkage to individual worker's contribution. Welfare funds, which follow a sectoral approach, are in addition to a large number of various other poverty alleviation and employment generation programmes, which follow a regional approach and for which most of these workers are eligible.

### LABOUR WELFARE FUNDS

7.3 The Ministry of Labour & Employment is administering five Welfare Funds for beedi, cine and certain categories of no coal

mine workers. The Funds have been set up under the following Acts of Parliament for the welfare of

these workers:-

- ♦ **The Mica Mines Labour Welfare Fund Act, 1946;**
- ♦ **The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972;(LSDM)**
- ♦ **The Iron Ore, Manganese Ore and Chrome Ore Mines Labour Welfare Fund Act, 1976;(IOMC)**
- ♦ **The Beedi Workers' Welfare Fund Act, 1976; and**
- ♦ **The Cine Workers' Welfare Fund Act, 1981.**

7.4 The Acts enable the Central Government to meet the expenditure incurred in connection with measures and facilities which are necessary or expedient to promote the welfare of such workers. In order to give effect to the objectives laid down in the above Acts, various welfare schemes have been formulated and are under operation in the fields of Health, Social Security, Education, Housing, Recreation and Water Supply.

7.5 Ministry of Labour and Employment has initiated action for rehabilitation of the beedi workers to provide them alternate source of employment for viable alternative sources of livelihood as there is apprehension among Beedi Manufacturers / Beedi Workers Associations that employment may be reduced in beedi industry due to the labeling the pictorial warning on beedi bundles specified under the Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003.

7.6 30-bedded Hospital at Mukkudal (Tamil Nadu) has been made fully functional from 16<sup>th</sup> July, 2008.

- **9966 houses** sanctioned for beedi workers in Andhra Pradesh during 2003-04 to 2005-06 under EWS component.
- **2,512 houses** sanctioned in Tirunelveli district in Tamilnadu.
- **Excess drawn subsidy** of Rs. 25 Lakh by Andhra Pradesh Government in respect of 707 houses in Medak District.
- Construction of **1500 houses** by M/s. Rajiv Gandhi Housing Corporation Limited- State nodal agency of Karnataka for the Mandya Taluk Beedi Workers Multipurpose Co-op. Society.
- **501 houses** by Maa Saheb Beedi Kamgar Sahakari Gruh Nirman Sanstha Maryadit Society in Kumbhari, District Solapur, Maharashtra.
- **277 houses** by M/s. Swami Samrath Beedi Kamgar Sahakari Gruh Nirman Sanstha Maryadit Co-op. Society in Kumbhari, District Solapur, Maharashtra.
- **80 houses** by Shramik Beedi Kamgar Sahakari Gruh Nirman Sanstha Maryadit, Gunjalwadi in Ahmednagar District., Maharashtra.

7.12 The Labour Welfare Organization which administers these Funds is headed by a Director General (Labour Welfare)/Joint Secretary. He is assisted by the Welfare Commissioner (Headquarters) of Director rank, who supervises nine Regional Welfare Commissioners for the purpose of administration of these Funds in the States. The jurisdiction of each Welfare Commissioner has been shown in the **Table 7.1**.

### **ADVISORY COMMITTEES AND THEIR MEETINGS**

**7.13** To advise the Central Government on matters related to administration of the above Funds, tripartite Central Advisory Committees have been set up under the respective Welfare

Fund Acts. These Committees are headed by a Chairman nominated by Union Labour and Employment Minister. The Central Advisory Committees on Beedi Workers Welfare Fund and Cine Workers Welfare Fund have 21 members, 7 each from Central Government, Employers' Organizations, and Employees' Organisations respectively and Central Advisory Committee on Iron Ore, Manganese Ore and Chrome Ore Mines Labour Welfare Fund and Limestone & Dolomite Mines Labour Welfare Fund have 18 members, 6 each from Central Government, Employers' Organizations, and Employees' Organisations respectively excluding the Chairman and Secretary.

7.14 Last meetings of Central Advisory Committees on the Cine Workers Welfare Fund and Beedi Welfare Fund were held on 19.12.2008 and 27.02.2009 respectively..

### **LEVY OF CESS**

7.15 Labour Welfare Funds are financed out of the proceeds of the cess levied under the respective Cess/Fund Acts on manufactured beedis, feature films, export of mica, consumption of limestone & dolomite and consumption and export of iron ore, manganese ore & chrome ore as per the rates given below:-

- ◆ Beedi Workers Welfare Cess Act, 1976 provides for levy of cess by way of excise duty on manufactured beedis from Re.1/- to Rs.5/- per thousand manufactured beedis. This is presently Rs 5/- per thousand manufactured beedis w.e.f. 1<sup>st</sup> April, 2006.
- ◆ The Cine Workers Welfare Cess Act, 1981 provides for duty of cess, at such rate not being less than one thousand rupees and not exceeding twenty thousand rupees, on every feature film submitted to the Chairman, Central Board of Film Certification. This is Rs.20,000/- per feature film of Hindi and English and for regional films it is Rs.10,000/- per film w.e.f. 20.04.2001.

Table 7.1

**WELFARE COMMISSIONERS AND THEIR JURISDICTION**

Sl. No.	Name of Region	States Covered
1	Welfare Commissioner, Allahabad	Uttar Pradesh, Himachal Pradesh, Punjab, Jammu & Kashmir and Uttaranchal
2	Welfare Commissioner, Bangalore	Karnataka & Kerala
3	Welfare Commissioner, Ajmer	Gujarat, Rajasthan & Haryana
4	Welfare Commissioner, Bhubaneswar	Orissa
5	Welfare Commissioner, Kolkata	West Bengal, Assam, Tripura & Meghalaya
6	Welfare Commissioner, Hyderabad	Tamil Nadu & Andhra Pradesh
7	Welfare Commissioner, Jabalpur	Madhya Pradesh and Chhattisgarh
8	Welfare Commissioner, Karma	Bihar and Jharkhand
9	Welfare Commissioner, Nagpur	Maharashtra & Goa