

**STANDING COMMITTEE ON LABOUR  
(2007-08)**

**(FOURTEENTH LOK SABHA)**

**MINISTRY OF LABOUR AND EMPLOYMENT**

**THE UNORGANISED SECTOR WORKERS' SOCIAL SECURITY BILL,  
2007**

**TWENTY-FIFTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*November 2007/Agrahayana, 1929 (Saka)*

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2007**

*Presented to Lok Sabha on 3.12.2007*

*Laid in Rajya Sabha on 3.12.2007*



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NEW DELHI**

*November 2007/Agrahayana, 1929 (Saka)*

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**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR (2007-2008)****Shri Suravaram Sudhakar Reddy – CHAIRMAN**

## MEMBERS

*Lok Sabha*

2. Shri Furkan Ansari
3. Shri Subrata Bose
4. Shri Santasri Chatterjee
5. Shri Thawar Chand Gehlot
6. Shri Munawar Hasan
7. Smt. Sushila Kerketta
8. Shri Mohammad Tahir Khan
9. Shri Virendra Kumar
10. Shri Basangouda R. Patil
11. Shri Devidas Pingle
12. Shri Chandra Dev Prasad Rajbhar
13. Shri Mohan Rawale
14. Shri Dhan Singh Rawat
15. Shri Kamla Prasad Rawat
16. Smt. C.S. Sujatha
17. Shri Parasnath Yadav
- \*18. Shri Ramdas Athawale
19. Vacant
20. Vacant

*Rajya Sabha*

21. Chowdhary Mohammad Aslam
22. Shri Rudra Narayan Pany
23. Shri Narayan Singh Kesari
24. Shri K. Chandran Pillai
25. Shri Gandhi Azad
26. Ms. Pramila Bohidar
27. Shri Dilip Ray
- \*\*28. Shri Arjun Kumar Sengupta
29. Vacant
30. Vacant

## SECRETARIAT

- |                      |   |                            |
|----------------------|---|----------------------------|
| 1. Shri S.K. Sharma  | - | Additional Secretary       |
| 2. Shri N.K. Sapra   | - | Joint Secretary            |
| 3. Shri R.K. Bajaj   | - | Director                   |
| 4. Shri N.K. Pandey  | - | Deputy Secretary-II        |
| 5. Smt. Mamta Kemwal | - | Deputy Secretary-II        |
| 6. Ms. Mili George   | - | Senior Executive Assistant |

\* Changed the nomination from Committee on Railways to  
Committee on Labour w.e.f. 21 August 2007.

\*\* Nominated w.e.f. 14.9.2007

## INTRODUCTION

I, the Chairman of the Standing Committee on Labour having been authorized by the Committee to submit the report on their behalf present this Twenty-Fifth Report on “The Unorganised Sector Workers’ Social Security Bill, 2007” of the Ministry of Labour and Employment.

2. “The Unorganised Sector Workers’ Social Security Bill, 2007” was introduced in Rajya Sabha on 10 September 2007 and was referred to the Standing Committee on Labour by the Hon’ble Speaker, Lok Sabha under Rule 331E (b) of the Rules of Procedure and Conduct of Business in Lok Sabha for examination and report within three months from the date of publication of the reference of the Bill in Bulletin Part-II of Lok Sabha dated 20 September 2007.

3. The Bill aims to provide for social security and welfare of the unorganized sector workers’ and deals with matters connected therewith or incidental thereto. The Bill also, inter alia provides for setting up of a National Social Security Advisory Board by the Central Government to recommend suitable welfare schemes for different sections of unorganized sector workers, constitution of a State Social Security Advisory Boards by each State Government to recommend suitable welfare schemes for different sections of unorganized workers in the States.

4. The Committee obtained written information on various provisions contained in the Bill from the nodal Ministry, i.e. the Ministry of Labour & Employment. The Committee at their sitting on 8 October 2007 held a preliminary briefing with the representatives of the Ministries of Labour and Employment, and Law & Justice (Department of Legal Affairs) on the provisions of the Bill. Owing to the importance of the Bill and the cascading effect it will have on the largest chunk of the working class, the Committee at their sitting held on 8 October 2007 decided to invite the views of experts, organizations and individuals through print and electronic media. The Bill was also made available online for seeking the views of the enlightened section of the society on this important piece of legislation. A good number of online representations from individuals and organisations were received for consideration of the Committee. The Committee also invited suggestions from all former Union Labour Ministers, all Labour Ministers of the respective State Governments/Union Territories and heads of all major national/regional political parties of the country. Written suggestions from different Ministries/Departments of the Government of India, directly or indirectly concerned with the labour of unorganized sector were also sought. During their sitting held on 16 October 2007, the Committee heard the views of the representatives of the major Central Trade Unions and Associations working for the welfare of the agriculture workers and workers of the unorganized sector. On 25 October 2007, representatives of Employers’ Groups and various NGOs working for these workers deposed before the Committee on various provisions pertaining to the Bill. On 5 November 2007, some more Trade Unions and NGOs appeared before the Committee to express their views on the Bill. Thereafter, on the same day, the Committee sought

certain clarifications on the provisions of the Bill from the representatives of Ministry of the Labour & Employment.

5. At their sitting held on 25 October 2007, the Committee decided to constitute a 5 member Drafting Committee from amongst the members of the Committee to discuss every aspect of the Bill in the light of the discussions held in the Standing Committee. The Drafting Committee which consisted of S/Sh.Suravaram Sudhakar Reddy, Arjun K. Sengupta, Furkan Ansari, Thawar Chand Gehlot and K.Chandran Pillai, met five times to deliberate upon the issues. Apart from giving recommendations on the important Clauses of the Bill, the Committee have also introduced the concept of having a National Social Security Fund because it was felt that in the long run a dedicated fund system will ensure permanency, continuity and sustainability of the National Minimum Social Security Scheme. Reliance on annual budgetary support could put the National Minimum Social Scheme into jeopardy due to changing priorities of the Government of the day. Again, in order to focus on the size and magnitude of the unorganized workers, it was necessary to have, as in the case of Fund, dedicated administrative set up which would administer and manage the National and State Funds and provide policy guidance to the State and the Central Governments. Therefore, the Drafting Committee have proposed that the National and State Social Security Boards, instead of being just advisory in character, should have an administrative role in managing the issues relating to implementation of various schemes pertaining to the unorganized workers. Some additions also made in the Bill are Secretariat of the Board, Dispute Redressal Mechanism, Penal provisions, etc. With a view to obviate any scope of uncertainty and ambiguity, it was thought prudent by the Committee to prepare a substitute Draft Bill incorporating all the necessary amendments which the Committee deem essential for the welfare of unorganised workers and enclose it with the Report of the Committee.

6. In all, five sittings of the full Committee and five sittings of the Drafting Committee were held wherein besides the representatives of the Ministry of Labour and Employment, Ministry of Law and Justice (Department of Legal Affairs), 42 persons representing various trade unions, NGOs, employers groups, stakeholders, etc. appeared before the Committee to express their views on the various Clauses of the Bill. Besides, 43 written memoranda were also received by the Committee for examination before the finalisation of the Report. The summarized form of the same is appended as Annexure-- VIII.

7. The Committee considered and adopted the Draft Report on the Bill on 29 November 2007.

8. The Committee wish to express their thanks to the various Central and Regional Trade Unions, Associations and NGOs working for the welfare of workers of the unorganized sector, Employers' Groups, various organisations and individuals, the concerned Ministries/Departments of the Government of India for placing their views on the Bill before the Committee.

9. The Committee also wish to convey their gratitude to the officers of the Ministries of Labour and Employment and Law & Justice (Department of Legal Affairs) for assisting the Committee by placing their views and also for furnishing valuable materials and information in a very short span of time which the Committee desired in connection with the examination of the Bill.

10. The Committee also place on record their high appreciation and thanks to the Members of the Drafting Committee for constructive contribution and guidance rendered towards the drafting the Report.

11. The Committee would also like to place on record their deep sense of appreciation of the commitment, dedication and valuable assistance rendered to them from time to time by the officials of the Lok Sabha Secretariat attached to the Committee.

12. For facility of reference and convenience, the observations/recommendations of the Committee have been printed in bold type in the body of the Report.

**NEW DELHI;**  
**29 November, 2007**  
**8 Agrahayana, 1929 (SAKA)**

**SURAVARAM SUDHAKAR REDDY,**  
**CHAIRMAN,**  
**STANDING COMMITTEE ON LABOUR**

## REPORT

### BACKGROUND

The Unorganized Sector Workers according to the definition given by the Ministry of Labour and Employment are those who have not been able to pursue their common interests due to constraints like casual nature of employment, absence of definite employer-employee relationship, ignorance, illiteracy, etc. The unorganized workers are also generally low paid and a majority of them are devoid of any of the social security benefits like life and medical insurance, health care, maternity benefits, old age pension etc. which are available to the workers in the organized sector under the Employees State Insurance Act, 1948; the Employees Provident Fund and Other Miscellaneous Provisions Act, 1952 and the Factories Act, 1948, etc.

#### Magnitude of Workforce in the Unorganised Sector

1. The National Sample Survey Organisation (NSSO) carried out its 61<sup>st</sup> Round sample survey in 2004-05 and its results showed that out of total workforce of 457.5 million in the country, only 62.6 million workers are employed in the organized sector and remaining 394.9 million workers in the unorganized sector. However of the total workers in the organized sector, 33.4 million workers had some kind of job and/or social security, and therefore the remaining 29.2 million workers should be treated as unorganised (often called informal) workers in the organized sector. Further, only about 1.4 million workers in the unorganised sector had some kind of job and/or social security. This means that the unorganised workers in the Indian economy stood at 422.6 million (i.e.393.5 million in the unorganised sector and 29.2 million in the organized sector) as on 2004-05. These are the unprotected workers in the Indian economy.

#### Characteristics of the Unorganised Sector

2. The unorganized sector workers can be categorized broadly into four categories, viz.

- (i) Occupation: Small and marginal farmers, landless agricultural labourers, share croppers, fishermen, those engaged in animal husbandry, in beedi rolling, beedi labeling and beedi packing, workers in building and construction, etc.
- (ii) Nature of Employment: self employed, attached agricultural labourers, bonded labourers migrant workers, contract and casual labourers come under this category.
- (iii) Specially distressed categories: Toddy tappers, scavengers, carriers of head loads, drivers of animal driven vehicles, loaders and unloaders belong to this category; and



- (iv) Service categories: Midwives, domestic workers, fishermen and women, barbers, vegetable and fruit vendors, newspaper vendors, etc., come under this category.

3. The Government has enacted certain legislations for the protection of these workers. Some of the legislations applicable to the workers in the unorganized sector include the Workmen Compensation Act, 1923; the Minimum Wages Act, 1948; The Bonded Labour System (Abolition) Act, 1976; The Inter-State Migrant Workmen (RECS) Act, 1979; The Building and other Construction Workers (RECS) Act, 1996.

4. There has been a long pending demand to provide social security coverage to the myriad of workers of the unorganized sector from various sections of the society. Various versions of the Unorganised Workers' Welfare Bill, at the rate of almost one per year have been emanating from central government from time to time, in addition to those formulated by the 2<sup>nd</sup> National Labour Commission, the National Campaign Committee, the National Commission for Enterprises in the Unorganised Sector, etc. Various State Governments, such as Karnataka, have also been attempting the same with little success. The National Commission for Enterprises in the Unorganised Sector (NCEUS) under the Chairmanship of Dr. Arjun K. Sengupta in the year 2006 examined the issue in its entirety and submitted a report to the Government. The Commission, after detailed deliberations in 2007 over every aspect of the issue, submitted a detailed Report to the Government on the subject recommending comprehensive Bills on social security and conditions of work separately for agricultural workers and non-agricultural workers.

5. In the light of the Report of the NCEUS, a Bill viz, "The Unorganised Sector Workers' Social Security Bill, 2007" incorporating various measures for the welfare of the workers of the unorganized sector was introduced in the Rajya Sabha on 10 September 2007 and subsequently referred to the Standing Committee on Labour on 20 September 2007 by the Hon<sup>ble</sup> Speaker, Lok Sabha for examination and report.

6. The salient features of the Bill are as under:-

- (i) Unorganised Sector Worker is one who is a home-based worker, self-employed worker or a wage worker in the unorganized sector;
- (ii) The Central Government may formulate, from time to time, suitable welfare schemes for different sections of the unorganized sector workers on matters relating to life and disability cover; health and maternity benefits; old age protection and any other benefit as may be determined by the Central Government.
- (iii) The schemes included in the Schedule will be deemed to be welfare schemes under the proposed legislation and the Central Government may amend the Schedule and include or exclude therefrom any welfare scheme for the unorganized sector workers.
- (iv) The schemes notified by the Central Government may be wholly funded by the Central Government; or partly funded by the Central Government and partly funded by the State Government; or partly funded by the Central Government, partly funded by the State Government and partly funded through contributions collected from the beneficiaries of the scheme or the employers as may be prescribed in the scheme by the Central Government.

- (v) Every scheme notified by the Central Government shall provide for such matters that are necessary for the efficient implementation of the scheme, including matters relating to: scope of the scheme; beneficiaries of the scheme; resources of the scheme; and agency or agencies that will implement the scheme.
- (vi) The State Government may formulate and notify, from time to time, suitable welfare schemes for different sections of unorganized sector workers, including schemes relating to provident fund; employment injury benefit; housing; educational schemes for children; skill upgradation of workers; funeral assistance; and old age homes.
- (vii) Constitution of the Tripartite National Social Security Advisory Board representing Central Government, State Governments, representatives of trade unions, employers, eminent persons.
- (viii) Adequate representation to persons belonging to the Scheduled Castes, the Scheduled Tribes, the Minorities and Women.
- (ix) The functions of the National Social Security Advisory Board, *inter-alia*, include: to recommend to the Central Government suitable schemes for different sections of unorganized sector workers; monitor such social welfare schemes for workers in the unorganized sector as are administered by the Central Government; review the progress of registration and issue of identity cards to the unorganized sector workers;
- (x) The State Government may formulate and notify, from time to time, suitable welfare schemes for different sections of unorganized sector workers, including schemes of unorganized sector workers, including scheme relating to provident fund; employment injury benefit; housing; educational schemes for children; skill upgradation of workers; funeral assistance; and old age homes.
- (xi) The schemes notified by the State Governments may be wholly funded by the State Government; partly funded by the State Government; partly funded through contributions collected from the beneficiaries of the scheme or the employers. The State Government may seek financial assistance from the Central Government and Central Government may provide such assistance to the State Governments for the purpose of the schemes for such period and on such terms as it may deem fit.
- (xii) Constitution of similar Boards at the State level.
- (xiii) Adequate representation to persons belonging to the Scheduled Castes, the Scheduled Tribes, the Minorities and Women in the State Boards.
- (xiv) The functions of the State Social Security Advisory Board, *inter-alia*, include: recommend to the State Government suitable schemes for different sections of unorganized sector workers; monitor such social welfare schemes for workers in the unorganized sector as are administered by the State Government; review the progress of registration and issue of identity cards to the unorganized sector workers;
- (xv) Every unorganized sector worker who has completed fourteen years of age and files a self-declaration that he/she is an unorganized sector worker is eligible for registration and would be issued an identity card, which would be a smart card.
- (xvi) Record keeping functions for the purpose of the Act to be performed by the District Administration. The State Government may direct the

District Panchayat in rural areas and Urban Local Bodies in urban areas to undertake these functions.

7. In order to have the opinion of all the stakeholders on the various provisions of the Bill, the Committee invited suggestions/ recommendations through print and audio-visual media, internet, etc. Representatives of the major National Trade Unions, NGOs, Employers' Groups and researchers were invited to appear before the Committee to share their considered views on the social security measures proposed in the Bill. The sum and substance of the various depositions before the Committee and memoranda submitted to the Committee was the inadequacy of the definition of the terms 'unorganized sector' and 'unorganised sector worker'. The Bill adopts a segmented approach to the unorganized workers instead of a universal approach. It intends to achieve the objective of providing social security through a number of schemes instead of one statutory scheme. It does not provide for a national minimum level of social security benefits. Emphasis was laid on providing national minimum social security benefits as a matter of right to all unorganised workers, within a defined time frame. Apprehensions were also expressed regarding the nature and scope of the proposed National and State Social Security Advisory Boards as they will not have any power and control over the implementation of the various social security schemes initiated/to be initiated by the Union and State Governments. As regards the funding of the various social security schemes, it was conveyed by the different representatives that the Bill lacks proper and systematic funding pattern, which will ultimately erode the efficacy of the schemes, meant for the workers of the unorganized sector. The need was also stressed for creation of a National Fund with a view to ensure uninterrupted flow of funds for these schemes.

**8. The Committee after considering the views expressed by several representatives of Trade Unions/NGOs/Employers' Groups/Associations, etc., and after going through the memoranda received, are convinced that 'The Unorganised Sector Workers' Social Security Bill, 2007' in its present form will not be able to meet the aspirations of the millions of workers in the unorganized sector. It also reflects the unimaginative approach of the Government in bringing the Bill without proper and sufficient spadework required for such a significant piece of legislation. The Committee, therefore, propose that necessary amendments may be carried out in the title of the Bill, definition of various significant terms contained in the Bill, in various clauses of the Bill relating to provision of a statutory right for national minimum benefits for all unorganised workers and coverage within specified time frame, composition of the National and State Social Security Advisory Boards, functions to be assigned to these Boards, creation of separate National Fund including method of funding, provision of staff for servicing these Boards and constitution of Grievance Redressal Machinery, etc. As these amendments have altogether changed the very nature and structure of the Bill, the Committee think it prudent to enclose**

**a copy of the Bill itself in the amended form as an Annexure to the Report (Annexure-II). The Committee urge upon the Government that, keeping in view the much-awaited welfare measures for the workers of the unorganized sector, the revised Bill may be brought before the Parliament without any further delay.**

**Short Title, extent and commencement**

**Clause 1 Sub-Clause (1) – Short Title of the Bill**

Clause 1 Sub-Clause (1) reads as under:-

This Act may be called the Unorganised Sector Workers' Social Security Act, 2007.

*9. During the course of the meeting with the various Central Trade Unions on the Bill, a representative remarked that the title of the Bill is misleading. The term 'Unorganised Workers' ordinarily denotes those workers who are not unionized. Such workers may be in the organized sector as well as in the unorganized sector. To confine the benefits of the social security schemes to the workers of a defined sector may deprive the workers of similar footing of the other sector from the benefits, which they would have been otherwise entitled to had they been working in the unorganized sector. Such hapless workers are at crossroads i.e. they are neither getting the benefits of organized sector worker nor are they covered within the social security schemes meant for the workers of the unorganized sector. The Government has not paid any attention to the plight of these workers. It would perhaps be most appropriate if the title of the Bill is modified to include such category of workers within the title and definition of the Bill.*

**10. The Committee take note of the various suggestions received during the course of interaction with the stakeholders regarding appropriate amendment in the title of the Bill. After considering the issue in detail and taking a holistic view in the interest of the workers, the Committee are of the opinion that the title of the Bill needs modification. With a view to provide social security universally for the entire workforce of the country irrespective of the sectors, the Committee, recommend that the Bill may be titled as 'The Unorganised Workers' Social Security Bill, 2007'. The word 'Sector' may be deleted as a consequential change wherever this word occurs in other clauses of the Bill and has the import of restricting the coverage of the Bill.**

**Clause 1 Sub-Clause (3) – Applicability**

Clause 1 Sub-Clause (3) reads as under:-

It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

11. *In this regard, it was suggested by several representatives of the Central Trade Unions that the Bill may be notified uniformly in the country. In this regard, the Committee feel that programmes/provisions of this nature can be implemented only in phases. Therefore, different dates for different States and different areas in a State and different provisions of this Act may be made applicable taking into account the infrastructure and financial constraints of the States.*

12. ***The Committee, therefore, recommend that the Act should come into force on such date as the Central Government may appoint by notification. Different dates may be appointed for different States and different areas in a State and for different provisions of this Act, at the earliest but within six months from the date of assent by the President.***

**Definitions****Clause 2 Sub-Clause (a) – Employer**

Clause 2 Sub-Clause (a) reads as under:-

“employer” means a person or an association of persons, who has engaged or employed an unorganized sector worker either directly or otherwise for remuneration.

13. ***The Committee feel that the words “natural or juridical” may be added after the words “means a” to make the definition of employer more clear.***

**Clause 2 Sub-Clause (c) – Identity Card**

Clause 2 Sub-Clause (c) reads as under:-

“identity card” means a card, document or certificate issued to an unorganized sector worker by the District Administration under sub-section (3) of section 9.

14. ***The Committee take note of the views expressed by the Members of various Representative Bodies who appeared before the Committee and recommend that the identity card should be self sufficient and inclusive. The***

*identity card to be issued to the workers should be multi-purpose and multi-sectoral having details of all the dependant family members of the worker. It should also have the validity for the migrant workers so that they do not face any difficulty in case of their migration for seeking job elsewhere. The Committee further recommend that in the issuance of the identity card, Gram Panchayats, Nagar Palikas, Municipalities and Corporations should also be involved. For the purpose of the identity of the worker, if it is to be ascertained through District Administrative Machinery at all, the certificate given by the Gram Panchayats, Nagar Palikas and other similar bodies be taken as a testimony of the identity of the worker for issuing identity card to him/her. Considering the certificate issued by these bodies, the District Administration shall have to issue the identity card to the unorganized worker within a maximum period of one month from the date of its receipt. The Committee also recommend that an online network at national level should also be developed linking all the district headquarters so that any information about the details incorporated in the identity cards issued anywhere in the country could be accessed instantly.*

**Clause 2 Sub-Clause (k) – unorganized sector**

Clause 2 Sub-Clause (k) reads as under:-

“unorganized sector” means an enterprise owned by individuals or self-employed workers and engaged in the production or sale of goods or providing service of any kind whatsoever, and where the enterprise employs workers, the number of such workers is less than ten.

**15. The Committee find that in the case of agricultural worker, the operational holding is treated as an enterprise. In the rural areas, the majority of unorganized/informal workers mostly comprise landless agricultural labourers, small and marginal farmers who are holding land less than 2 hectares. In order to make the definition more clear, these classes of people may also be explicitly mentioned in the definition of unorganized sector.**

**The Committee, therefore, recommend that the words “and in case of agriculture, the landholding is less than 2 hectares” may be added at the end.**

### **Clause 2 Sub-Clause (m) – Wage Worker**

Clause 2 Sub-Clause (m) reads as under:-

“wage worker” means a person employed for remuneration in the unorganized sector, directly by an employer or through any contractor, irrespective of place of work, whether exclusively for one employer or for one or more employers, whether in cash or in kind, whether as a home-based worker, or as a temporary or casual worker, or as a migrant worker, or workers employed by households including domestic workers, with a monthly wage of an amount as may be notified by the Central Government and State Government, as the case may be.

**16. The Committee feel that since the proposed social security measures are uniformly applicable to workers whether in agriculture or non-agricultural segments, mention of agriculture is essential to make the provision more clear. The Committee, therefore, desire that after the words, ‘unorganised sector’, the words ‘whether in agriculture or non-agriculture’ may be added. Similarly, after ‘more employers’, the words ‘whether simultaneously or otherwise’ be added. The words ‘wage’ may also be substituted for ‘earning’ in order to make the Clause more clear. The Committee, therefore, recommend that Clause 2 (m) may be amended accordingly.**

### **Insertion of new Sub-Clause (n) under Clause 2 – unorganized worker**

**17. The Committee take note of the fact that the definition of unorganized sector as given in the Bill is ambiguous as it does not comprise all the sectors that are likely to come within its ambit due to continuous change in the employment pattern as there is a growing trend in the public sector to outsource the work or to get it executed through contract/casual workers who are popularly known as informal workers of the formal sector. The all important co-operative sector which is a very strong and important segment of working class has not found place in the current definition. The other newly created ad hoc employment opportunities like event management, entertainment/cultural activities and placement jobs also do not figure within the definition of the sector. The Committee observe that the definition of the unorganized sector worker has been attempted to be broad based. It is true that any definition cannot be comprehensive and complete as far as identification of worker of unorganized sector for the purpose of bringing**

*him/her within the fold of social security network is concerned. However, any class of worker, who is otherwise entitled for social security coverage, should be not be left out merely because his class of workers have not been included in the definition. The Committee, therefore, recommend that the benefits under the proposed Act should also be extended to the uncovered casual/contract workers of the organized sector and any class of workers like Anganwadi workers, who are not covered either in the organized or unorganized sector, within its parameters.*

**18. The Committee, therefore, strongly recommend that not only the workers of every emerging field of employment in the changing scenario but the workers of co-operative sector also without any bar on the number of workers for the purpose of social security coverage, be also included. In view of the foregoing, the Committee suggest insertion of a new Sub-Clause 2(n) defining unorganized worker to be incorporated as under:-**

**“unorganised worker” means an unorganized sector worker and also includes workers in the organized sector not protected by the existing laws relating to social security.**

*Explanation: For the purposes of this Act, unorganised workers would also include any class of voluntary workers like Anganwadi workers who are not covered or protected or benefited by the existing laws relating to social security either in the organized sector or unorganised sector.*

**19. The Committee believe that the social security benefits under the Act should also be made admissible to the retired unorganised workers. However considering their age, some of the proposed benefits may not be practically feasible. But wherever it is feasible, the Government should extend the proposed benefits to them as far as possible.**

### **Social Security Schemes**

#### **Clause 3 Sub-Clause (1) – Framing of Schemes by Union Government**

Clause 3 Sub-Clause (1) reads as under:-

The Central Government may formulate, from time to time, suitable welfare schemes for different sections of unorganized sector workers on matters relating to –



- (a) life and disability cover;
- (b) health and maternity benefits;
- (c) old age protection; and
- (d) any other benefits as may be determined by the Central Government.

**20. The Committee observe that the Bill does not make it mandatory for the Central Government to introduce schemes for the welfare of unorganized sector workers. The Committee desire that the schemes should be so framed as to be within the realm of certainties and benefits which are to flow therefrom should not be left to any contingencies and whimsical interpretations. The Committee, therefore, recommend that the word 'may' in the above mentioned clause may be substituted with 'shall'.**

**Insertion of new Sub-Clauses (1A) to (1D) under Clause 3 – National Minimum Social Security Benefit.**

**21. The Committee find that the Bill fails to provide any timeframe for coverage of all workers and it is wide open that different segments of unorganized workers will be provided with different schemes at different times. The Committee further take note of the fact that India is yet to evolve a comprehensive National Social Security Policy for its entire working population. The Committee are of the view that fiscal burden of the proposed scheme should be minimal. Moreover, these benefits should be covered in phases within a time frame of three years, which can be both supplemented and progressively enhanced. The Committee also call upon the Government that the concept of National Minimum Benefits should be made part of the Act and State Governments be allowed to add on the benefits, if they deem it necessary. Furthermore, the existing schemes included under the purview of the Act are very few. In this regard, the Committee observed that ILO Convention No.102 has laid down the minimum standards of social security comprising the following:-medical care, sickness benefit, unemployment benefit, old age benefit, invalidity benefit and survivors' benefit.**

**22. The Committee feel that the Act should statutorily provide for national minimum benefits creating a justiciable right in favour of all unorganised workers. The national minimum benefits should be extended to all the unorganised workers within a period of three years. Depending on availability**

*of infrastructure and finance, the Government may introduce national minimum in terms of benefits to be provided or, class of workers to be covered. Presently, the Committee has quantified and recommend benefits in matters relating to life and disability, health and maternity, and old age protection in the Bill itself. The quantum of benefits proposed are to be adjusted for inflation every two years by the Government of India. In addition, the Government of India may announce separate welfare schemes (which would not be part of national minimum) for welfare of workers. The list of schemes which would be part of national minimum are specified in Schedule 1 of the Bill.*

**23.** *In view of the foregoing, the Committee call upon the Government that suitable provisions under Clause 3 (1A) to (1D) may be incorporated in the Bill. The proposed changes have been reflected in the draft Bill as enclosed with the Report.*

**24.** *The Committee, further recommend that a new Schedule 2 showing more welfare schemes may also be incorporated in the Bill. Consequential changes in Sub-Clauses (2), (3) and (4) of Clause 3, may also be carved out as shown in the draft Bill appended with the Report.*

#### **Clause 3 Sub-Clause (3) – Addition/Deletion/Alteration of schemes**

Clause 3 Sub-Clause (3) reads as under:-

The Central Government may, by notification, amend the Schedule referred to in sub-section (1), and include therein or exclude therefrom any welfare scheme for the unorganized sector workers.

**25.** *The Committee note with apprehension the intention of the Government to arrogate to itself those sweeping powers which are purely legislative in nature. The Committee very well appreciate the difficulties, which may arise in the day-to-day administration of the welfare schemes. In the garb of overcoming operational difficulties on day-to-day basis, the Government cannot be allowed to make substantial changes including addition or deletion of the schemes from the Bill itself. However, the Committee are not averse to minor changes in the schemes to overcome administrative difficulties with a view to facilitate quick and effective delivery of social security benefits. For any major*

***changes or addition/deletion/alteration of any of the schemes, the proper course of action, i.e. seeking approval of legislature for such measures should be made mandatory.***

***26. The powers for amendment of schemes specified under section 3(2) (i.e. welfare schemes which are other than the national minimum) by notification are, however, considered appropriate by the Committee.***

**Clause 4 Sub-Clause (1) – Funding of Central Government Schemes**

Clause 4 Sub-Clause (1) reads as under:-

Any scheme notified by the Central Government may be—

- (i) wholly funded by the Central Government; or
- (ii) partly funded by the Central Government and partly funded by the State Government; or
- (iii) partly funded by the Central Government, partly funded by the State Government and partly funded through contributions collected from the beneficiaries of the scheme or the employers as may be prescribed in the scheme by the Central Government.

***27. The Committee have since recommended that National Minimum Social Security Benefit may be provided under Clause 3 of the Bill, consequential changes in Clause 4 (1) and 4 (2) may be carried out as shown in the draft Bill appended with the Report.***

***28. The Committee further recommend that the National Minimum Social Security Benefits like life and accident cover, health insurance and maternity benefit should be wholly funded by the Central Government.***

**Insertion of new Clauses – Constitution of National and State Social Security and Welfare Fund**

***29. The Committee express their serious reservation about the pattern of funding for the various social security schemes of the unorganized workers as laid down in the Bill. Without any definite mechanism and source, the schemes have been proposed to be (i) funded wholly by the Central Government, (ii) partly funded by the Central Government and partly funded by the State***

*Government or (iii) partly funded by the Central Government, partly funded by the State Government and partly funded through contributions collected from the beneficiaries of the scheme or the employers as may be prescribed in the scheme by the Central Government.*

*30. The Committee feel that social security schemes cannot just work without any statutory backing and assured resource allocation. It would not be proper to tailor the schemes or reduce their number on the consideration of funds. Fund flow system for the schemes has been kept virtually undefined and wide open thereby allowing total flexibility to the Government in the matter of deciding and operationalising the schemes as per its convenience. Thus, the Committee are inclined to infer that an ad hoc approach has been adopted on such an important aspect of the Bill. This will only make the schemes dysfunctional. We should not be oblivious of the fact that the contribution of the workers of unorganised sector in the GDP of the country, according to the Central Statistical Organisation is more than 60%. Hence, it becomes our bounden duty, both morally and legally, to ensure that minimum social security benefits are provided to the unorganised workers. The Committee, therefore, strongly recommend that a proper, transparent and institutional mechanism devising clear and unambiguous methodology for generating resources be laid down paving the way for creation of a National Social Security and Welfare Fund. The Committee are of the opinion that creation of National Social Security and Welfare Fund will ensure permanency, continuity and sustainability of social security benefits. The method to be so adopted for mobilizing resources may vary from earmarking of a definite percentage of GDP to levying of cess on various forms of taxes, grants and loans from the Union and State Governments, monthly collection of contributions from employers and beneficiaries on the lines of ESIC and EPFO, making provisions for cross subsidy of certain percentage of benefits from national, financial and developmental institutions or from any of such companies which have been directly or indirectly benefiting from the unorganised workers, etc. All contributions made to the National Social Security and Welfare Fund should be exempted from the payment of income tax or any other tax under the different tax laws. The fund so collected will be utilized to meet the expenditure on the implementation of various social*

***security schemes for welfare of unorganized workers and on all such matters related to the enhancement of the scope of various schemes meant for such workers.***

***31. The Committee, therefore, recommend that new Clauses for creation of National Social Security and Welfare Fund and State Social Security and Welfare Funds may be inserted in the Bill itself.***

**Clause 5 Sub-Clause (1) & Clause 6 Sub-Clause (1) – Constitution of National/State Social Security Advisory Boards**

Clause 5 Sub-Clause (1) reads as under:-

The Central Government shall, by notification, constitute a National Board to be known as the National Social Security Advisory Board to exercise the powers conferred on, and to perform the functions assigned to, it under this Act.

Clause 6 Sub-Clause (1) reads as under:-

Every State Government shall, by notification, constitute a State Board to be known as (name of the State) State Social Security Advisory Board to exercise the powers conferred on, and to perform the functions assigned to it, under this Act.

***32. The Committee find that the Boards to be constituted at the National and State level will not have any power per se. It is clear from the title of the Boards itself i.e, ‘The National Social Security Advisory Board’, ‘State Social Security Advisory Board’ that its functions will be only advisory in nature. This will inherently make the Board an infructuous body as it will not have any power to ensure implementation of the schemes. While the Bill provides that one of the functions of the Board will be ‘to monitor such social welfare schemes for workers in the unorganized sector as are administered by the Central Government’, the Government has categorically stated in one of the replies that the Board has not been assigned the task of implementation of the scheme. The Committee is distressed to note that the raison d’être of the constitution of the Board stands defeated particularly in view of the contradictory and irreconcilable stand of the Government. This also speaks about the lack of clarity and sincerity on the part of the Government. Hence, it will be essential to enumerate and illustrate the functions of the Board to make it worth its existence. The Committee, therefore, recommend that the Board should be vested with adequate powers, for ensuring the proper implementation***

***and monitoring of the schemes, to review the performance of the schemes and to make suitable amendments accordingly. The Committee further recommend that the word 'Advisory' may also be deleted in heading of the Boards.***

**Clause 5 Sub-Clause (2) & Clause 6 Sub-Clause (2) – Representation in the National/State Boards**

Clause 5 Sub-Clause (2) reads as under:-

The National Board shall consist of the following members, namely:-

- (a) a Chairperson to be appointed by the Central Government;
- (b) the Director General (Labour Welfare)-Member Secretary, ex-officio; and
- (c) thirty one members to be nominated by the Central Government, out of whom-
  - (i) seven representing unorganized sector workers;
  - (ii) seven representing employers of unorganized sector;
  - (iii) seven representing eminent persons from civil society;
  - (iv) five representing State Governments; and
  - (v) five representing Central Governments Ministries and Departments concerned.

Clause 6 Sub-Clause (2) reads as under:-

The State Board shall consist of the following members, namely:-

- (a) a Chairperson to be appointed by the State Government;
- (b) the Principal Secretary or Secretary (Labour) – Member – Secretary, ex officio; and
- (c) twenty-six members to be nominated by the State Government, out of whom—
  - (i) seven representing the unorganized sector workers;
  - (ii) seven representing employers of unorganized sector;
  - (iii) five representing eminent persons from civil society; and
  - (iv) seven representing State Government Departments concerned.

***33. The Committee, after having seen the various constituents of the proposed National Board, deduce that important segments representing the unorganized sector worker like elected representatives of the people to Union/State Legislatures, National and Regional Trade Unions, various civil society organisations and Associations have not been taken into the Board. The Committee are of the opinion that experts in the areas of management of insurance, finance, social security, researchers, etc., would do yeoman service to the cause of the unorganized worker, if included in the Board. Similarly,***

*whether the representatives from only five State Governments in the Board would be adequate is a matter of debate and raises many questions. The Board in its present form will only have the lop-sided representation of the various sections of the society. Absence of political executive functionaries of the Union Government in the Board will further erode its credibility in carrying out the various functions assigned to it. The Committee, therefore, strongly recommend that the composition of the Board should invariably have a political executive functionary of the Union Government who can be its ex-officio Chairman. Elected representatives of the people should also get adequate place in the Board and it should be done in such a manner that they do not attract the provisions of Office of Profit Act till any decision on this issue is taken in the light of the report to be given by a Committee of Parliament. Simultaneously, it should also be ensured that the representatives of various sections of unorganized sector worker also get due representation in the Board. There should also be a full time chief executive officer of the national and State Boards who shall function as ex-officio Member Secretary of the Board concerned.*

**Clause 5 Sub-Clause (8) & Clause 6 Sub-Clause (8) - Functions of the National/State Boards**

*34. The Committee are of the view that in order to make the National/State Boards more effective and result-oriented, the present functions entrusted to them may be enlarged. Some of the functions like reviewing the working of the State Boards and the Central Welfare Boards every three years and making suitable recommendations to the Government(s) concerned for further improvement, managing and maintaining the National Social Security and Welfare Fund, providing financial assistance to State Boards; recommending new schemes, programmes and projects for implementation through the Fund; assisting in capacity building of the State Boards, etc. may be entrusted to the National Board. Similarly, in order to strengthen the State Boards, some functions like implementing the national scheme for unorganized workers through appropriate organizational arrangements, negotiating with the providers for the best possible offers and stipulate norms for the evaluation of the work done by the Workers' Facilitation Centres; framing guidelines to ensure portability of benefits to workers; providing financial assistance to*

*other member organizations implementing social security programmes, etc. may be assigned to them. The Committee, therefore, recommend that new items from (viii) to (xv) under Sub-Clause (8) of Clause 5 and new items (h) to (r) under Sub-Clause (8) of Clause 6 may be added.*

#### **Clause 9 – Registration**

*35. The Committee feel that some ceiling on monthly earning of worker may be included as a criterion to become eligible for registration to avail the facilities under the Bill. The Committee, therefore, recommend that a new Clause fixing income in case of non-agricultural workers and a ceiling on land holding in the case of agricultural workers be fixed as recommended by the Indian Labour Conference.*

#### **Clause 15 – Benefits under the Act**

*36. The Committee are of the opinion that in case an unorganized worker is eligible for superior or better benefits under any existing law in force, the worker shall continue to be entitled for such benefits. Moreover, the unorganized worker shall also be allowed to retain the option of membership of the scheme(s)/fund with the highest benefit. The Committee, therefore, recommend that Clause 15 may be amended as shown in the draft Bill appended with the Report.*

#### **Miscellaneous**

##### **(a) Absence of Grievance Redressal Machinery**

*37. The Committee note with surprise that there is no mention of any Grievance Redressal Mechanism in the instant Bill. The institution of GRM is an essential component of any welfare-oriented legislation as there should be some platform wherein the workers can take recourse to for giving vent to their legitimate grievances/complaints. The absence of such a forum takes away the spirit of welfare as enshrined in the legislation because the workers do not get an opportunity to ensure the fair and proper implementation of the Act. It is*



*left to the whims of the concerned authorities to implement it the way they desire. The Committee, therefore, urge upon the Government to incorporate sufficient provision in the Bill itself for institution of a Grievance Redressal Machinery wherein workers can approach and get their problems resolved within a specific timeframe.*

**(b) Penal Provisions for violations**

*38. The Committee are distressed to note that there is nothing in the Bill, which stipulates any kind of penal action against violators of the various provisions of the schemes to be formulated following the Bill becoming an enactment. The absence of penal provisions will not only encourage its violations but also greatly impair the efficacy of the schemes. The Committee call upon the Government that in order to ensure prompt and efficient delivery system of various social security schemes, adequate penal provisions be enshrined in the Bill itself to deter the possible violators of the provisions of the schemes.*

**(c) Secretariat of the Board**

*39. The Committee take note of the fact that National and State Social Security Boards are to be constituted to carry out the functions assigned to these Boards as ordained in the Bill. For the purpose of the execution of the various social security schemes for the unorganized workers, an administrative machinery is required to be put in place so that all the social security schemes are properly implemented and their monitoring is also ensured with the carrying out of periodic review of these schemes, whenever and wherever deemed essential for effective delivery of the benefits. The absence of such machinery will jeopardize the unhindered flow of benefits to the unorganized workers, which is the prime objective of this Bill. The Committee, therefore, are of the strong opinion that an appropriate body with sufficient number of officials be also constituted at the National and the State levels to execute the schemes framed for the unorganized workers. The rules of the Union Government and the respective State Governments may be made applicable in so far as the regulation of their employment and conditions of services are*

*concerned. The expenditure on their salaries, allowances and other benefits shall be met from the budgetary grant of the respective Ministries under which the overall administration of the schemes vests.*

**(d) Workers' Facilitation Centres**

*40. The Committee feel that the schemes to be framed for the welfare of unorganized workers require a network which is far and wide enough to deliver the intended benefits to the beneficiaries. In view of the enormity of the task, it will not be feasible to lay down a uniform network to perform the assigned duties. The unorganized workers are spread over the entire length and breadth of the country. To reach them for making available the benefits is indeed a Herculean task. To achieve the objective, it will perhaps be logical to engage the services of various bodies spread over every nook and corner of the country. Such bodies can work as facilitation centres for the purpose of the schemes framed/to be framed under the Act. The Committee, therefore, strongly recommend that sustained efforts should be made to set up workers' facilitation centres in those areas where the unorganized workers can have easy access and/or from among the entities which are working among the masses. The facilitation centres shall inter-alia make the intended beneficiaries aware of various schemes/programmes of the Government and help them in procedural matters to avail themselves of the benefits.*

**(e) Separate Legislations for Agricultural Workers & Conditions of Services/Regulation of Employment of Workers of the Unorganised Sector**

*41. The Committee, during their interaction with the various sections of the stakeholders on the Bill, have observed that there is an urgent need for a separate legislation for the workers engaged in the agricultural sector. Similarly, any social security measure meant for the unorganised workers will be incomplete without regulation of their employment and the conditions of their services. Virtually, every group that appeared before the Committee or submitted memoranda containing their view points emphasized the need for these steps as being the corner stone for any meaningful welfare of the unorganized workers. Even otherwise, myriads of the problems are plaguing*

*the workers working in the agricultural and unorganized sector. The Committee feel that there is already an inordinate and avoidable delay in the matter. The Committee express their unhappiness over the fact that the Government did not take any cognizance of the recommendations of the National Commission for Enterprises in the Unorganised Sector (NCEUS) regarding need to bring two separate legislations for workers of the agricultural sector and for regulating the employment and conditions of service of the workers of unorganized sector as the workers of the agricultural sector constitute an altogether different group vis-à-vis the workers of the unorganized sector. The legislation on these aspects can be the real harbinger for the genuine welfare of the sizable, yet neglected and deprived sections of the working class. Keeping in view the legitimate demand from every quarter of the stakeholders and its utmost importance, the Committee calls upon the Government to bring two separate legislations simultaneously alongwith the present Bill after carrying out the necessary amendments.*

**NEW DELHI;  
29 November 2007  
8 Agrahayana, 1929 (SAKA)**

**SURAVARAM SUDHAKAR REDDY  
CHAIRMAN  
STANDING COMMITTEE ON LABOUR**

**ANNEUXRE-I**

AS INTRODUCED IN THE RAJYA SABHA

10 SEPTEMBER 2007

BILL NO.LXVII OF 2007

THE UNORGANISED SECTOR WORKERS' SOCIAL SECURITY BILL, 2007

A

BILL

*to provide for the social security and welfare of unorganised sector workers and for other matters connected therewith or incidental thereto.*

*BE it enacted by Parliament in the Fifty-eighth Year of the Republic of India as follows:-*

CHAPTER I

PRELIMINARY

Short title,  
extent and  
commencement.

**1.(1)** This Act may be called the Unorganised Sector Workers' Social Security Act, 2007.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

- Definitions.
- 2.** In this Act, unless the context otherwise requires, -
- (a) "employer" means a person or an association of persons, who has engaged or employed an unorganised sector worker either directly or otherwise for remuneration;
  - (b) "home-based worker" means a person engaged in the production of goods or services for an employer in his or her home or other premises of his or her choice other than the workplace of the employer, for remuneration, irrespective of whether or not the employer provides the equipment, materials or other inputs;
  - (c) "identity card" means a card, document or certificate issued to an unorganised sector worker by the District Administration under sub-section (3) of section 9 of this Act;

- (d) “National Board” means the National Social Security Advisory Board for unorganised sector workers constituted under sub-section (1) of section 5 of this Act;
- (e) “notification” means a notification published in the Official Gazette;
- (f) “prescribed” means prescribed by rules made under this Act by the Central Government or the State Government, as the case may be;
- (g) “registered worker” means an unorganised sector workers registered under sub-section (3) of section 9;
- (h) “Schedule” means the Schedule annexed to the Act; (i) “State Board” means the (name of the State) State Social Security Advisory Board for unorganised sector workers constituted under sub-section (1) of section 6 of this Act; (j) “self-employed worker” means any person who is not employed by an employer, but engages himself or herself in any occupation in the unorganised sector subject to a monthly earning of an amount as may be notified by the Central Government or the State Government from time to time or holds cultivable land subject to such ceiling as may be notified by the State Government; (k) “unorganised Sector” means an enterprise owned by individuals or self-employed workers and engaged in the production or sale of goods or providing service of any kind whatsoever, and where the enterprise employs workers, the number of such workers is less than ten.

- (l) “unorganised sector worker” means a home based worker, self-employed worker or a wage worker in the unorganised sector;
- (m) “wage worker” means a person employed for remuneration in the unorganised sector, directly by an employer or through any contractor, irrespective of place of work, whether exclusively for one employer or for one or more employers, whether in cash or in kind, whether as a home-based worker, or as a temporary or casual worker, or as a migrant worker, or, workers employed by households including domestic workers, with a monthly wage of an amount as may be notified by the Central Government and State Government, as the case may be.

## CHAPTER II SOCIAL SECURITY BENEFITS

Framing of  
scheme.

3.(1) The Central Government may formulate, from time to time, suitable welfare schemes for different sections of unorganised sector workers on matters relating to - (a) life and disability cover; (b) health and maternity benefits; (c) old age protection; and (d) any other benefit as may be determined by the Central Government.

(2) The schemes included in the Schedule to this Act shall be deemed to be the welfare schemes under sub-section (1) of this Act.

(3) The Central Government may, by notification, amend the Schedule referred to in sub-section (1), and include therein or exclude therefrom any welfare scheme for the unorganised sector workers.

(4) The State Government may formulate and notify, from time to time, suitable welfare schemes for different sections of unorganised sector workers, including schemes relating to - (a) provident fund ; (b) employment injury benefit ; (c) housing ; (d) educational schemes for children; (e) skill upgradation of workers; (f) funeral assistance; and (g) old age homes.



Funding of  
Central  
Government  
Schemes.

4.(1) Any scheme notified by the Central Government may be - (i) wholly funded by the Central Government; or (ii) partly funded by the Central Government and partly funded by the State Government; or (iii) partly funded by the Central Government, partly funded by the State Government and partly funded through contributions collected from the beneficiaries of the scheme or the employers as maybe prescribed in the scheme by the Central Government.

(2) Every scheme notified by the Central Government shall provide for such matters that are necessary for the efficient implementation of the scheme including the matters relating to,- (i) scope of the scheme; (ii) beneficiaries of the scheme; (iii) resources of the scheme; (iv) agency or agencies that will implement the scheme; and (v) any other relevant matter.

### CHAPTER III

#### NATIONAL SOCIAL SECURITY ADVISORY BOARD FOR WORKERS IN THE UNORGANISED SECTOR

National  
Social  
Security  
Advisory  
Board.

5.(1) The Central Government shall, by notification, constitute a National Board to be known as the National Social Security Advisory Board to exercise the powers conferred on, and to perform the functions assigned to, it under this Act.

(2) The National Board shall consist of the following members, namely: - (a) a Chairperson to be appointed by the Central Government; (b) the Director General (Labour Welfare) – Member Secretary, ex officio; (c) thirty one members to be nominated by the Central Government, out of whom – (i) seven representing unorganised sector workers; (ii) seven representing employers of unorganised sector; (iii) seven representing eminent persons from civil society; (iv) five representing State Governments; and (v) five representing Central Government Ministries and Departments concerned.

(3) The Chairperson and other members of the Board shall be from amongst persons of eminence in the fields of labour welfare, management, finance, law and administration.

(4) The number of persons to be nominated as members from each of the categories specified in clause (c) of sub-section (2), the term of office and other conditions of service of, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among the members of the National Board shall be such as may be prescribed: Provided that adequate representation shall be given to persons belonging to the Scheduled Castes, the Scheduled Tribes, the Minorities and Women.

(5) The term of the National Board shall be three years. (6) The National Board shall meet atleast thrice a year, at such time and place and shall observe such rules of procedure relating to the transaction of business at its meetings, as may be prescribed.

(7) The members may receive such allowances as may be prescribed for attending the meetings of the National Board. (8) The National Board shall perform the following functions, namely:- (a) recommend to the Central Government suitable schemes for different sections of unorganised sector workers; (b) advise the Central Government on such matters arising out of the administration of this Act as may be referred to it; (c) monitor such social welfare schemes for workers in the unorganised sector as are administered by the Central Government; (d) review the progress of registration and issue of identity cards to the unorganized sector workers; (e) review the record keeping functions performed at the State level; (f) review the expenditure from the funds under various schemes; (g) undertake such other functions as are assigned to it by the Central Government from time to time.

#### CHAPTER IV

#### STATE SOCIAL SECURITY ADVISORY BOARD FOR WORKERS IN THE UNORGANISED SECTOR

State Social Security Advisory Board. 6.(1) Every State Government shall, by notification, constitute a State Board to be known as ---- (name of the State) State Social Security Advisory Board to exercise the powers conferred on, and to perform the functions assigned to, it under this Act.

(2) The State Board shall consist of the following members, namely: -  
 (a) a Chairperson to be appointed by the State Government; (b) the Principal Secretary or Secretary (Labour)- Member- Secretary, ex officio; (c) twenty-six members to be nominated by the State Government, out of whom – (i) seven representing the unorganised sector workers; (ii) seven representing employers of unorganised sector; (iii) five representing eminent persons from civil society; and (iv) seven representing State Government Departments concerned.

(3) The Chairperson and other members of the Board shall be from amongst persons of eminence in the fields of labour welfare, management, finance, law and administration.

(4) The number of persons to be nominated as members from each of the categories specified in clause (c) of sub-section (2), the term of office and other conditions of service of, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among the members of the State Board shall be such as may be prescribed: Provided that adequate representation shall be given to persons belonging to the Scheduled Castes, the Scheduled Tribes, the Minorities and Women.

(5) The term of the State Board shall be three years.

(6) The State Board shall meet atleast once in a quarter at such time and place and shall observe such rules of procedure relating to the transaction of business at its meetings, as may be prescribed.

(7) The members may receive such allowances as may be prescribed for attending the meetings of the National Board.

(8) The State Board shall perform the following functions, namely:- (a) recommend the State Government in formulating suitable schemes for different sections of the unorganised sector workers; (b) advise the State Government on such matters arising out of the administration of this Act as may be referred to it; (c) monitor such social welfare schemes for workers in the unorganised sector as are administered by the State Government; (d) review the record keeping functions performed at the District level; (e) review the progress of registration and issue of cards to unorganized sector workers; (f) review the expenditure from the funds under various scheme; (g) undertake such other functions as are assigned to it by the State Government from time to time.

Funding of State Government Schemes.

7.(1) Any scheme notified by the State Government may be - (i) wholly funded by the State Government; or (ii) partly funded by the State Government, partly funded through contributions collected from the beneficiaries of the scheme or the employers as may be prescribed in the scheme by the State Government.

(2) The State Government may seek financial assistance from the Central Government for the schemes formulated by it.

(3) The Central Government may provide such financial assistance to the State Governments for the purpose of schemes for such period and on such terms and conditions as it may deem fit.

Record keeping by District Administration.

8. The record keeping functions for the purpose of this Act shall be performed by the District Administration:

Provided that the State Government may direct that the record keeping function shall be performed by - (a) the District Panchayat in rural areas; and (b) the Urban Local Bodies in urban areas.

## CHAPTER V

### REGISTRATION

Eligibility for registration and social security benefits.

9.(1) Every unorganised sector worker shall be eligible for registration subject to the fulfilment of the following conditions, namely:- (a) he or she shall have completed fourteen years of age; and (b) a self-declaration by him or her confirming that he or she is an unorganised sector worker.

(2) Every eligible unorganised sector worker shall make an application in the prescribed form to the District Administration for registration.

(3) Every unorganised sector worker shall be registered and issued an identity card by the District Administration which shall be a smart card carrying a unique identification number and shall be portable.

(4) If a scheme requires a registered unorganized sector worker to make a contribution, he or she shall be eligible for social security benefits under the scheme only upon payment of such contribution.

(5) Where a scheme requires the Central or State Government to make a contribution, the Central or State Government, as the case may be, shall make the contribution regularly in terms of the scheme.

CHAPTER VI

MISCELLANEOUS

Power of Central Government to give directions. 10. The Central Government may give directions to- (i) the National Board; or (ii) Government of a State or the State Board of that State, in respect of matters relating to the implementation of the provisions of this Act.

Vacancies, etc. not to invalidate proceedings. 11. No proceedings of the National Board or any State Board shall be invalid on the ground merely of the existence of any vacancy or defect in the constitution of the National Board or, as the case may be, the State Board.

Power to make rules by Central Government.

12.(1) The Central Government may, by notification, make rules to carry out the provisions of this Act. (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:- (a) the contributions to be collected from the beneficiaries of the scheme or the employers under sub-section (1) of section 4; (b) the number of persons to be nominated, the term of office and other conditions of service of members, the procedure to be followed in the discharge of functions by, and the manner of filling vacancies of, the National Board under sub-section (4) of section 5; (c) the rules of procedure relating to the transaction of the business at the meeting of the National Board under sub-section (6) section 5; (d) the allowances for attending the meetings of the National Board under sub-section (7) of section 5; (e) the form for making an application for registration under sub-section (2) of section 9; and (f) any other matter which is required to be, or may be, prescribed.

Power to make rules by State Government.

13.(1) The State Government may, by notification, make rules to carry out the provisions of this Act. (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:- (a) the number of persons to be nominated, the term of office and other conditions of service of members, the procedure to be followed in the discharge of functions by, and the manner of filling vacancies of, the State Board under sub-section



(4) of section 6; (b) the rules of procedure relating to the transaction of business at the meetings of the State Board under sub-section (6) section 6; (c) the allowances for attending the meetings of the State Board under sub-section (7) of section 6; (d) the contributions to be collected from the beneficiaries of the scheme or the employers under sub-section (1) of section 7; and (e) any other matter which is required to be, or may be, prescribed.

Laying of rules.

14.(1) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule. (2) Every rule made under this Act by State Government shall be laid, as soon as may be after it is notified, before the State Legislature.

Saving of certain laws.

15. Nothing contained in this Act shall affect the operation of any corresponding law in a State providing welfare schemes which are more beneficial to the unorganised sector workers than those provided for them by or under this Act.

Power to  
remove  
difficulties.

16.(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act as may appear to it to be necessary for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of a period of two years from

commencement of this Act. (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

## SCHEDULE

**Social Security Schemes for the Unorganised Sector Workers {See section 3}**

S.No.	Name of the Scheme
1.	National Old Age Pension Scheme.
2.	National Family Benefit Scheme.
3.	National Maternity Benefit Scheme .
4.	Mahatma Gandhi Bunkar Bima Yojana.
5.	Health Insurance Scheme for Handloom Weaver.
6.	Scheme for pension to Master Crafts persons.
7.	Group Accident Insurance Scheme for Active fishermen.
8.	Saving-cum-Relief for the fishermen.
9.	Janshree Bima Yojana.
10.	Aam Admi Bima Yojana.
11.	Swasthya Bima Yojana.

**STATEMENT OF OBJECTS AND REASONS**

It is estimated that the workers in the unorganised sector constitute more than ninety-four per cent. of the total employment in the country. On account of their unorganised nature, these workers do not get adequate social security. Some welfare schemes are being implemented by the Central Government for specific groups of unorganised sector workers such as beedi workers, non-coal mine workers, cine workers, handloom weavers, fishermen, etc. State Governments are implementing welfare programmes for certain categories of unorganised sector workers and some Non-Government Organisations also provide social security to certain categories of workers. Despite all these efforts, there is a huge deficit in the coverage of the unorganised sector workers in the matter of labour protection and social security measures ensuring the welfare and well-being of workers in the unorganised sector, such as agricultural workers, construction workers, beedi workers, handloom workers, leather workers, etc. 2. The Unorganised Sector Workers' Social Security Bill, 2007 aims to provide for social security and welfare of the unorganised sector workers and for matters connected therewith or incidental thereto. The Bill, inter alia, provides for the following matters, namely:- (i) The Central Government shall constitute a National Social Security Advisory Board to recommend suitable welfare schemes for different sections of unorganised sector workers, and upon consideration of these recommendations, the Central Government may notify suitable welfare schemes relating to life and disability cover, health and maternity benefits, old age protection, or any other benefits. (ii) The State Government shall constitute the State Social Security Advisory Board to recommend suitable welfare schemes for different sections of unorganised workers in that State and the State Government may notify suitable schemes for one or more sections of the unorganised workers. (iii) A worker of an unorganised sector shall be eligible for social security benefits if, he is duly registered. Every registered worker in the unorganised sector shall be issued an identity card which shall be a smart card carrying a unique identification number and shall be portable. (iv) The Central Government and the State Government shall have the power to make rules for the purposes of carrying out the objects of the Bill. 3. The Bill seeks to achieve the above objectives.

New Delhi,  
The 7th September, 2007

(OSCAR FERNANDES)

**FINANCIAL MEMORANDUM**

Clause 5 of the Bill provides for constitution of the National Social Security Advisory Board to recommend the Central Government on formulation of suitable welfare schemes for different sections of the unorganised sector workers relating to life and disability cover, health benefits, old age protection, etc. The allowances etc. to the members of the National Board for attending the meetings of the National Board shall be made by the Central Government. Clause 4 of the Bill provides that the schemes notified by the Central Government may be funded wholly by the Central Government or partly by the Central Government and partly by the State Government; or partly through contributions collected from the beneficiaries of the scheme and the employers as may be specified in the scheme. Clause 6 of the Bill envisages for constitution of a State Social Security Advisory Board to recommend the State Government on formulation of suitable welfare schemes for different sections of the unorganised sector workers. Sub-clause (3) of clause 7 of the Bill also provides for giving financial assistance to the State Governments for the purpose of schemes framed by those Governments. The financial implications for funding of the schemes would be determined as and when such schemes are formulated.

2. The allowances to the Members of the National Board shall be made out of the regular budget of the Ministry of Labour and Employment. The National Board will be serviced by the existing staff in the Ministry of Labour and Employment. The Fund for the schemes, as and when they are announced, will be channelised through the existing channels of funding as is being done for other schemes of the Government. The fund flow system will be defined in each scheme and it will vary from scheme to scheme.

3. The provisions of the Bill will not involve any other expenses of recurring or non-recurring nature.

**MEMORANDUM REGARDING DELEGATED LEGISLATION**

Clause 12 of the Bill empowers the Central Government to make rules for carrying out the purposes of the proposed legislation. The matters with respect to which rules may be made has been set out in sub-clause (2). The matters, inter alia, relate to (a) the contributions to be collected from the beneficiaries of the scheme or the employers under sub-clause (1) of clause 4; (b) the number of persons to be nominated, the term of office and other conditions of service of, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the National Board under sub-clause (4) of clause 5; (c) the rules of procedure relating to the transaction of the business at the meeting of the National Board under sub-clause (6) of clause 5; (d) the allowances for attending the meetings of the National Board under sub-clause (7) of clause 5; (e) the form for making an application for registration under sub-clause (2) of clause 9; and (f) any other matter which is required to be, or may be, prescribed. 2. Clause 13 of the Bill empowers the State Governments to make rules for carrying out the purposes of the proposed legislation. The matters with respect to which rules may be made has been set out in sub-clause

(2). The matters, inter alia, relate to (a) the number of persons to be nominated, the term of office and other conditions of service of, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the State Board under sub-clause (4) of clause 6; (b) the rules of procedure relating to the transaction of business at the meetings of the State Board under sub-clause (6) clause 6; (c) the allowances for attending the meetings of the State Board under sub-clause (7) of clause 6; (d) the contributions to be collected from the beneficiaries of the scheme or the employers under sub-clause (1) of clause 7 and (e) any other matter which is required to be, or may be, prescribed.

3. The matters in respect of which rules may be made are essentially matters of detail or procedure. The delegation of legislative power is, therefore, of a normal character.

A

BILL

*to provide for the social security and welfare of unorganised sector workers and for other matters connected therewith or incidental thereto.*

\_\_\_\_\_

(Shri Oscar Fernandes, Minister for Labour and Employment)

MGIPMRND-3955RS(S3)-08.0902007

**ANNEXURE-II****THE UNORGANISED WORKERS SOCIAL SECURITY BILL, 2007**A  
BILL

To provide for the social security and welfare of unorganised workers and for other matter connected therewith or incidental thereto.

Be it enacted by Parliament in the Fifty-eighth Year of the Republic of India as follows:-

## CHAPTER I

## PRELIMINARY

**1. Short title, extent and commencement:**

(1) This Act may be called the Unorganised Workers' Social Security Act, 2007.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint [and different dates may be appointed for different States and different areas in a State and for different provisions of this Act, ] within six months from the date of the assent.

**2. Definitions:**

In this Act, unless the context otherwise requires-

- (a) "employer" means a natural or juridical person or an association of persons, who has engaged or employed an unorganised worker either directly or otherwise for remuneration;
- (b) "home-based worker" means a person engaged in the production of goods or services for an employer in his or her home or other premises of his or her choice other than the workplace of the employer, for remuneration, irrespective of whether or not the employer provides the equipment, materials or other inputs;
- (c) "identity card" means a card, document or certificate issued to an unorganised worker by the District Administration under sub-section (3) of section 9;
- (d) "National Board " means the National Social Security Board for unorganised workers constituted under sub-section(1) of section 5;
- (e) "notification" means a notification published in the Official Gazette'
- (f) "prescribed" mean prescribed by rules made under this Act by the Central Government or the State Government, as the case may be;
- (g) "registered worker" means an unorganised worker registered under sub-section (3) of section 9;
- (h) "Schedule" means the Schedule annexed to the Act;



- (i) “State Board” means the (name of the State) State Social Security Board for unorganised workers constituted under sub-section (1) of section 6 of this Act;
- (j) “self-employed worker” means any person who is not employed by an employer, but engages himself or herself in any occupation in the unorganised sector subject to a monthly earning of an amount as may be notified by the Central Government or the State Government from time to time or holds cultivable land subject to such ceiling as may be notified by the State Government;
- (k) “unorganised sector” means enterprises owned by individuals or self-employed workers and engaged in the production or sale of goods or providing service of any kind whatsoever, and where the enterprises employs workers, the number of such workers is less than ten; and in case of agriculture, the landholding is less than 2 hectares.
- (l) “unorganised sector worker” means a home-based worker, self-employed worker or a wage workers in the unorganised sector;
- (m) “wage worker” means a person employed for remuneration in the unorganised sector, whether in agriculture or non agriculture, directly by an employer or through any contractor, irrespective of place of work, whether exclusively for one employer or for one or more employers, whether simultaneously or otherwise, whether in cash or in kind, whether as a home-based worker, or as temporary or casual worker, or as a migrant worker, or workers employed by households including domestic workers, with a monthly earning of an amount as may be notified by the Central Government and State Government, as the case may be.
- (n) **Unorganised worker** means an unorganised sector worker and also includes workers in the organized sector not protected by the existing laws relating to social security

*Explanation: For the purposes of this Act, unorganised workers would also include any class of workers like Anganwadi workers who are not covered or protected or benefited by the existing laws relating to social security either in the organized sector or unorganised sector.*

## CHAPTER II

### SOCIAL SECURITY BENEFITS

#### 3. Framing of Schemes

- (1) The Central Government shall formulate, from time to time, suitable welfare schemes for different sections of unorganised workers on matters relating to –
  - (a) life and disability cover;
  - (b) health and *maternity benefits*;
  - (c) old age protection; and
  - (d) any other benefit as may be determined by the Central Government.

(1A) The Central Government shall formulate and notify in the Official Gazette Schemes entitling all the unorganised workers to the following national minimum social security benefits within a period of three years. The value of the benefits shall be adjusted for inflation every two years. A list of existing schemes is specified in schedule 1 to this Act.

- (i) Life and disability cover for natural or accidental death of the worker;
- On natural death prior to the terminal date Rs.30,000/-
  - On death due to accident Rs.75,000/-
  - Permanent total disability due to accident Rs.75,000/-
  - Loss of two eyes or two limbs or one eye and one limb Rs.75,000/-
  - Loss of one eye or one limb in an accident Rs.37,500/-

**Comment [m1]:** Benefits are same as 'Aam Admi Bima Yojana' introduced for rural landless labour.

(ii) Health benefits for self, spouse and children below the age of 18 years, and maternity benefits for women workers or spouse of men workers:

- Coverage for unorganized worker and his family (unit of five) with total sum insured of Rs. 30,000/- per family per annum on a family floater basis.
- Cashless attendance to all covered ailments
- Hospitalization expenses, taking care of most common illnesses with as few exclusions as possible
- Coverage of all pre-existing diseases
- Transportation costs (actual with maximum limit of Rs. 100 per visit) within an overall limit of Rs.1000.
- Coverage of health services related to hospitalization and services of a surgical nature which can be provided on a daycare basis.
- Provision for reasonable pre- and post-hospitalization expenses for one day prior and 5 days after hospitalization, but subject to a maximum share of the total costs of the hospitalization.
- Maternity benefits for women workers or spouse of men workers for home delivery of Rs. 500 per pregnancy upto two births, and for Institutional delivery in low performing states of Rs1000 (in Rural areas) and Rs1400 (in urban areas); and in high performing States of Rs 700 (in Rural areas) and Rs 600 (in urban areas);

**Comment [m2]:** Benefits are same as 'Rashtriya swasthya Bima Yojana' introduced for BPL workers by Ministry of labour. However it may be noted that 'Rashtriya swasthya Bima Yojana' does not cover maternity benefits.

**Comment [m3]:** As 'Rashtriya swasthya Bima Yojana' does not cover maternity benefits, maternity benefits are provided same as in **Janani Suraksha Yojana** of Department of Family Welfare

(iii) Old age protection in the form of Old age Pension of Rs 200/- per month for Unorganised workers above the age of 60 years, or, Provident Fund for all unorganised workers providing for an assured rate of interest (which shall not be less than the EPF rate of interest) and the Government's contribution to the Provident Fund at twice the sum as that of the worker.

**Comment [m4]:** Under National Old Age Pension Scheme, now the benefits have been extended to all BPL workers above the age of 65 years of Rs 200/- per month. Earlier, it was applicable only to destitutes.

(1B) The national minimum may be introduced in phases in terms of benefits or coverage of workers..

(1C ) The Central government may also enlarge the scope of the national minimum, by notifying additional schemes for the welfare of the unorganised workers on matters such as :

- (a) housing;
- (b) educational schemes for children;
- (c) skill upgradation of workers;
- (d) funeral assistance;
- (e) old age homes: and
- (f) marriage of daughters.

(1D) In addition to the schemes to be formulated in Section 3(1)& (1A), the Central Government may specify or formulate, from time to time, suitable welfare schemes covering the matters mentioned in 3(1) (a), (b), (c) or any other benefit for specific sections of unorganised workers.

(2) The schemes included in Schedule 2 to this Act shall be deemed to be the welfare schemes under sub-section (1D) of this Act.

(3) The Central Government shall, by notification, amend the Schedule referred to in sub-section (2), and include therein or exclude therefrom any welfare scheme for the unorganised workers.

(4) The State Governments may formulate and notify, from time to time, suitable welfare schemes for different sections of unorganised workers, including schemes relating to-

- (a) provident fund;
- (b) employment injury benefit;
- (c) housing;
- (d) educational schemes for children;
- (e) skill upgradation of workers;
- (f) funeral assistance;
- (g) old age homes: and
- (h) marriage of daughters.

**4.** (1) Any scheme notified by the Central Government including those providing for National Minimum Social Security benefits as per section 3(1A) may be-

- (i) wholly funded by the Central Government; or
- (ii) partly funded by the Central Government and partly funded

by the State Government, or

(ii) partly funded by the Central Government and partly funded by the State Government and partly funded through contributions collected from the beneficiaries of the scheme or the employers as may be prescribed in the scheme by the Central Government.

(2) Every scheme notified by the Central Government including those providing for National Minimum Social Security benefits as per section 3(1A) shall provide for such matters that are necessary for the efficient implementation of the scheme including the matters relating to:-

- (i) scope of the scheme;
- (ii) Coverage and phasing of the scheme;
- (iii) resources of the scheme;
- (iv) Manner of implementation of the scheme; and
- (v) any other relevant matter.

Insert the following Chapter:

Constitution of a National Social Security and Welfare Fund (NSSWF)

The Central Government shall create a National Social Security and Welfare Fund to which contributions shall accrue from the following sources:

- a) Grants and loans from the Central Government;
- b) Contributions from workers, employers and Governments in the form and manner to be prescribed in the specified Scheme, provided that the Central government may exempt any class of unorganised workers or employers from making their contribution under such conditions as may be specified;
- c) Any tax or cess that the Central Government may impose for the purpose of providing social security for unorganized workers;
- d) Any tax or cess that the Central Government may impose on commodities and/or services in lieu of employers' contributions (which are either difficult to collect or appropriate employers in the unorganised sector are not directly identifiable).

In addition to the above, contributions may also accrue from the following sources:

- e) Contributions from the national financial/developmental institutions; and
- f) Any voluntary contribution from individuals or institutions.

**Exemption from Income Tax**

All financial contributions made by individuals and institutions to the National Social Security and Welfare Fund will be exempted from the payment of income tax under the Income Tax Act.

**Utilisation of the National Social Security and Welfare Fund**

All contributions accruing to the National Board shall be credited to the Fund, which shall be applied for meeting the following:

- a) Expenses on the social security schemes covering National minimum of the Central Government as specified;
- b) Grants to the State Boards, including for the purposes of the functioning of the Workers' Facilitation Centres;
- c) Expenses on the administration of the schemes;
- d) Investment in permitted schemes;
- e) Any other item in connection with the administration of this Act.

**CHAPTER III****NATIONAL SOCIAL SECURITY BOARD FOR UNORGANISED WORKERS**

5. (1) The Central Government shall, by notification, constitute a National Board to be known as the National Social Security Board to exercise the powers conferred on, and to perform the functions assigned to , it under this Act.

(2) The National Board shall consist of the following members, namely:-

- (a) Union Minister for Labour and Employment to be the Chairperson ;
- (b) a full time chief executive officer to be appointed by the Central Government who shall also function as the Member Secretary, ex officio; and
- (c) thirty four members to be nominated by the Central Government, out of whom-

- (i) seven consisting of Central Trade Unions and Unorganised Worker Unions; National level organizations, including federation of such organizations, of unorganised workers including the self-employed;

- (ii) seven consisting of national Level organisations of employers of unorganised workers;

- (iii) seven representing eminent persons from civil society and experts in the area of management of insurance products and services; social security and related issues in the unorganized sector; management of finances, and other organizations and stakeholders working with the unorganized sector;

- (iv) five representing State Government ;

- (v) five representing Central Government Ministries and Departments concerned, and

- (vi) two representing Members of Lok Sabha and one representing the members of Rajya Sabha

(3) The members of the Board shall be from amongst persons of eminence in the fields of labour welfare, management, finance, law and administration.

(4) The number of persons to be nominated as members from each of the categories specified in clause ( c ) of sub-section (2), the term of office and other conditions of service of member, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among the members of the National Board shall be such as may be prescribed:

Provided that adequate representation shall be given to persons belonging to the Scheduled Castes, the Scheduled Tribes, the Minorities and Women.

(5) The term of National Board shall be three years.

(6) The National Board shall meet at least thrice a year, at such time and place and shall observe such rules of procedure relating

to the transaction of business at its meetings, as may be prescribed.

(7) The member may receive such allowances as may be prescribed for attending the meeting of National Board.

(8) The National Board shall perform the following functions, namely:-

- i. recommend to the Central Government suitable schemes for different sections of unorganised workers;
- ii. advise the Central Government on such matter arising out of the administration of this Act at the national level and on policy matters relating to social security, and extension of schemes of social security such as ESI and EPF to unorganised workers; and health, safety and welfare of worker
- iii. monitor such social welfare schemes for unorganised workers as are administered by the Central Government;
- iv. review the progress of registration and issue of identity cards to the unorganised workers;
- v. review the record keeping functions performed at the State level;
- vi. review the expenditure from the funds under various schemes;
- vii. undertake such other functions as are assigned to it by the Central Government from time to time.
- viii. Review the working of the State Boards and the Central Welfare Boards every three years and make suitable recommendations to the Government(s) concerned for further improvement;
- ix. manage and maintain the National Social Security and Welfare Fund, provide financial assistance to State Boards; recommend new schemes and programmes and projects for implementation through the Fund;
- x. Assist in capacity building of the State Boards
- xi. Collect, compile and publish statistics relating to the unorganised sector and undertake such promotional activities as may be decided from time to time;
- xii. Monitor and review the impact of existing schemes, policies and programmes of various Ministries and Departments of Government of India on the unorganised workers and make appropriate recommendations
- xiii. Hold public hearings to entertain petitions submitted by the unorganized workers and make appropriate recommendations;
- xiv. Advise government on special protection measures for migrant workers and their families in providing the ration cards, housing and education to their children.
- xv. Administration of this Act and formulation of policies at the national level, and shall have such powers as may be laid down to direct, co-ordinate, supervise, and monitor the functioning of State Boards and the Central Welfare Boards;

### Secretariat of the Board

The National Board shall have a secretariat with adequate professional and other staff. The staff of the National Board shall be governed by the Central Government rules and regulations existing from time to time. The annual budget of the National Board shall be prepared by the Secretariat and placed before the full Board for approval.

#### CHAPTER IV

#### STATE SOCIAL SECURITY BOARD FOR UNORGANISED WORKERS

6. (1) Every State Government shall, by notification, constitute a State Board to be known as (name of the State) State Social Security Board to exercise the powers conferred on, and to perform the functions assigned to it, under this Act.

(2) The State Board shall consist of the following members, namely:-

(a) Minister for Labour and Employment of the concerned state to be the Chairperson ;

(b) a full time chief executive officer to be appointed by the State Government who shall also function as the Member-Secretary, *ex officio*; and

(c) Twenty-nine members to be nominated by the State Government, out of whom-

- (i) seven consisting of Trade Unions and unorganised Worker Unions; State level organizations, including federation of such organizations of unorganised workers including the self employed ;
  - (ii) seven consisting of State Level organisations of employers of unorganised workers;
  - (iii) five representing eminent persons from civil society and experts in the area of management of insurance products and services; social security and related issues in the unorganized sector; management of finances, and other organizations and stakeholders working with the unorganized sector; and
  - (iv) seven representing state government department concerned, Welfare Boards and Public Agencies.
  - (v) two representing Members of Legislative Assembly and one representing the members of Legislative council if any of the State concerned.
- (3) The members of the Board shall be from amongst persons of eminence in the fields of labour welfare, management, finance, law and administration.

- (4) The number of persons to be nominated as members from each of the categories specified in clause (c) of sub-section (2), the term of office and other conditions of service of members, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among the members of the State Board shall be such as may be prescribed:

Provided that adequate representation shall be given to persons belonging to the Scheduled Castes, the Scheduled Tribes, the Minorities and Women.

- (5) The term of the State Board shall be three years.
- (6) The State Board shall meet at least once in a quarter at such time and place and shall observe such rules of procedure relating to the transaction of business at its meetings, as may be prescribed.
- (7) The members may receive such allowances as may be prescribed for attending the meetings of the State Board.
- (8) The State Board shall perform the following functions, namely:-
- (a) Frame and implement social security schemes, in addition to the national schemes, that the State Board may design in consultation with the State government;
  - (b) advise the State Government on such matters arising out of the administration of this Act and on policy matters relating to social security, health and safety and welfare of unorganised workers ;
  - (c) monitor such social welfare schemes for unorganised workers as are administered by the State Government;
  - (d) review the record keeping functions performed at the District level;
  - (e) review the progress of registration and issue of cards to unorganized workers.
  - (f) review the expenditure from the funds under various schemes; and
  - (g) undertake such other functions as are assigned to it by the State Government from time to time.
  - (h) Implement the national scheme for unorganised workers through appropriate organisational arrangements, negotiate with the providers for the best possible offers and stipulate norms for the evaluation of the work done by the Workers' Facilitation Centres;
  - (i) Frame guidelines to ensure portability of benefits to workers;
  - (j) Provide financial assistance to other member organisations implementing social security programmes;



- (k) Create awareness among the unorganised workers about the need for social security registration and the existence of various social security schemes;
- (l) Collect, compile and publish statistics, with the help of statistical organisations, regarding unorganised workers and employers who engage these workers at the *Panchayat*/Municipal, District, State levels with such details as gender and age, nature of occupation, level of earnings, etc.;
- (m) Review the working of the Welfare Boards and other implementing agencies on the basis of annual reports and statements of audited accounts or specially commissioned reports and make suitable recommendations to the government(s) concerned for further improvement;
- (n) Assist in capacity building of Workers Welfare Boards and Workers' Facilitation Centres;
- (o) Initiate innovative approaches, through interaction across sectors and constituencies, for the enhancement of welfare of unorganised workers;
- (p) Monitor and review the impact of existing schemes, policies and programmes of various Ministries and Departments of the concerned State Government on the unorganised workers and make appropriate recommendations;
- (q) Hold public hearings to entertain petitions submitted by the unorganised workers and make appropriate recommendations;
- (r) Carry out surveys to determine the safety and health standards required in different occupations and employments in the unorganised sector, and publish manuals and outreach programmes for worker safety;

7. (1) Any scheme notified by the State Government may be –
- (i) wholly funded by the State Government; or
  - (ii) partly funded by the State Government, partly funded through contributions collected from the beneficiaries of the scheme or the employers as may be prescribed in the scheme by the State Government.
- (2) The State Government may seek financial assistance from the Central Government for the schemes formulated by it.
- (3) The Central Government may provide such financial assistance to the State Governments for the purpose of schemes for such period and on such terms and conditions as it may deem fit.
8. The record keeping functions for the purpose of this Act shall be performed by the District Administration:
- Provided that the State Government may direct that the record keeping function shall be performed by –
- (a) the District Panchayat in rural areas; and
  - (b) the Urban Local Bodies in urban areas.

#### **Secretariat of the Board**

The State Board shall have a secretariat with adequate professional and other staff. The staff of the State Board shall be governed by the State government rules and regulations existing from time to time.

### **State Fund**

(1) The State government shall create a State Social Security and Welfare Fund to which contributions shall accrue from the following sources:

(i) Grants and loans from National Board and the State government;

(ii) Any tax or cess that the State government may impose on commodities and/or services in lieu of employers' contributions (which are either difficult to collect or appropriate employers in the unorganised Sector are not directly identifiable);

(iii) Contribution toward additional social security scheme (if any) formulated by the State Board;

(iv) Contributions from the national financial/developmental institutions; and

(v) Any voluntary contribution from individuals or institutions.

(2) All financial contributions made by individuals and institutions to the State Social Security and Welfare Fund will be exempted from the payment of income tax under the Income Tax Act.

(3) All contributions accruing to the State Boards shall be credited to the State Social Security and Welfare Fund which shall be applied for meeting the following:

- a) Expenses on the implementation of the national schemes and additional social security schemes of the State Government;
- b) Grants to the Welfare Boards and the Workers' Facilitation Centres;
- c) Expenses on the administration of the State Board as per the annual budget;
- d) Investment in permitted schemes; and
- e) Any other item in connection with the administration of this Act.

## CHAPTER V

### Registration

9. (1) Every unorganized worker shall be eligible for registration subject to the fulfillment of the following conditions, namely:-
- (a) he or she shall have completed fourteen years of age; and
  - (b) a self-declaration by him or her confirming that he or she is an unorganized worker.
  - (c) He or she has a monthly earning of an amount (presently it may not exceed Rs.7000/- in 2007 which is roughly equivalent to Rs. 6500/- per month recommended by the Indian Labour Conference held in December 2005) as may be notified by the Central Government or the State Government from time to time or holds cultivable land subject to such ceiling as may be notified by the State Government;
- (2) Every eligible unorganized worker shall make an application in the prescribed form to the District Administration for registration.
  - (3) Every unorganized worker shall be registered and issued an identity card by the District Administration which shall be a smart card carrying a unique identification number and shall be portable.
  - (4) If a scheme requires a registered unorganized worker to make a contribution, he or she shall be eligible for social security benefits under the scheme only upon payment of such contribution.
  - (5) Where a scheme requires the Central or State Government to make a contribution, the Central or State Government, as the case may be, shall make the contribution regularly in terms of the schemes.

#### **Workers' Facilitation Centres**

- (1) In order to extend coverage and reach the unorganised workers in remote areas, the State Boards may designate any one or more of the following at the local level as Workers' Facilitation Centres (WFC):
- a) Existing Worker Welfare Boards and their local offices;
  - b) Local Panchayati Raj Institutions (PRI);
  - c) Organisations of workers including trade unions, associations and co-operatives in the unorganised sector;
  - d) Self-help Groups (SHGs); and
  - e) Non-profit organisations working among the unorganised workers.

(2) Such designated Workers' Facilitation Centres shall perform the following functions:

- a) Disseminate information on available social security schemes for the unorganised workers;
- b) Facilitate the filling, processing and forwarding of application forms for registration of unorganised workers;
- c) Obtain registration from the District administration and deliver the Identity Cards to the registered unorganised workers;
- d) Facilitate the enrollment of the registered unorganised workers in social security schemes; and
- e) Facilitate the delivery of social security benefits through the institutions designated to deliver such social security (insurance companies, post offices, Departments of the State/Central Government and other institutions concerned).

(3) The State Boards shall compensate the costs incurred by the Workers' Facilitation Centres for performance of its functions.

## **CHAPTER VI**

### **Miscellaneous**

10. The Central Government may give guidance to-

- (i) the National Board; or
- (ii) the Government of a State or the State Board of that State.

In respect of matters relating to the implementation of the provisions and administration of this Act.

11. No proceedings of the National Board or any State Board shall be invalid on the ground merely of the existence of any vacancy or defect in the constitution of the National Board or, as the case may be, the State Board.

12. (1) The Central Government may, by notification, make rules to carry out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:-

- (a) the contributions to be collected from the beneficiaries of the scheme or the employers under sub-section (a) of section 4;

- (b) the number of persons to be nominated, the term of office and other conditions of service of members, the procedure to be followed in the discharge of functions by, and the manner of filling vacancies of, the National Board under sub-section (4) of section 5;

© The rules of procedure relating to the transaction of the business at the meeting of the National Board under sub-section (6) of section 5;

- (d) the allowance for attending the meetings of the National Board under sub-section (7) of section 5;

(e) the form for making an application for registration under sub-section (2) of

(f) any other matter which is required to be, or may be, prescribed.

13. (1) the State Government may, by notification, make rules to carry out the

(2) In particular, and without prejudice to the generality of the foregoing power,

- (a) the number of persons to be nominated, the term of office and other conditions of service of members, the procedure to be followed in the discharge of functions by, and the manner of filling vacancies of, the State Board under sub-section(4) of section 6;

(b) the rules of procedure relating to the transaction of business at the meetings of the State Board under sub-section (6) of section 6;

(c) the allowances for attending the meetings of the State Board under sub-section (7) of section 6;

(d) the contributions to be collected from the beneficiaries of the scheme or the employers under sub-section (I) of section 7; and

(e) any other matter which is required to be, or may be, prescribed.

14.(1) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if , before the expiry of the session immediately following the session or the successive sessions aforesaid, both houses after in making any modification in the rule or both House agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be so, however, that nay such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

(2) Every rule made under this act by State Government shall be laid, as soon as may be after it is notified, before the State Legislature.

- (15) (1) This law will not affect the application of any other State or Central Acts which applies to the unorganised worker or to the employer under this Act.
- (2) Notwithstanding anything contained in this Act, wherever any unorganised worker is eligible for superior or better benefits under any existing law in force the worker shall continue to be entitled for such benefits.
- (3) In case, any unorganised worker is eligible for benefit under one or more existing Central or Welfare Boards, in addition to his eligibility for the specified schemes under 3(1),
- (a) The unorganised worker shall retain the option of membership of the Scheme(s) / Fund with the highest benefit.
- ( b ) The National/State Board may decide the criteria on which the unorganised worker can be eligible for benefit under the specified scheme in addition to membership in other Boards/schemes.

**Effect of laws and agreements inconsistent with this Act**

- (1) The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law or in the terms of any award, agreement or contract of service, whether made before or after the coming into force of this Act.
- (2) Nothing contained in this Act shall be construed to preclude a unorganised worker from entering into an agreement with his/her employer for granting him/her rights or privileges in respect of any matter which are more favourable to him/ her than those to which he/she would be entitled under this Act.
- (16) (1) If any difficulty arises in giving effect to the provisions of this act, the Central Government may, by order published in the Official gazette, make such provisions not inconsistent with the provisions of this act, as may appear to it to be necessary removing the difficulty:
- Provided that no such order shall be made under this section after the expiry of a period of two years from the commencement of this act.
- (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

**Chapter to be included before the miscellaneous chapter****DISPUTE RESOLUTION BODIES AND THEIR CONSTITUTION****Resolution of disputes**

The State government shall constitute at least one Dispute Resolution Council in each district for resolution of disputes relating to the non-observance of provisions of this Act, arising amongst the unorganised workers, employers, Workers' Facilitation Centres and State Boards.

**Reference of disputes**

(1) Any unorganised worker or employer or Workers' Facilitation Centres or organisation representing such worker or State Boards may raise a dispute relating to the non-observance of provisions of this Act by filing a complaint before the Dispute Resolution Council in the manner prescribed by the State Government.

(2) Upon reference of such dispute, the Dispute Resolution Council shall at the first instance proceed to arrive at a conciliated settlement to the satisfaction of all parties. Upon failure of such conciliation proceedings, the Dispute Resolution Council shall adjudicate on the matter as expeditiously as possible.

(3) The Dispute Resolution Council shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 (of 1908).

**Consequences of contravention of provisions of this Act**

Whoever contravenes any provisions of this Act or the rules made there under, other than those made punishable under any other law, shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to Rs. 5000/-, or with both, and in case of continuing contravention, with additional fine which may extend upto Rs. 100/- for every day during which such contravention continues. The Dispute Resolution Council shall be authorised to give the fine so collected either in whole or in part to the aggrieved party.

**SCHEDULE 1**

(See section 3(1A))

**NATIONAL MINIMUM SOCIAL SECURITY SCHEMES FOR THE UNORGANISED WORKERS****S. No. Name of the Schemes**

1. Indira Gandhi National Old Age Pension Scheme.
2. Aaam Admi Bima Yojana.
3. Swasthya Bima Yojana.
- [4. Janani Suraksha Yojana
5. Provident Fund Scheme]

**SCHEDULE 2**

(See section 3(1D))

**SOCIAL SECURITY SCHEMES FOR THE UNORGANISED WORKERS****S. No. Name of the Scheme**

- 1) National Family Benefit Scheme.
- 2) National Maternity Benefit Scheme.
- 3) Mahatma Gandhi Bunkar Bima Yojana.
- 4) Health Insurance Scheme for Handloom Weaver.
- 5) Scheme for pension to Master Crafts persons.
- 6) Group Accident Insurance Scheme for Active fishermen.
- 7) Saving-cum-Relief for the fishermen.
- 8) Janshree Bima Yojana.



**STATEMENT OF OBJECTS AND REASONS**

It is estimated that the workers in the unorganised sector constitute more than ninety-four per cent of the total employment in the country. On account of their unorganised nature, these workers do not get adequate social security. Some welfare schemes are being implemented by the Central Government for specific groups of unorganised workers such as beedi workers, non-coal mine workers, cine workers, handloom weavers, fishermen, etc. State Governments are implementing welfare programmes for certain categories of unorganised workers and some Non-Governments Organisation also provides social security to certain categories of workers. Despite all these efforts, there is a huge deficit in the coverage of the unorganised workers in the matter of social security measures ensuring the welfare and well-being of workers in the unorganised sector, such as agricultural workers, construction workers, beedi workers, handloom workers leather workers, etc.

2. The Unorganised Workers' Social Security Bill, 2007 aims to entitle the unorganised workers with national minimum social security benefits and to provide for schemes for welfare of the unorganised workers and for matters connected therewith or incidental thereto. The Bill, inter alia, provides for the following matters, namely:-

- (i) The Central Government shall constitute a National Social Security Board to administer the National Social Security and Welfare Fund & the schemes entitling the national minimum social security benefits at the national level and recommend suitable welfare schemes for different sections of unorganised workers..
- (ii) The State Government shall constitute the State Social Security Board to administer the State Social Security and Welfare Fund & the schemes entitling the national minimum social security benefits at the state level and recommend suitable welfare schemes for different sections of unorganised workers in that State and the State Government may notify suitable schemes for one or more sections of the unorganised workers.
- (iii) A unorganised worker shall be eligible for social security benefits if, he is duly registered. Every registered unorganised worker shall be issued an identify card which shall a smart card carrying a unique identification number and shall be portable.
- (iv) The Central Government and the State Government shall have the power to make rules for the purposes of carrying out the objects of the Bill.

3. The Bill seeks to achieve the above objectives.

New Delhi;

OSCAR FERNANDES.

**FINANCIAL MEMORNDUM**

Clause 5 of the Bill provides for constitution of the National Social Security Board to recommend the Central Government on formulation of suitable welfare schemes for different sections of the unorganised workers relating to life and disability cover, health benefit, old age protection, etc. The allowances, etc., to the members of the National Board for attending the meetings of the National Board shall be made by the Central Government. Clause 4 of the Bill provides that the schemes notified by the Central Government may be funded wholly by the Central Government or partly by the Central Government and partly by the State Government; or partly through contributions collected from the beneficiaries of the scheme and the employers as may be specified in the scheme. Clause 6 of the Bill envisages for constitution of a State Social Security Board to recommend the State Government on formulation of suitable welfare schemes for different sections of the unorganised workers. Sub-clause (3) of clause 7 of the Bill also provides for giving financial assistance to the State Governments for the purpose of schemes framed by those Governments through the respective funds. The financial implications for funding of the schemes would be determined as and when such schemes are formulated.

2. The allowances to the Members of the National Board shall be made out of the regular budget of the Ministry of Labour and Employment. The National Board will be serviced by the existing staff in the Ministry of Labour and Employment. The Fund for the schemes, as and when they are announced, will be channelised through the National Fund and the State Funds.

3. The provisions of the Bill will not involve any other expenses of recurring or non-recurring nature.

**MEMORANDUM REGARDING DELEGATED LEGISLATION**

Clause 12 of the Bill empowers the Central Government to make rules for carrying out the purposes of the proposed legislation. The matter with respect to which rules may be made has been set out in sub-clause (2). The matters, inter alia, relate to (a) the contributions to be collected from the beneficiaries of the scheme or the employers under sub-clause (1) of clause 4; (b) the number of persons to be nominated, the term of office and other conditions of service of, the procedure, to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the National Board under sub-clause (4) of clause 5; (c) the rules of procedure relating to the transaction of the business at the meeting of the National Board under sub-clause (6) of clause 5; (d) the allowances for attending the meetings of the National Board under sub-clause (7) of clause 5; (e) the form for making an application for registration under sub-clause (2) of clause 9; and (f) any other matter which is required to be, or may be, prescribed.

2. Clause 13 of the Bill empowers the State Governments to make rules for carrying out the purposes of the proposed legislation. The matters with respect to which rules may be made has been set out in sub-clause (2). The matters, inter alia, relate to (a) the number of persons to be nominated, the term of office and other conditions of service of, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the State Board under sub-clause (4) of clause 6; (b) the rules of procedure relating to the transaction of business at the attending the meetings of the State Board of the scheme or the employers under sub-clause (1) of clause 7; and (e) any other matter which is required to be, or may be, prescribed.

3. The matters in respect of which rules may be made are essentially matters of detail or procedure. The delegation of legislative power is, therefore, of a normal character.

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to provide for the social security and welfare of unorganised workers and for other connected therewith or incidental thereto.

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(Shri Oscar Fernandes, Minister for Labour and Employment)

LIST OF TRADE UNIONS

1. United Trade Union Centre (LS)
2. Hind Mazdoor Sabha
3. Centre of Indian Trade Unions
4. All India Agricultural Workers Union
5. Bharatiya Mazdoor Sangh
6. National Alliance of Agricultural Workers Union
7. New Trade Union Initiative
8. Unorganised Workers Federation
9. Tailoring Workers Forum of India
10. All India Anganwadi Workers Federation (AITUC)
11. All India Federation of Anganwadi Workers and Helpers
12. Bhartiya Krishi and Gramin Mazdoor Mahasangh, Delhi and Madhya Pradesh
13. Akhil Bhartiya Krishi Gramin Mazdoor Mahasangh
14. All India Brick and Tile Manufacture Federation
15. Labour Progressive Federation
16. Indian National Trade Union Congress
17. National Front of Indian Trade Unions
18. United Trade Union Congress
19. Bhartiya Khet Mazdoor Union (BKMU)
20. All India Trade Union Congress (AITUC)
21. All India Rural Health workers
22. Bhartiya Krishi Gramin Mazdoor Maha Sangh
23. Anganwadi BMS Federation
24. Tamil Nadu Agricultural Labourers Union (TALU), Chennai
25. Uttar Pradesh Gramin Mazdoor Union

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The above list contains the names of all the Trade Unions who were represented before the Committee, who sent their memoranda without physical appearance and who appeared before the Committee and submitted their memoranda as well.

**LIST OF EMPLOYER GROUPS**

1. All India Manufacturers Organisation
2. The Associated Chambers of Commerce and Industry of India
3. Confederation of Indian Industry
4. All India Organisation in Service of Small Scale Industries (Laghu Udyog Bharati)
5. Standing Conference of Public Enterprises (SCOPE)
6. Federation of Indian Chamber of Commerce & Industry
7. Council of Indian Employers
8. All India Organisation of Employers

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above list contains the names of all the Employer Groups who were represented before the Committee, who sent their memoranda without physical appearance and who appeared before the Committee and submitted their memoranda as well.

LIST OF NGOs

1. Social Security Now
2. National Centre for Labour
  - (i) National Hawker Federation
  - (ii) NFF
3. National Campaign Committee
  1. Nirmala Niketan
  2. National Alliances of Agricultural Worker Unions
  3. Unorganised Workers' Federation
  4. NCC-USW Domestic Workers Forum
  5. Delhi Shramik Sangathan
4. All Assam Motor Workers Joint Council, Guwahati, Assam
5. Pudukkottai Mavatta Annaithu Amaippusara Thozhilalar Sangam, Pudkkottai, Tamil Nadu
6. Karamchari Sangh, Kanpur
7. Angmehnati Kashtkari Sangarsh Samiti, Pune
8. Representatives of Agricultural Workers Alliances
9. Joint Action Committee of NCC-USW, Tamil Nadu
10. Delhi Unorganised Sector Union
11. Kamani Employees' Union

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The above list contains the names of all the NGOs who were represented before the Committee, who sent their memoranda without physical appearance and who appeared before the Committee and submitted their memoranda as well.

**NAMES OF INDIVIDUALS**

1. Shri Raj, Social Activist
2. Gita Dewan Verma
3. Shri S.S. Natarajan
4. Professor Rajkumar Roy Chodhury
5. Shri B.K. Sahu
6. Ms. Anuradha Sharma
7. Shri S. Subbiah
8. Shri Kathyayini Chamaraj
9. A Women representative
10. Shri M.P. Aggarwal
11. Amarnath, Unorganised worker
12. Shri Diwan Chand Saxena
13. Shri Sarvesh Kumar Suyash
14. Shri Tularam
15. All casual workers of Indian Airlines
16. Shri Ganesh Chaudhary
17. Shri Jagat Narain Singh and Shri P. Goswami
18. Shri Rajendra Kumar
19. Shri Devendra Pratap Singh

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The above list contains the names of all the Individuals who were represented before the Committee, who sent their memoranda without physical appearance and who appeared before the Committee and submitted their memoranda as well.



**SUGGESTIONS RECEIVED FROM VARIOUS MINISTRIES/DEPARTMENTS OF THE GOVERNMENT OF INDIA**

**COMMENTS OF MINISTRY OF FINANCE**

- (i) The sub-clauses (1) and (4) of Clause 3 provide for matters on which suitable welfare schemes by Central Government and State Governments can be formulated respectively. However, these do not seem to be under exclusive purview of the respective Governments. Hence, there may be duplication of schemes formulated by Central and State Governments.
- (ii) Although the financial memorandum mentions that the Bill in sub-clause (3) of Clause 7 of the Bill provides for Central Government to give financial assistance to the State Governments for the purpose of schemes framed by those Governments, it does not clearly provide for any ceiling or limit to the assistance to be provided. It is true that the sub-clause mentions "on such terms and conditions as it may deem fit". However, it would be better if this aspect is clarified and kept less open-ended. After all, States may seek more and more Central contribution in their own schemes.
- (iii) Clause 9 (Chapter-V) provides that every unorganized worker shall be eligible for registration if he or she has completed 14 years of age. This is in contradiction with the UN Convention on the rights of the child which treats a person as a child until he or she has completed 18 years of age and such a person is not expected to be a worker.
- (iv) The definition of "unorganized sector as given in Clause 2 (k) does not seem to be in consonance with the statement of object and reasons which includes agricultural workers.
- (v) Planning Commission is in the process of creating an authority for issuing a unique identification (UID) to residents which would be used primarily as the basis of efficient delivery of welfare services. The UID should be denied from entitlement of social security to unorganized workers.

**DEPARTMENT OF REVENUE**

As there are no tax related issues in "The Unorganised Sector Workers' Social Security Bill, 2007" Department of Revenue have no comments to offer.

**COMMENTS OF PLANNING COMMISSION**

The views of the Planning Commission are summarized below:

1. In pursuance of the commitment of the National Common Minimum Programme to discuss welfare of the unorganized sector workers, Hon'ble Prime Minister took a meeting on 18 December 2005. In this meeting, PM

directed that a Committee of Secretaries be constituted to (i) verify the numbers; (ii) to estimate possible GOI contribution; (iii) to list of various issues relating to modalities of implementation; and (iv) to collage and evaluate various State level initiatives. Committee of Secretaries meet under the Chairmanship of Cabinet Secretary on 25.7.06. After the deliberations in the Committee of Secretaries, a Group of Ministers was constituted on 18.1.07 with Hon'ble Finance Minister as the Chairperson. The GOM discussed the issue and proposed a draft Bill for introducing welfare schemes for the unorganized sector workers. The Cabinet approved the version of the Bill proposed by the GOM on 24.5.2007.

2. Thereafter, upon the directions of the Hon'ble Prime Minister, the terms of reference of the GOM were extended on 25.7.07 to further consider the following aspects (i) Hold formal discussions with the Chairman and Members of the NCEUS on the two Bills prepared by the Commission; (ii) Consider the following proposals and schemes being drawn up by the Ministry of Labour and Employment including (a) bringing certain amendments to the Bill to incorporate the provisions for a minimum level of benefits, central state funds, provision for imposing 'cess' and adding a schedule of the schemes to the Act; (b) identifying existing central social schemes for unorganized sector workers to be included in the Schedule of the Act; and (c) formulating two new schemes for Health Insurance and Pension that would cover all sectors and be introduced on a pilot basis in a few districts in each State.
3. In the three meetings following the addition to the terms of reference, the matter was discussed and Chairman and Members of the NCEUS were formally consulted. The Group of Ministers in its final meetings on 28.8.07 has approved the proposals to amend the Draft Bill (which was earlier approved by the Cabinet on 24.5.07). The new Draft Bill, after taking into account the decisions of the GOM was approved by the Cabinet for introduction in Parliament. After vetting by the Ministry of Law on drafting aspects, the Bill was introduced in the Rajya Sabha on 7.9.2007, and has since been referred to the Standing Committee on Labour. The Committee in its sitting held on 8.10.07 had decided to have wider consultations with all the stakeholders and has hence sought the comments of the Planning Commission on the above noted three aspects.

### **Comments of the Planning Commission**

#### **Section 3, 5 and 6**

There is no specific role for the National Board or the State Board before a scheme is notified for inclusion or exclusion from the schedule although such Boards can recommend to the appropriate Governments suitable schemes and monitor the schemes administered by the respective Governments. In other words, on the basis of review and continuous monitoring if any scheme has served its purpose fully or is to be discontinued for other reasons, or is to be modified mid-course, power in that respect should be conferred in the section to be performed after taking into account the advice of the respective boards.

Section 5 (5) and 6 (5) may be modified to indicate that the term of office of the non-official members on National Board/State Board will be three years.

### **Section 9**

The desirability of prescribing a standard form with a solemn affirmation/undertaking for the declaration under Section 9 (1) (b) may also be considered. To stipulate liability on the Central and State Governments to 'punctually' make payment to the schemes in an Act of Parliament may not be appropriate, as it presumes a habitual delay. Even otherwise, Section 9 (5) will only be a bar declaration because the custody of the Consolidated Fund of the State is with the State Legislature.

### **Financial Implications and Work Environment**

3. Financial contributions by the Employers and Employees (beneficiaries) may be dealt with according to the rules to be made under the Act. The implementing Departments, viz., Labour Departments of the State Governments and the Union Ministry of Labour and Employment with the advice of National and State Boards, which will continuously monitor and review the implementation of the schemes, will take steps to ensure that the schemes work smoothly and bring the desired results.

**COMMENTS OF MINISTRY OF HEALTH AND FAMILY WELFARE**

National Rural health Mission (NRHM)

The NCMP mandates an increase in expenditure in health sector, with main focus on primary Health Care from the current level of 0.9% of GDP to 2-3% of GDP over the next five years.

**Health Insurance**

The National Rural Health Mission has also made commitment regarding effective and viable risk pool and social health insurance to provide health security to the poor by ensuring accessible, affordable, accountable and good quality hospital care. Based on the recommendations of the Task Force a framework for developing health insurance programme (some suggestions for the States) have been developed and this Ministry has advised the State/UT Governments to prepare Health Insurance models as per their local needs to be run on pilot basis. Some of the States have initiated the process for developing Health Insurance Scheme.

New and flexible products/insurance scheme need to be develop[ed and marketed innovatively, to make community based health insurance popular including the insurance schemes proposed in the bill for workers of the unorganized sector. This will be effective when simultaneous efforts are made to strengthen the health delivery system through public private partnership.

**Comments of the Ministry:**

1. The existing Universal Health Insurance Scheme (UHS) for BPL families, which was subsidized by Ministry of Finance could not be successful due to inadequate coverage, poor benefits and higher premium. Health Insurance under the overall National Rural Health Mission (NRHM) framework of this Ministry is largely an effort to reduce the distress and duress of house holds in seeking health care by reducing out of pocket expenditure through risk pooling. This Ministry has prepared a framework for developing health insurance programme with few models and sent to all States for making their state-specific proposal which could be considered for funding under NRHM on pilot basis for both BPL and APL families. The premium for BPL families would be subsidized and the APL families would be making full payment of premium. After the success of few models, the same could be extended further. In this framework, the emphasis is on the process rather than the product.

2. As regards the proposal for inclusion of health component for the workers of un-organised sector, this Ministry is not in favour for having an uniform scheme of health insurance for the entire country as the need and the health facilities available differs across the country. Without the detailed process planning at the household level, national level initiative may only have a limited impact on the poor. As such States may be given the flexibility to modify and implement the scheme to suit the health needs of the States/Districts.
3. In case of proposal of NCEUS including health insurance components is agreed to, the health insurance should not be taken up with 250 districts in first year due to complex nature of the subject which require large amount of preparation. Therefore, it could be taken up in maximum of 100 districts during the first year and same number could be added every year, so that their may not be more than 5-6 districts in State every year this may also be linked to the improvement of public health facilities under NRHM.
4. The health component of NCEUS proposal need up gradation in respect of adequate coverage of maternity benefit and inclusion of out of pocket expenses, transportation, loss of wages during hospitalization etc.
5. The Ministry of Health and Family Welfare would be willing to advice on the formulation of component on Health Insurance but would have nothing to do with its implementation.

**COMMENTS OF MINISTRY OF RURAL DEVELOPMENT, DEPARTMENT OF RURAL  
DEVELOPMENT ON THE UNORGANISED SECTOR WORKERS' SOCIAL  
SECURITY BILL, 2007**

The various provisions of the proposed Bill on "The Unorganised Sector Workers' Social Security" were examined by Ministry of Rural Development. This Ministry has no specific comments on the proposed bill except that the name of the Scheme "National Old Age Pension Scheme" as mentioned in Schedule under Section 3 of the proposed bill has been changed to "Indira Gandhi National Old Age Pension Scheme" effective from 19<sup>th</sup> November, 2007.

**ANNEXURE – VIII****COMMENTS RECEIVED FROM STATE GOVERNMENTS/UNION TERRITORIES ADMINISTRATION****COMMENTS OF THE STATE GOVERNMENT OF MIZORAM ON THE UNORGANISED SECTOR WORKERS' SOCIAL SECURITY BILL, 2007**

There is yet no major organized Sector Establishment to absorb the growing manpower in the State of Mizoram. Having no option, the persons who enter the Labour Force have to work for livelihood in the unorganized Sector of employment only. In view of the above, the Government of Mizoram is appreciative and subscribe to the objectives and reasons of the “Unorganised Sector Workers’ Social Security Bill, 2007”. However, the State Government is fully aware that for want of financial resources, it has no capacity to satisfactorily implement the proposed legislation under the Central Government provide substantial assistance for the purpose of the Scheme speculated in the Bill.

**COMMENTS OF THE ADMINISTRATION OF THE UNION TERRITORY OF LAKSHADWEEP ON THE UNORGANISED SECTOR WORKERS' SOCIAL SECURITY BILL, 2007**

Lakshadweep is a small Union Territory and there are no major factories or commercial establishments in Lakshadweep. As such this administration has no particular comments to offer on the Unorganised Sector Workers’ Social Security Bill, 2007”.

**COMMENTS OF THE STATE GOVERNMENT OF UTTAR PRADESH ON THE UNORGANISED SECTOR WORKERS' SOCIAL SECURITY BILL, 2007**

The provisions of this Bill relate to welfare of workers of unorganized sector and it seeks to ensure that the benefits available to workers do reach them. About 93% of the total workforce of Uttar Pradesh is working in unorganised sector. State Government of Uttar Pradesh have welcomed the Bill meant for providing social security coverage to the workers of unorganized sector. As most of the workforce of the State work in unorganized sector, the benefits under the present Bill for these workers are relevant and appropriate. State Government have no objection on any provision of the Bill.

**COMMENTS OF THE STATE GOVERNMENT OF RAJASTHAN ON THE  
UNORGANISED SECTOR WORKERS' SOCIAL SECURITY BILL, 2007**

1. The definition of worker of self-employed worker does not include any occupation and livelihood. This should be included in the definition.
2. Wage ceiling for self employed persons for the purpose of this bill should be left for the decision by the respective State Government.
3. The schemes should either be fully funded by the Union Government or no scheme should be implemented without the concurrence of the State Government.
4. The minimum contribution of the Union Government for the schemes formulated by the State Governments should be decided so that the State Government could frame their schemes accordingly.
5. Cess and Taxes should be levied to generate resources. The revenue so collected should be made available to the State Governments.
6. Adequate number to employees and resources should be made available for the purpose of record keeping.
7. The expenditure over smart cards to be issued to the workers of unorganized sector should be borne by the Union Government.
8. Clear and specific mechanism should be laid down to generate resources, revenues for funding and implementing the various schemes for the welfare of workers.



**LIST OF TRADE UNIONS**

1. United Trade Union Centre (LS)
2. Hind Mazdoor Sabha
3. Centre of Indian Trade Unions
4. All India Agricultural Workers Union
5. Bharatiya Mazdoor Sangh
6. National Alliance of Agricultural Workers Union
7. New Trade Union Initiative (Shri Ashim Roy)
8. New Trade Union Initiative (Shri M.Subbu)
9. Unorganised Workers Federation
10. Tailoring Workers Forum of India
11. All India Anganwadi Workers Federation (AITUC)
12. All India Federation of Anganwadi Workers and Helpers
- 13 (a) Bhartiya Krishi and Gramin Mazdoor Mahasangh, Delhi and Madhya Pradesh
- 13 (b) Akhil Bhartiya Krishi Gramin Mazdoor Mahasangh
14. All India Brick and Tile Manufacture Federation
15. Labour Progressive Federation

**ANNEXURE-IX****SUMMARY OF MEMORANDA RECEIVED FROM VARIOUS TRADE UNIONS/EMPLOYERS GROUPS/NGOS/INDIVIDUALS****IMPORTANT POINTS OF VARIOUS MEMORANDA RECEIVED FROM TRADE UNIONS ON THE UNORGANISED SECTOR WORKERS SOCIAL SECURITY BILL, 2007**

<b>Sl.No.</b>	<b>Name of the Organisation</b>	<b>Name of the office bearer</b>	<b><u>Important points</u></b>
1.	United Trade Union Centre (Lenin Sarani)	Shri Sankar Saha General Secretary	<p>1. The reason for this huge number of unorganized sector workers is informalisation of formal sector- designed to ruthlessly exploit the masses of workers. There is need for formalisation of informal sector to ensure justice and equity to the workers.</p> <p>2. The Bill fails to make provision for universal application of the proposed Social Security Scheme covering all sectors of unorganized workers and conspicuously maintain silence on defined contribution for funding of the scheme-a scheme without defined contribution or resources cannot provide defined benefits.</p> <p>3. The scheme also fails to provide any time frame and it is wide open that different segments of unorganized workers will be provided with different schemes at different times.</p> <p>4. The criteria for determination of monthly earning/ages to all sections including self-employed workers/agriculture workers are absent in the Bill.</p> <p>5. The Bill provides for constitution of Central Boards and State Boards giving them the power of merely recommending various schemes covering different categories of Unorganised Sector Workers.</p>

2.	Hind Mazdoor Sabha	Shri Umraomal Purohit General Secretary	<p><b>1. The approach of the legislation both for the Unorganised Sector and the Agricultural workers should not merely be welfare oriented but also provide for regulation of employment, provision of minimum employment earnings guarantee wherever practicable, as well as a role of the workers for proper enforcement of the law and the schemes.</b></p> <p>2. Provision must be made in the law for payment of minimum wages on the basis of the recommendations of the 15<sup>th</sup> ILC supplemented by the Raptakos Brett judgement of the Supreme Court. Mention of 'floor' with regard to Minimum Wage should not be there. There should be a National Minimum Wages, below which no state level Minimum Wage can go. The fixation of piece rate wage for unorganized workers must be such as would enable an ordinary worker to earn a time rated wage.</p> <p><b>3. There should be legal entitlement of a minimal Social Security and working conditions to all unorganized sector workers.</b></p> <p>4. To cover all unorganized sector workers within a period of 5 years.</p> <p>5. Providing the minimal Social Security and working conditions is the sole responsibility of the Central Government.</p> <p>6. The questions of Social Security and working conditions like wages etc. Could always be increased by the State Governments.</p> <p>7. All unorganized workers including home-based, wage workers, migrant workers and self-employed workers whose average monthly earnings do not exceed Rs.6500/- per month should be covered.</p> <p>8. The floor level social security schemes like life and accident cover, health insurance and maternity benefit should be funded by the Central Government.</p>
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3.	Centre of Indian Trade Unions	<p><b>1. The Bill in its content totally ignored the labour protection issues.</b></p> <p>2. In respect of social security, the Bill contains nothing substantive but an open ended indication on some welfare schemes without any enforceable and justiceable measures for universal coverage, justice ability and funding mechanism.</p> <p>3. The Bill only provides for constitution of National Social Security Advisory Boards and similar Boards at the State level, basically advisory in character, which would recommend the welfare schemes on which the Central Government “may formulate from time to time suitable welfare schemes for different sections of the unorganized sector workers”. The Bill contains neither a compelling provision regarding the floor level social security and its universal coverage to all unorganized sector workers, nor a clearly defined funding obligation and a time frame.</p> <p>4. Coverage of the unorganized sector workers by all basic labour laws viz., Minimum Wages Act, Bonded Labour System (Abolition) Act, Equal Remuneration Act etc.</p> <p>5. Central Government should notify a National Minimum Wage.</p> <p>6. A comprehensive National Social Security Scheme should be framed within a time frame for coverage of all workers.</p> <p>7. Constitution of a National Social Security &amp; Welfare Fund. There is need for defined delivery/implementation machinery and enforcement and dispute resolution bodies.</p>
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4.	All India Agricultural Workers Union	Shri P.Ramayya (MLA) President	<p>1. A comprehensive legislation is required to regulate working conditions and working hours, ensure minimum wages, and equal wages for equal work, machinery for dispute settlement for different sections of workers, and floor level comprehensive social security benefits to be funded by the Central Government with clearly defined funding provided for the enforcement of the legislation, not just 'welfare' the present legislation barely goes beyond existing LIC schemes and other such measures listed in the schedule, is redundant.</p> <p>2. Agricultural labour who form the majority of so called 'unorganized' labour need a comprehensive central legislation based on the Kerala legislation of 1974.</p> <p>3. Section 3 (3) in Chapter-II gives the Central Government sweeping powers to include or exclude welfare schemes at will by notification or amending the schedule. The following schemes must be included in the text in section 3. 4. (4) in which medical expenses, pension schemes, financial assistance for marriage and support to educate oneself must be added to the existing list. Section 7 (1) (ii) states funding from the beneficiaries of the scheme or the employers'. We believe that this funding should be both from the beneficiaries and the employers. Section 9 2) does not make it clear that every applicant will be issued an identity card. We demand that the application for an identity card be allowed on plain paper and not on a 'prescribed form'. Section 9 (4) the words "which should not exceed Rs.10/- per year in toto" be added at the end of the line.</p> <p>4.The bill is not clear as to which agency will implement the provisions affecting different</p>
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5.	Bharatiya Mazdoor Sangh	Shri R.V. Subba Rao Vice President	<p>sections of workers.</p> <ol style="list-style-type: none"> <li>1. There should be a comprehensive legislation covering the twin requirement of service regulations and social security and the Bill in the present form is a negation.</li> <li>2. The duplication of providing life and disability cover and old age protection by Central Government and employment injury benefit and old age homes by State Government shall be replaced by single window system.</li> <li>3. The workers should be registered as beneficiaries basing on the certificate issued by the Trade Unions.</li> <li>4. Representatives of registered unions affiliated to central trade union organization be included in the Boards.</li> <li>5. The Advisory Boards, National &amp; State level shall be vested with authority to formulate welfare schemes, to execute, to enforce and to monitor implementation of the provisions of the legislation for implementation of the welfare schemes.</li> <li>6. An independent machinery be set up on the lines of EPFO &amp; ESIC which should function dispassionately, ensuring transparency.</li> <li>7. The schemes shall cover all the workers in the unorganized sector and there should not be any phasewise implementation on the grounds of BPL &amp; APL.</li> <li>8. The restrictive clauses of a minimum number of workers and calling the workers as casual, contract, trainee, on probation etc. be removed from the existing laws, and all the wage workers be covered in the existing laws.</li> </ol>
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			<p><b><u>Additional Suggestions:</u></b></p> <p><b><u>1. Definition of the unorganized Sector Worker</u></b></p> <p>(a) A schedule of employment in the unorganized sector be provided in the Bill. The schedule shall include all the employments of both wage &amp; self employed workers, and all unincorporated establishments and avenues of employment/earnings in the unorganized sector. A provision shall be made to include employments or avenues of employments in the times to come.</p> <p>(b) The legislation shall cover all wage workers &amp; self employed workers, in the unincorporated sector of establishments and avenues of employment and earnings, irrespective of the number of workers employed or the amount of waged or income.</p>
			<p><b><u>2. Definition of the Unorganised Sector</u></b></p> <p>'Unorganised Sector' means an unincorporated enterprise owned by Individuals or group of individuals of self-employed workers, without any limit for the number of workers employed or the wage rate or earnings or income.</p>
			<p><b><u>3 Welfare Schemes</u></b></p> <p>(a) The existing schemes are very few, hence may more schemes shall be included in the schedule. The existing schemes are limited to only two categories of workers and all the categories of workers in the unorganized sector shall be included in the schedule. There shall not be any sealing in the number of schemes, and there shall be a provision to formulate many more schemes as per the exigencies, and the needs of workers.</p>

			<p>(b) Analysis of existing schemes.</p> <p>(i) The quantum of benefit is quite inadequate, there is every need to increase the quantum to make the scheme worthwhile.</p> <p>(ii) The conditions are very cumbersome and fulfillment of which is not within the reach of the workers. There is every need to make the conditions reasonable and practicable.</p> <p>(iii) Registration of Cooperative Societies or formation of groups of workers is totally stopped. The plea is that there was a society or group some ten or fifteen years ago and that some four or five members have not returned the dues. The cooperative movement itself came to a standstill and alongwith the operation of welfare schemes.</p>
			<p><b>4. Multiplicity of schemes</b></p> <p>(i) All the categories of workers engaged in about 140 different and distinct works/jobs shall be covered under the scheme.</p> <p>(ii) The Government shall provide funds equivalent to 3% of GDP and levy tax to augment funds. Funds shall be provided to meet the requirements of workers and it is not proper to tailor the schemes or reduce the number of schemes on the consideration of funds.</p>
			<p>5. Single window system be adopted to avoid confusion.</p>
			<p>6. <b>Boards at State and Central level</b></p> <p>(a) The Boards shall not be advisory alone. The boards shall have authority to formulate schemes, execute schemes and monitor implementation.</p> <p>(b) Representatives of Central Trade Unions shall be included in the</p>



			Boards. (c) Boards shall be constituted for every category of employment and for every category of works/jobs in the self employed sector
			<p><b><u>7 &amp; 8. Benefit delivery machinery</u></b></p> <p>(a) Implementation of welfare schemes shall not be entrusted to the Government Administration or Panchayat Raj Institutions as they are over burdened with many schemes of Central &amp; State Governments. Also due to the ban on recruitment and creation of posts in the Government and quasi Government and Local Self Administrative units and Government Corporations the staff strength is very depleted. An independent organisation be set up to conduct registration of beneficiaries record keeping and benefit delivery on the lines of EPFO and ESIC.</p> <p>(b) The Bill proposed to constitute the Central or State Board with the Principal Secretary of Labour or Labour Secretary as Member Secretary, ex-officio. A full time Member Secretary be provided from the Government, not below the rank of Principal Secretary Labour.</p> <p>(c) The cost of the Administration of legislation, welfare schemes, and the cost of establishments shall be born by the Government and the welfare be spared from the expenditure on this score.</p>
			<p>9. (a) Welfare Fund shall be set up and the welfare schemes shall be specified and leaving these matters to be decided later would result in delay and denial.</p> <p>(b) The Welfare schemes shall be specified in the legislation.</p> <p>(c) The legislation shall be comprehensive containing the provisions regarding the Regulation of</p>

			Employment and service conditions. If it not possible, a separate Bill concerning the Regulation of employment and service conditions be placed in the Parliament and passed concurrently.
6.	National Alliance of Agricultural Workers Unions	Shri Swapan Ganguly Organising Secretary	<p>1. There should be separate legislations for workers in the agricultural sector and for those in the non-agricultural sector.</p> <p>2. The Unorganised sector workers social security Bill 2007 is a legislation that only covers social security and does not talk about regulation of employment. There should be a comprehensive legislation guaranteeing workers rights regulation of employment and social security.</p> <p>3. In Section 3 (1) and Section 3 (4) the word “may formulate be replaced by the words “shall formulate” and that a time period of three years be fixed It should be mandatory for the Central Government or State Government to introduce schemes for the welfare of unorganized sector workers and a time period of three years be fixed.</p> <p>4. In section 4 and section 7, a clear provisions may be made for the State and Central Government’s share in funding of schemes, alongwith clear formulation for worker and employer contribution.</p> <p>5. The funds made available for the social security scheme should be in parity with the contribution and number of the workers in the unorganized sector. They must be therefore considerably more than less than 1% of the GDP that the NCEUS report promises for 95% of the work force.</p> <p>6. A separate board for agricultural workers and an outreach that ensured the implementation mechanism are within close reach of the workers eg. One implementation center for every 5000 workers in the agricultural sector. We also insist that all boards, councils, committees, workers facilitation centers or any other implementation mechanisms formed under any law for workers rights should have majority representation from</p>

			<p>trade unions of the workers.</p> <p>7. There should be inclusion of provisions within the law that make any contravention of the social security legislation a serious criminal offence which is not bailable.</p> <p>8. Transparency and accountability to workers should also be an integral part of the law.</p>
7.	New Trade Union Initiative	Shri Ashim Roy General Secretary	<p>1. Government having recognized the need for a National Minimum Social Security Benefit must accept that this National Minimum cannot be in any way linked to either the contribution of workers or be subject to the availability of funds.</p> <p>2. In the event of funds raised through employers' contribution, taxes and levies falling short, then the costs of the national Minimum must be met through the Central Government's budgetary funds.</p> <p>3. In 3 (1) (c ) must be conceptualized as and provisioned for as a pension; wherein the computation of the pension must be clearly and unambiguously based on the principle of 50% of last wages drawn) employed for Government employees' pension. Therefore, the pension must be linked, as a National Minimum, to the statutory minimum wage.</p> <p>4. Section 4 - In keeping with the principle of the National Minimum to the prescribed fund should be named National Fund. Further apart from contribution from Government and employers there must be provision for an additional special tax or levy that may be decided upon by the Government.</p> <p>5. Section 5 (a) The establishment and incorporation of the prescribed National Social Security Board must include that the said Board must at all times remain the property and responsibility of the Central Government and that its corpus must come exclusively from the Central Government.</p> <p>6. (b) The composition of the executive council and secretariat of the</p>

			<p>prescribed National Social Security Board and its functioning needs closer and detailed security in terms of the representation of trade unions as also from the point of accountability and transparency.</p> <p>7. Registration of workers, issuance of identity cards in order for uniformity there must be adequate clarity on registration of workers laid out in the Central Government.</p> <p>8. The provision for merger of existing of welfare schemes and funds with schemes and funds under the bill may be allowed with a clear provision that any merger of schemes must at least in the beneficiary obtaining the quantum of benefit under the existing scheme and not result in a loss of welfare.</p>
8.	New Trade Union Initiative	Shri M. Subbu Treasurer Shri Gautam Mody Secretary	<p><b>Definitions under the Bill:</b></p> <p><b>(1) On the definition of Agricultural Workers:</b></p> <p>Agricultural workers represent the single largest category in the informal sector and are also the most deprived. Hence, if legislation fails to understand and internalize the specificities of this category it is going to be unable to reach out to them.</p>
			<p><b>(2) On defining the Unorganized Sector:</b></p> <p>The original definition that included all private enterprises employing less than 10 workers engaged in the production and sale of goods and service has undergone change. The modification leads to the exclusion of the entire workforce that is informally employed in the organized sector from the purview of this Act thereby defeating the very purpose of this Act in the present context of increasing contractualisation and outsourcing of work in the organized</p>

			sector.
			<p><b>(3) Protection under the provisions of the Employees' Provident Fund Act, 1952:</b></p> <p>EPF Act must be amended to include enterprises employing 10 or more employees or the threshold of employment under the social security bill be raised to 20.</p>
			<p><b>(4) Definition of a wage worker:</b></p> <p>The bill leaves the monetary ceiling of a wage worker to be decided upon the Government. This is delegated legislation without precedent. Furthermore, in that powers in this matter under the Bill are to be left to either the Central or to State Government.</p>
			<p><b>(5) Benefits under the Bill</b></p> <p>Benefits under the Bill laid out in Section 3 (1) (a) (b) and (c ) need to be spelt out clearly.</p> <p>In 3 (1) (a) life and disability cover must include employment injury benefit, including provision for wages when recovering from employment injury.</p> <p>In 3 (1) (a) health benefits must include hospitalization charges and all benefits should include their dependents.</p> <p>In 3 (1) (c ) must be conceptualized as and provisioned for as a pension; wherein the computation of the pension must be clearly and unambiguously based on the principle of 50% of last wages drawn employed for Government employees' pension.</p> <p>The provisions related to women workers should be adequately compensate for the reproductive and nurturing responsibilities that society has placed upon them.</p>

			<p><b>(6) Financial social security</b></p> <p>In keeping with the principle of the National Minimum, workers should be exempt from contributing to the National Minimum.</p>
			<p><b>(7) Implementation of the Act</b></p> <p>No agency or authority is defined by the bill for the implementation of social security provisions. Implementation of the social security provision needs to be handed over to specialized department of Government at every level-National, State and Local that is imbued with the spirit of social security as a universal right rather than an anti-poverty hand out.</p>
			<p><b>(8) Dispute Resolution Machinery and Provisions for Violations of Legislation</b></p> <p>The bill provides no machinery for raising of disputes and dispute resolution. Nor does it provide for any penalties for violations of the act. Furthermore, it places the entire burden of proof of violation on beneficiaries.</p>
			<p><b>(9) Enforcement of the Act</b></p> <p>There should be compulsory enforcement of employers to employ only registered workers and violation should be made a criminal offence. However, the benefits under the social security bill should not be contingent on or linked to enforcement.</p>
			<p><b>(10) Existing Social Security Schemes</b></p> <p>The Bill makes no reference to existing social security schemes of either the Central or the State Government. New social security legislation must protect existing schemes and no new scheme should be created under this bill that in anyway results in an entitlement that is less than an existing scheme.</p>

			<p><b>(11) Representation of Trade Union</b></p> <p>The composition of advisory boards assumes an enormous role of experts. The bill envisages no role for trade unions.</p>
9.	Unorganized Workers Federation	State Secretary	<p>1. The Central Government should stop categorizing within unorganized workers as BPL and APL workers. The proposed social security bill should be amended and a comprehensive legislation comprising regulation of employment and wages, ESI health insurance, housing and crèches, just and fair pension schemes, dispute resolution mechanisms, sexual harassment complaints committees, rights over resources should be enacted.</p> <p>2. The comprehensive bill to be implemented by Sectoral Boards should be modeled based on the bill drafted by National Campaign Committee for Unorganized Sector Workers and based on the Tamil Nadu Manual Workers Act.</p> <p>3. A separate comprehensive bill for the agricultural workers comprising employment protection for agricultural workers, minimum wages, land reforms, social security and rights over resources should be enacted.</p> <p>4. The implementation mechanism should be sectoral tripartite boards for groupings of employments and representation of workers should be 50% in the boards with adequate representation of women.</p> <p>5. Bonded labour and child labour in existing industries should be abolished and their rehabilitation as well as enforcement of minimum wages act, contract labour law central act on construction workers and all labour legislations must be intensified.</p> <p>6. (a) Both the State and Central Government should allocate 3% of the budget for social security implementation. (b) 2% levy on construction work and 1% levy on all forms of production</p>

			<p>and distribution must be imposed for the social security of unorganized workers.</p> <p>7. For all unorganized sector workers, ESI medial insurance, monthly pension of Rs.1000, family pension, maternity benefit for Rs.10,000, Rs.50,000 for natural death, marriage benefit of Rs.15,000, education allowance from 1<sup>st</sup> standard to college must be implemented and all benefits must be given within one month of the application.</p>
10.	Tailoring Workers Forum of India	President Shri K. Bhargavan	<p>The Unorganized Sector Worker's Social Security Bill, Chapter-11 Social security benefits, paragraph (1) (c ) old age protection.</p> <p>The board have to announce monthly pension to the registered members who cross 60 years of age. And also the pension will be given to the spouse, minor child and dependants of the registered members after his or her death.</p> <p>2.The board have to give the retirement benefit to registered members, if the board have collected the contribution from the members</p> <p>3. The Government to announce that the members who completed 3 years of membership in the board shall be eligible to get the monthly pension.</p> <p>4.The board have to also announce the monthly pension to unorganized worker who is not able to register as member in the board as he/she has already crossed 60 years of age.</p> <p>5. The board have to give the marriage benefits to the registered members and the children of the member.</p> <p>6.No age limit has been specified for the purpose of registration. The Government have to declare the sealing of age.</p> <p>7.In this bill, the National Social Security Advisory Board is to be constituted by the Central Government (Chapter-III).</p>



			<p>The representations may be modified as follows:</p> <p>Ten representing unorganized sector workers.</p> <p>Four representing employers of unorganized sector.</p> <p>Chairperson to be appointed by the Central and State Governments from the unorganized sector workers represented in the Advisory board.</p> <p>Change the contents in Chapter-V (Registration) Para (1) (b) as “the concerned Trade Union for each and every trade in unorganized sector worker in particular trade”.</p>
11.	All India Anganwadi Workers Federation (AITUC)	Dr. B.V. Vijayalakshmi General Secretary	<p>1. The women workers, in particular are suffering more in the unorganized sector without minimum wage and without any social security measures whatsoever.</p> <p>2. There is necessity for recognizing them as workers first and also as Government employees as any other employee working under the ICDS project.</p> <p>3. Secondly, they have to be given wages and not honorarium.</p> <p>4. Thirdly, Anganwadi workers and helpers have to be given all the social security measures, such as PF, pension, gratuity, group insurance, ESI, etc.</p> <p>5. Lastly, the introduction of contract system into the supervisory cadre of ICDS scheme should be abolished and they be given scales at par with others of the same cadre.</p> <p>6. We further request you to cover other women workers working in various sectors, for example, in the schools, as MID-Day Meal workers who are not considered for any wages. This system of taking their services and calling them volunteers should be dispensed with.</p> <p>7. Lastly, we also request you to bring domestic workers into the category of workers and social security measures should be applicable to them.</p> <p>8. The women workers have been</p>

			taken on contract system for construction area like hospitals but they are not getting any social security benefits because of the contract system. So, this system has to be totally dispensed with and everybody should get the social security benefits.
12.	All India Federation of Anganwadi Workers and Helpers	Dr. K. Hemalata General Secretary	<p>1. The Statement of Objects and Reasons appended to the Bill notes that “there is a huge deficit in the coverage of the unorganized sector workers in the matter of labour protection and social security measures”. But the Bill does not cover the conditions of work of the unorganized sector workers and provides no remedy to correct this ‘huge deficit’ in labour protection.</p> <p>2. Even in respect of social security, the Bill does not guarantee any concrete social security benefits for the unorganized. There is no provision for compulsory floor level social security benefits covering all the unorganized sector workers within a specific time frame.</p> <p>3. The Financial Memorandum appended to the Bill provides for “the allowances to the members of the National Board to be made out of the regular budget”. Only but makes no mention of the financial resources for the actual provision of the social security benefits for the unorganized sector workers. Social security schemes cannot work without statutory backing and concrete allocation of financial resources.</p> <p>4. The Bill completely ignores the basic content of the unanimous and concrete suggestions repeatedly made by all the Central Trade Unions.</p>
13.	Bhartiya Krishi and Gramin Mazdoor MahaSangh, Delhi and Madhya Pradesh	Shri Sultan Singh Shekhawat President Shri Hira Lal Pati Lal General Secretary	<p>1. The issues of agricultural workers and workers of unorganized sector in urban areas should be considered separately.</p> <p>2. Anganwadi workers, health workers and chowkidars working in rural areas should also be included.</p>

	Akhil Bhartiya Krishi Gramin Mazdoor Mahasangh	Shri Vishambar Bagmare	<p>3. The schemes of the Union and State Governments should be separate.</p> <p>4. The marginal farmers should also be brought within the network of social security.</p>
14.	Shri Rajendra Pratap Singh Chandel	President, All India Brick and tile Manufacture Federation	<p>1. Brick and kiln workers are migratory workers. Social security to these workers can be ensured from the revenues which the Government receives from this sector i.e. Brick and Kiln sector.</p> <p>2. In case Government cannot provide social security to workers, all the taxes levied on the sector be waived off and brick and kiln owners should be given the responsibility to provide social security coverage to their workers.</p> <p>3. Rs.30,000/- for accidents and ailments insurance, Rs.1 lakh for accidental death be given to workers of unorganized sector.</p>
15.	Shri.C.K.Kuppusami, M.P.	Labour Progressive Federation	<p>1. Central Government do not have any machinery to implement the schemes. State Governments should be given the power to decide the agency for implementing the schemes or issue of identity card.</p> <p>2. For self-employed worker, the word 'enterprise owned' may be deleted.</p> <p>3. The cap of less than ten may be removed for the purpose of social security benefits.</p> <p>4. There should be mandatory provision for contribution to the fund from the employer irrespective of the fact whether they are employing manual labour or not.</p> <p>5. The total membership of the board should be not more than 1/3<sup>rd</sup> from the Government side and rest of the members may be from the trade unions, eminent persons, NGOs, etc.</p> <p>6. Penal provisions should be there for violations.</p> <p>7. Dispute redressal mechanism should also be incorporated.</p> <p>8. Provision should also be made for recovery of arrears in case the <b>employer fail to pay their due on</b></p>

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**LIST OF EMPLOYER GROUPS**

1. All India Manufacturers Organisation
2. The Associated Chambers of Commerce and Industry of India

**IMPORTANT POINTS OF MEMORANDA RECEIVED FROM VARIOUS EMPLOYERS ORGANISATIONS ON THE UNORGANISED SECTOR WORKERS SOCIAL SECURITY BILL, 2007**

<b>Sl.No.</b>	<b>Name of the Organisation</b>	<b>Name of the office bearer</b>	<b><u>Important points</u></b>
1.	All India Manufacturers Organisation	Shri Babulal B. Todi	<p>1 Point 9 Clause (3) on Page 6- The District Administration has to be very careful or else it may give rise to lot of corruption and high handedness and power in the hands of the Administration.</p> <p>2. Under Chapter 6, Section 13 (d) on Page 7 - Nothing is specified regarding contribution to be collected from the employers which remains vague and could be anything which again might lead to generation of unemployment.</p> <p>3. Chapter V- the process of registration - it starts from the age of fourteen, at this age the young man may not be able to understand the application form (2) - an application to be made in the prescribed form- the target group are mainly illiterate - how do you expect them to apply? But if we employ any non registered person, will we be penalized?</p>
2.	The Associated Chambers of Commerce and Industry of India	Shri D.S. Rawat Secretary General	<p>1. No new scheme has been added.</p> <p>2. Most of the State Governments are not very well of financially. How they will participate in welfare schemes of the Central Government where they are required to contribute a share of the total cost of the scheme or initiate their won schemes.</p> <p>3. Implementation of the schemes will be another important problem as how one would reach to workers living in far-flung areas of the</p>

			country. 4. The cost of administering the schemes will also be high if proper monitoring is to be done.
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LIST OF NGOs

1. Social Security Now
2. National Centre for Labour
  - (i) National Hawker Federation
  - (ii) NFF
3. National Campaign Committee
  1. Nirmala Niketan
  2. National Alliances of Agricultural Worker Unions
  3. Unorganised Workers' Federation
  4. NCC-USW Domestic Workers Forum
  5. Delhi Shramik Sangathan
4. All Assam Motor Workers Joint Council, Guwahati, Assam
5. Pudukkottai Mavatta Annaithu Amaippusara Thozhilalar Sangam, Pudukkottai, Tamil Nadu
6. Karamchari Sangh, Kanpur
7. Angmehnati Kashtkari Sangarsh Samiti, Pune



IMPORTANT POINTS OF VARIOUS MEMORANDA FROM NGOS RECEIVED  
ON THE UNORGANISED SECTOR WORKERS SOCIAL SECURITY BILL, 2007

Sl.No.	Name of the Organisation	Name of the office bearer	Important points
1.	Social Security Now	Shri J. John	<p>1. This bill does not confer or provide any right to social security to unorganized workers.</p> <p>2. The Bill pertains to a few elusive schemes, in reality is a compilation of existing schemes as provided for in the Scheduled.</p> <p>3. <b>Wages, Minimum Wages &amp; Living Wages:</b></p> <p>We propose that for the purposes of calculating wages and social security provisions under the comprehensive social security law for unorganized workers, minimum wages fixed by the Central Government for construction workers under MW Act 1948 should be used as a base.</p> <p>4. <b>Social Security funding:</b> The Government should fund base level social security that ensures all citizens their basic rights, additionally, a one time contribution from workers can be charged as a registration fee renewal every three years. This should not be more than Rs.50.</p> <p>5. <b>Dispute Settlement:</b>The comprehensive social security legislation should prescribe simplified time bound dispute resolution mechanism through mediation, conciliation and arbitration.</p> <p>6. <b>Equality and Non-discrimination:</b> Steps should be taken to guarantee social security to everyone without any discrimination.</p> <p>7. <b>Administration of Social Security :</b>The comprehensive social security legislation should prescribe for tripartite boards at</p>

			Central and State levels with enabling provision for the constitution of Industry or occupation wise sub-boards for better social security protections considering the peculiar and special conditions of industry or occupation.
2.	National Centre for Labour Labour Movement National Hawker Federation	Shri R.A. Mital HMS Shri N.P.Samy (NCL) Shri Harekrishna Debnath (NFF) Shri Shaktiman Ghosh	<ol style="list-style-type: none"> <li>1. Legal entitlement of social security</li> <li>2. Universal application without numerical limits of workers in establishments</li> <li>3. The social security should atleast include; death benefit, disablement benefit, old age protection, maternity benefit, medical and sickness benefits.</li> <li>4. Clear provisions for the coverage of the total cost towards social security by the State</li> <li>5. Participation of workers' organizations in the registration, delivery of the benefits and implementation</li> <li>6. Specific date for the commencement of the legislation.</li> <li>7. A grievance redressal mechanism within the framework of the legislation.</li> </ol>

3.	<p>National Campaign Committee</p> <p>Nirmal Niketan National Alliances of Agricultural Worker Unions Unorganised Workers' Federation &amp; NCC-USW Domestic Workers Forum, Delhi Shramik Sangathan</p>	Shri S. Bhatnagar, Coordinator	<p>1. The Bill's definition of the wage worker as having a certain monthly income is misleading and should be changed and defined clearly as daily wage worker and piece rate worker.</p> <p>2. The need for the implementation of the Bill through sectoral tripartite boards has been changed to implementation through urban local bodies and rural district administration. Also the call for the sector wise tripartite board has been disregarded and a single advisory board at the national level and state level has been proposed.</p> <p>3. The Bill also ignores the conditions and needs of the bonded labourers and child workers who are still employed in different industries and the need for minimum wage to be formalized in the different sectors including domestic worker, hand embroidery, etc.</p> <p>4. Disregarding the E.S.I. scheme which is better suited for the unorganized workers, the Government has paved the way for privatization in its launch of Swasthya Bima Yojana which we object strongly.</p> <p>5. There are no proper provisions for the raising of adequate funds from Central and State governments as well as from various classes of employers to meet the Social Security needs of the Unorganised Sector Workers.</p> <p>6. The 1996 law on building and construction workers needs to be amended and made comprehensive on the lines suggested by the National Campaign Committee for construction workers under the Chairmanship of Justice V. R. Krishna Iyer, retired Judge of the Supreme Court of India.</p>
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3.	<p>National Campaign Committee</p> <p>Nirmal Niketan National Alliances of Agricultural Worker Unions Unorganised Workers' Federation &amp; NCC-USW Domestic Workers Forum, Delhi Shramik Sangathan</p>	Shri S. Bhatnagar, Coordinator	<p>1. The Bill's definition of the wage worker as having a certain monthly income is misleading and should be changed and defined clearly as daily wage worker and piece rate worker.</p> <p>2. The need for the implementation of the Bill through sectoral tripartite boards has been changed to implementation through urban local bodies and rural district administration. Also the call for the sector wise tripartite board has been disregarded and a single advisory board at the national level and state level has been proposed.</p> <p>3. The Bill also ignores the conditions and needs of the bonded labourers and child workers who are still employed in different industries and the need for minimum wage to be formalized in the different sectors including domestic worker, hand embroidery, etc.</p> <p>4. Disregarding the E.S.I. scheme which is better suited for the unorganized workers, the Government has paved the way for privatization in its launch of Swasthya Bima Yojana which we object strongly.</p> <p>5. There are no proper provisions for the raising of adequate funds from Central and State governments as well as from various classes of employers to meet the Social Security needs of the Unorganised Sector Workers.</p> <p>6. The 1996 law on building and construction workers needs to be amended and made comprehensive on the lines suggested by the National Campaign Committee for construction workers under the Chairmanship of Justice V. R. Krishna Iyer, retired Judge of the Supreme Court of India.</p>
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			<p>7. The law for unorganized sector workers should not be merely welfare oriented but also include:-</p> <p>a) Compulsory registration of the employers and of the workers, identified by registered trade unions in all the scheduled groupings of employments.</p> <p>b) Prohibition of employment in unorganized sector by employers, without registration under the law.</p> <p>c) Employment guarantee for a minimum number of days in a month.</p> <p>d) Inbuilt tripartite dispute resolution mechanism and appellate authority.</p> <p>8. The central and state governments should allocate 3% of the GDP for the implementation of social security Bill.</p>
4.	All Assam Motor Workers Joint Council, Guwahati, Assam	Shri Sarbeswar Das, General Secretary	<p>1. For unorganized workers, it would be appropriate to appoint insurance companies/NGOs as nodal agencies who will issue unorganized worker welfare number and account to workers directly. Then each month the contractor will deduct premium from wages for that month and deposit into the account. The absent period will not be included. The insurance company can then distribute premium to mediclaim, annuity, emergency and unemployment provisions.</p> <p>2. Thus even if the worker leaves one employer and joins another, he shall continue to have a permanent account, for this scheme it will be mandatory for workers to get account if they want to be employed and enjoy benefits.</p> <p>3. The NGOs will have opportunity to interact and spread awareness about aids, personal hygiene, family planning and vaccination.</p>
5.	Pudukkottai Mavatta	A.Athappan, Secretary	Allocation of 3% of GDP to provide social security including minimum wages to the

	Annaithu Amaippusara Thozhilalar Sangam, Pudukkottai, Tamil Nadu		workers of unorganized sector. Regulation of employment and wages should be done through boards. Separate Comprehensive Bill for workers of Agricultural Sector. There should be no distinction of workers living below poverty line and above poverty line. Implementation mechanism should consist of Sectoral Tripartite Board. 2% levy on construction work and 1% levy on other production for generating resources to provide social security to unorganized workers.
6.	Shri Ganshyam Sharma	Secretary, Karamchari Sangh, HAL Division, Kanpur	Minimum wages are not paid to the workers of unorganized sector. They are also not covered under social security schemes. They are exploited because they are not united. Registration of workers should be made compulsory. Register of temporary workers working for perennial nature of work should be maintained. Instead of daily wages monthly salary should be given. Workers of all sectors whether agricultural, industrial or contractual should not be retrenched.
7.	Angmehnati Kashtkari Sangarsh Samiti, Pune	Dr. Baba Jadav Shri B.J. Kerkar	There should be no distinction between below and above poverty line pensioner. Clear provision of funding from Union Government for various benefit of unorganized worker. This should be 3% of the total GDP. The social security benefits should be handed over to LIC and other public sector insurance companies. Matters like working conditions and livelihood should be dealt by the Labour Department.



**LIST OF INDIVIDUALS**

1. Shri Raj, Social Activist
2. Gita Dewan Verma
3. Shri S.S. Natarajan
4. Professor Rajkumar Roy Chodhury
5. Shri B.K. Sahu
5. Ms. Anuradha Sharma
6. Shri S. Subbiah
7. Shri Kathyayini Chamaraj
8. A Women representative
9. Shri M.P. Aggarwal
10. Amarnath, Unorganised worker
11. Shri Diwan Chand Saxena
12. Shri Sarvesh Kumar Suyash
13. Shri Tularam
14. All casual workers of Indian Airlines
15. Shri Ganesh Chaudhary
16. Shri Jagat Narain Singh and Shri P. Goswami
17. Shri Rajendra Kumar
18. Shri Devendra Pratap Singh



**IMPORTANT POINTS OF INDIVIDUALS RECEIVED ON THE UNORGANISED  
SECTOR WORKERS SOCIAL SECURITY BILL, 2007**

<b>Sl.No.</b>	<b>Name of the Organisation</b>	<b>Name of the office bearer</b>	<b><u>Important points</u></b>
1.	Shri Raj, Social Activist Tamil Nadu	Individual opinion	<p>1. All Unorganized Workers shall be covered by a contributory pension scheme. The Welfare Scheme sanctioning financial assistances should be extended only to the workers who are not capable of securing themselves through contributory insurance services provided by the insurance companies.</p> <p>2. The unorganized sector workers above poverty line may be provided separate medical assistances through the wards created in Government medical institutions for which the Central Government may grant additional funds to the States.</p> <p>3. Registration and record keeping of the unorganized workers need to be handled by the EPF organization. Not to be given to the State Administration. Like PAN No. each person in the country need to be given National Social Security Identity Number. Biometric cards need to be introduced from the day one to prevent securing multiple benefits</p> <p>4. Definitions of 'establishments' in labour legislations for organized sector need to be synchronized.</p> <p>5 The persons trading in secondary market need to be taxed more, if their capital gain is more than prescribed sum.</p> <p>6. Schemes for educational assistances should be implemented only through the Education Department.</p>

2.	Gita Dewan Verma	Individual opinion	<p>1. The Bill may be re-titled “Unorganized Sector Workers (Registration) Bill” or “Unorganized Sector Workers (Advisory Boards) Bill”</p> <p>3. Savings clause may be redrafted to make Advisory Boards functions subject to all corresponding law.</p> <p>4. Certain unorganized sector sections and/or schemes may either be specifically excluded or be included with special provisions.</p>
3.	Shri S.S. Natarajan	Individual Opinion	<p>To identify and register maid servants and make it Government’s responsibility with built-in, effective oversight machinery to provide free wholesome, nutritious meals to their minor children and compulsorily educate them upto Plus 2 and give their daughters vocational training for 3 more years to obviate their ending up as next generation of maid servants.</p>
4.	Professor Rajkumar Roychodhury	Emeritus Scientist CSIR, Kolkata	<p>One of the most neglected and overlooked section of people in the unorganized sector is the group of teachers in private schools. The government should control these schools and ensure that the employees get a minimum salary depending on their qualifications and also they get job security and no harassment.</p>

5.	Shri B.K. Sahu	Additional Commissioner & Regional Director Employees' State Insurance Corporation, Kolkata	Since, unorganized workers consist of very low paid workers, it is necessary to evolve a scheme where cost of delivery of services is minimum and to that effect the unutilized infrastructure of ESI can be utilized on payment of user charges which will benefit in 2 ways i.e. Unutilized infrastructure of ESI will be utilized. In the process ESI will earn some revenue but most importantly the workers in the unorganized sector will get services both medical and cash benefit under one umbrella.
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6.	Ms. Anuradha Sharma	Researcher	<ol style="list-style-type: none"> <li>1. There should be an universal social security for the entire workforce of India irrespective of the sector. There is a need for amendment so that each worker of the country can securely bargain through any collective effort.</li> <li>2. There should be a directive to regulate the amount of capital investment as per job creation.</li> <li>3. During the unemployed phase the worker needs some amount to satisfy the family's basic needs.</li> <li>4. The Government should be responsible for social security on behalf of the unidentified or absent employer.</li> <li>5. The role of employment exchange. The exchanges be strengthened for registering not only the unemployed but the employed workers also, so that all workers whether organized or unorganized can be issued identity cards.</li> <li>6. Efficient skill upgradation centers: Education and non-formal institutions and non-government organization be also mandated to provide such centers to be properly regulated by the Labour Department.</li> <li>7. Provisions for self employed workers: A large number of unorganized wokers are engaged in self employed occupations and should also be entitled to social security. For such workers the basic demands are for credit, legality and identity. Provisions for these be clearly made in the proposed bill.</li> <li>8. Occupational health and safety: It should be mandatory for the employer to follow the rules to ensure occupational health and safety at the workplace in all sectors.</li> </ol>
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			9. Right to natural resources: Provision in the Social Security Bill to protect their right to work through access to the required resources.
7.	Shri S. Subbiah, SBI Pensioner 3/2, CPWD Qts. Besant Nagar, Chennai	Individual opinion	The Unorganised Sector Bill 2007 dated 10.9.2007 had many legal defects, hindering meanings, hindrance of legal rights etc. It does not include piece rate worker, contract labour, trustee etc. The definitions of various terms given in the Bill are incomplete.
8.	Shri Kathyayini Chamaraj	Independent Labour Researcher & Freelance Journalist	Panchayat Raj Institutions and Nagarapalikas under the 73 <sup>rd</sup> and 74 <sup>th</sup> Constitutional Amendments are best suited for regulating working conditions and providing social security for unorganized workers.
			The NCEUS came up with two fresh composite bills in 2007, one for agricultural and other for non-agricultural workers. The logic of some trade unions is demanding this separation is unclear as an agricultural worker today is a non-agricultural worker tomorrow when he works during the off-season at quarries, construction sites, brick kilns, etc. Registration of the same worker under two different Acts may lead to confusion. A better separation may have been between wage-workers and self-employed workers.
9.	A Women representative	Rohtak, Haryana	<ol style="list-style-type: none"> <li>1. Creation of more and more employment opportunities.</li> <li>2. Special attention for development of infrastructure.</li> <li>3. Regulation of conditions of service.</li> </ol>
10.	Shri M.P. Aggarwal	Betul, Madhya Pradesh	<ol style="list-style-type: none"> <li>1. Employment guarantee of 180 days in a year to landless labourers and other poor unemployed youth.</li> <li>2. Establishment of Bio-gas plant in villages of the country.</li> </ol>
11.	Amarnath, Unorganised worker		All the benefits of Sixth Pay Commission be made available

			to the work force of unorganized sector.
12.	Shri Diwan Chand Saxena	Sarai Bazaar, Achhalda, Auraiya, U.P	<ol style="list-style-type: none"> <li>1. The plight of domestic worker/maid is extremely pathetic.</li> <li>2. In case of natural calamity and serious ailments workers of unorganized sector are not given any assistance.</li> <li>3. There is no exhaustive list of workers working in unorganized sector.</li> <li>4.</li> </ol>
13.	Shri Sarvesh Kumar Suyash	Hanspuram, Navasta, Kanpur	<ol style="list-style-type: none"> <li>1. The workers of unorganized sector are not getting minimum wages at Kanpur.</li> <li>2. They are also not covered within the social security network.</li> <li>3. There is no guarantee of employment to these workers.</li> <li>4. They are also not been allowed to get united to bargain their demands.</li> <li>5. An authority be set up to implement the Acts relating to various social security schemes of the Government.</li> <li>6. National Minimum Wages be fixed.</li> </ol>

14.	Shri Tularam	President, U.P. Gramin Mazdoor Sangathan	<ol style="list-style-type: none"> <li>1. Identity cards should be issued to unorganized workers.</li> <li>2. Implementation of Provident Fund Scheme in small factories.</li> <li>3. Issuance of Health card to gramin workers.</li> <li>4. Pensions for people below poverty line and old age pension should be given.</li> <li>5. Equal salaries to women should also be ensured.</li> </ol>
15.	All casual workers of Indian Airlines		Denial of salaries and bonus, provident fund etc. to these workers.
16.	Shri Ganesh Chaudhary	Ex-PRO, Dainik Jagran, Indore	<ol style="list-style-type: none"> <li>1. A policy be framed for the welfare of hawkers so that they are covered under different social security schemes.</li> <li>2. Loan be made available to hawkers on minimum interest rates.</li> <li>3. Financial assistance for education may be provided.</li> <li>4. Assistance in case of accidental death be made available.</li> <li>5. Identity cards to every hawker should be issued.</li> </ol>
17.	Shri Jagat Narain Singh & Shri P. Goswami	153V, Dara Nagar, Kanpur, U.P.	<ol style="list-style-type: none"> <li>1. Workers in the factories are not getting their dues and wages.</li> <li>2. Unorganised labour have no unions and they cannot take recourse to judicial process to redress their grievances.</li> <li>3. The relationship between the workers and employers should be flexible.</li> <li>4. Casual and temporary workers should be given social security benefits.</li> </ol>

18.	Shri.Rajendra Kumar	Raipur Sahora, District Una, Himachal Pradesh	<ol style="list-style-type: none"> <li>1. Social security benefits like ESI and EPF should be universally applicable irrespective of the number of the workers.</li> <li>2. Wage ceiling should be dispensed with for the purpose of social security coverage.</li> <li>3. Every worker should be given a registration number.</li> <li>4. Unorganised sector worker should be consulted while framing the law.</li> </ol>
19.	Shri Devendra Pratap Singh Navodaya Academy, Awas Vikas Colony, Chhiparamu, Kannauj, U.P		<ol style="list-style-type: none"> <li>1. India will be a country of unemployed youth by the year 2020.</li> <li>2. Child Labour is rampant in the country.</li> <li>3. Money meant for various development projects do not reach to the targeted people.</li> <li>4. More and more schools should be opened in the rural areas of the country.</li> <li>5. Technical education should be provided free of cost to the students of the country.</li> <li>6. Centre should take steps to abolish child labour from the country.</li> </ol>



**MINUTES OF THE THIRD SITTING OF THE STANDING COMMITTEE ON LABOUR**

The Committee sat on 8 October 2007 from 1100 hours to 1320 hours in Committee Room `C', Parliament House Annexe, New Delhi.

**PRESENT****Shri Suravaram Sudhakar Reddy – CHAIRMAN****MEMBERS  
LOK SABHA**

2. Shri Furkan Ansari
3. Shri Subrata Bose
4. Shri Santasri Chatterjee
5. Shri Thawar Chand Gehlot
6. Smt. Sushila Kerketta
7. Shri Virendra Kumar
8. Shri Bassangouda R. Patil
9. Shri Devidas Pingle
10. Shri Mohan Rawale
11. Smt. C.S. Sujatha
12. Shri Parasnath Yadav

**RAJYA SABHA**

13. Shri Rudra Narayan Pany
14. Shri Narayan Singh Kesari
15. Shri K. Chandran Pillai
16. Shri Gandhi Azad
17. Ms. Pramila Bohidar
18. Shri Arjun Kumar Sengupta

**SECRETARIAT**

1. Shri R.K. Bajaj - Director
2. Shri N. K. Pandey - Deputy Secretary-II
3. Smt. Mamta Kemwal - Deputy Secretary-II



**MINUTES OF THE FOURTH SITTING OF THE STANDING COMMITTEE ON LABOUR**

The Committee sat on 16 October 2007 from 1100 hrs. to 1305 hrs. and again from 1415 hrs. to 1605 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Suravaram Sudhakar Reddy – CHAIRMAN**

**MEMBERS  
LOK SABHA**

11. Shri Furkan Ansari
12. Shri Subrata Bose
13. Shri Santasri Chatterjee
14. Shri Thawar Chand Gehlot
15. Shri Virendra Kumar
16. Shri Parasnath Yadav

**RAJYA SABHA**

8. Shri Rudra Narayan Pany
9. Shri Arjun Kumar Sengupta

**SECRETARIAT**

- |    |                   |                       |
|----|-------------------|-----------------------|
| 1. | Shri S. K. Sharma | -Additional Secretary |
| 2. | Shri N. K. Sapra  | -Joint Secretary      |
| 3. | Shri R.K. Bajaj   | -Director             |
| 4. | Shri N. K. Pandey | -Deputy Secretary-II  |
| 5. | Smt. Mamta Kemwal | -Deputy Secretary-II  |

**PART-I**

**REPRESENTATIVES OF THE CENTRAL TRADE UNIONS**

**(From 1100 hrs. to 1305 hrs.)**

1. Shri R. A. Mital, Secretary, Hind Mazdoor Sabha,
2. Shri R. B. Subarao, Vice President, Bharatiya Mazdoor Sangh,
3. Shri M. K. Pandhe, President, Centre for Indian Trade Unions,
4. Shri Shyam Singh Chouhan, Secretary, Indian National Trade Union Congress (INTUC),
5. Shri P. J. Raju, Secretary Indian National Trade Union Congress (INTUC),
6. Shri D. L. Sachdeva, General Secretary, AITUC

**PART-II**

**(From 1415 hrs. to 1605 hrs.)**

1. Shri Abani Roy, General Secretary, United Trade Union Congress,
2. Shri O. P. Verma, Sr. Vice President, National Front of Indian Trade Unions,
3. Shri R. K. Sharma, secretary of Delhi Unit, United Trade Union Centre,
4. Shri Suneet Chopra, Joint Secretary, All India Agricultural Workers' Union,
5. Shri Vijendra Singh Nirmal, National Secretary, Bhartiya Khet Mazdoor Union (BKMU)

**Part-I**

2. At the outset, the Hon'ble Chairman welcomed the representatives of the Central Trade Unions to the sitting of the Committee and invited their attention to Direction 55 of the Directions by the Speaker, Lok Sabha. He sought their opinion on the provisions of the Bill in question i.e., "The Unorganised Sector Workers' Social Security Bill, 2007".

3. The representatives of the Trade Unions deposing before the Committee made crucial observations/suggestions regarding the various provisions of the Bill for consideration of the Committee. According to them, the legislation in its existing form does not fulfil the commitments made in the National Common Minimum Programme. The Government while drafting the legislations had overlooked recommendations made by NCEUS, a Commission that it had constituted in 2004. They further desired that the Bill should include scientific formulation of fixing minimum wages for unorganized sector and agriculture workers based on the unanimous recommendations of the 15<sup>th</sup> Indian Labour Conference to give it a statutory force, setting up of a National Social Security & Welfare Fund, Definition of enforcement and dispute resolution bodies and delivery and implementation machinery.

4. The queries raised by a few Members pertaining to the Bill were also responded to by the representatives.

5. Thereafter, the Hon'ble Chairman asked the representatives of the Trade Unions to send their comments/suggestions or any other relevant information in writing, within 10 days to the Committee. The Hon'ble Chairman further requested to send the replies of the questionnaire given to them during the meeting.

6. The Hon'ble Chairman thanked the representatives of the Trade Unions for giving valuable information to the Committee on the Bill.

***The witnesses then withdrew.***

**PART-II**

7. The second half of the meeting resumed at 1415 hrs. Before the witnesses were asked to depose before the Committee, the Chairman welcomed them and drew their attention to the provisions of Direction 55 of the Directions by the Speaker, Lok Sabha.

8. The representatives of the Trade Unions then briefed the Committee about the various provisions and their shortcomings in the Bill. The suggestions tendered before the Committee were almost on the same lines as suggested by representatives of other Central Trade Unions in the earlier session of the sitting.

9. Thereafter, the Hon'ble Chairman asked the representatives of the Trade Unions to send their comments/suggestions or any other relevant information in writing within 10 days to the Committee. The Hon'ble Chairman further requested to send the replies of the questionnaire given to them during the meeting.



**MINUTES OF THE FIFTH SITTING OF THE STANDING COMMITTEE ON LABOUR**

The Committee sat on 25 October 2007 from 1040 hrs. to 1150 hrs. and again from 1210 hrs. to 1320 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Suravaram Sudhakar Reddy – CHAIRMAN**

**MEMBERS****LOK SABHA**

17. Shri Furkan Ansari
18. Shri Thawar Chand Gehlot
19. Smt. Sushila Kerketta
20. Shri Mohammad Tahir Khan
21. Shri Virendra Kumar
22. Shri Bassangouda R. Patil
23. Shri Devidas Pingle
24. Shri Chandradev Prasad Rajbhar
25. Shri Mohan Rawale
26. Shri Kamla Prasad Rawat
27. Smt. C. S. Sujatha
28. Shri Parasnath Yadav

**RAJYA SABHA**

13. Shri Rudra Narayan Pany
14. Shri K. Chandran Pillai
15. Ms. Pramila Bohidar

**SECRETARIAT**

- |    |                   |                      |
|----|-------------------|----------------------|
| 1. | Shri N. K. Sapra  | -Joint Secretary     |
| 2. | Shri R.K. Bajaj   | -Director            |
| 3. | Shri N. K. Pandey | -Deputy Secretary-II |
| 4. | Smt. Mamta Kemwal | -Deputy Secretary-II |

**PART-I**

## REPRESENTATIVES OF THE EMPLOYERS' GROUPS

<b><u>Sl. No.</u></b>	<b><u>Name of the Organisation</u></b>	<b><u>Name of the representative</u></b>	<b><u>Designation</u></b>
1.	<u>Confederation of Indian Industry</u>	16. <u>Shri D.L. Sharma</u>	Chairman, CII Core Group on Labour and President & Executive Director, Vardhman Group
		17. Ms. Jayashri Singh	Director Public Policy
		(iii) Shri Mohit Gandhi	Director, HR/IR & ER
2.	All India Organisation in Service of Small Scale Industries (Laghu Udyog Bharati)	18. Shri Shriram Aggarwal (ii) Shri Ravi Bhushan Khatri  (iii) Shri Gopal Sharan Garg	
3.	Standing Conference of Public Enterprises (SCOPE)	19. Shri S.K. Chaturvedi  20. Shri Ram Mohan	Director (Personnel) National Hydroelectric Power Corporation Limited  General Manager (Personnel) Steel Authority of India Limited
4.		Shri B.P. Pant	<b>Secretary</b>



21. At the outset, the Hon'ble Chairman welcomed the representatives of the Employers' Groups to the sitting of the Committee. He sought their opinion on the provisions of the Bill in question i.e., "The Unorganised Sector Workers' Social Security Bill, 2007".
22. The representatives of the Employers' Groups briefed the Committee about their views regarding the various provisions of the Bill. The Employers Groups broadly welcomed the Bill while suggesting some alterations in its provisions. They further desired that the Bill should include scientific method of fixing minimum wages for unorganized sector workers based on the unanimous recommendations of the 15<sup>th</sup> Indian Labour Conference, setting up of a National Social Security & Welfare Fund, Constitution of Enforcement and Dispute Resolution Bodies.
23. The queries raised by a few Members pertaining to the Bill were also responded to by the representatives.
24. Thereafter, the Hon'ble Chairman asked the representatives of the Employers' Groups to send their representations/Memoranda or any other relevant information in writing, within 10 days to the Committee. The Hon'ble Chairman further requested to send the replies of the questionnaire given to them during the meeting.
25. The Hon'ble Chairman thanked the representatives of the Employers Group for giving valuable information to the Committee on the Bill.

*The witnesses then withdrew.*

## **PART-II**

<b><u>Sl. No.</u></b>	<b><u>Name of the Organisation</u></b>	<b><u>Name of the representat</u></b>	<b><u>Designation</u></b>
1.	<b>National Campaign Committee for Unorganised Sector Worker.</b>	<b>Shri Subhash Bhatanagar</b>	<b><u>Coordinator</u></b>
2.	<b>Representatives Agricultural Workers Alliances</b>	<b>Ms. Anuradha Talwar</b>	<b>Office Bearer</b>
3.	<b>Nirmala Niketan, Cooperative Society of Domestic workers</b>	<b>Shri Bibiani Mini</b>	<b>Organizing Secretary</b>
4.	<b>Joint Action Committee of NCC-USW, Tamil Nadu</b>	<b>Ms. R. Geetha</b>	<b>Additional Secretary</b>

- |    |   |                      |                         |
|----|---|----------------------|-------------------------|
| 5. | <b>Delhi Unorganised<br/>Sector Union</b> | <b>Shri Ramendra</b> | <b><u>President</u></b> |
| 6. | <b>Domestic Workers<br/>Forum, Delhi</b>  | <b>Sister Leona</b>  | <b>Coordinator</b>      |

26. The second half of the meeting resumed at 1210 hrs. with the Chairman welcoming the representatives of the Workers' Organisations.

27. The representatives of the workers' organizations then briefed the Committee about their perception on various provisions of the Bill and shortcomings, therein, viz. Minimum Wages, regulation of employment, the definition of unorganized sector and worker, issue of identity cards, constitution of boards and the nature of schemes for welfare of workers of unorganized sector.

28. Thereafter, the Hon'ble Chairman asked the representatives of the Workers' Organisations to send the replies to the questionnaire given to them during the meeting within 10 days. The Hon'ble Chairman further requested to send their comments/suggestions or any other relevant information in writing to the Committee.

29. The Hon'ble Chairman thanked the representatives of Workers' Organisations for giving valuable information to the Committee on the Bill.

*The witnesses then withdrew.*

30. Verbatim records of the proceedings held during both the sessions have been kept.

12. The Committee then decided that the next meeting of the Committee may be held on 05.11.07 to interact with the Trade Unions and NGOs and also to have oral evidence with the representatives of the Ministry of Labour and Employment. It was also decided to constitute a drafting Committee to draft report on the Bill. Shri Suravaram Sudhakar Reddy and Shri Arjun Kumar Sengupta will be the Chairman and Convenor of the drafting Committee respectively and Shri Thawar Chand Gehlot, Shri K. Chandran Pillai and Shri Furkan Ansari will be its members.

**The Committee then adjourned.**

**MINUTES OF THE SIXTH SITTING OF THE STANDING COMMITTEE ON LABOUR**

The Committee sat on 5 November 2007 from 1030 hrs. to 1300 hrs. and again from 1430 hrs. to 1600 hrs. in Committee Room No. `139', Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Suravaram Sudhakar Reddy – CHAIRMAN**

**MEMBERS****LOK SABHA**

29. Shri Furkan Ansari
30. Shri Subrata Bose
31. Shri Santasri Chatterjee
32. Smt. Sushila Kerketta
33. Shri Virendra Kumar
34. Shri Bassangouda R. Patil
35. Shri Kamla Prasad Rawat
36. Smt. C. S. Sujatha
37. Shri Parasnath Yadav
38. Shri Ramdas Athawale

**RAJYA SABHA**

31. Shri Rudra Narayan Pany
32. Shri Narayan Singh Kesari
33. Shri K. Chandran Pillai
34. Shri Arjun Kumar Sengupta

**SECRETARIAT**

- |    |                   |   |                     |
|----|-------------------|---|---------------------|
| 1. | Shri N. K. Sapra  | - | Joint Secretary     |
| 2. | Shri R.K. Bajaj   | - | Director            |
| 3. | Shri N. K. Pandey | - | Deputy Secretary-II |
| 4. | Smt. Mamta Kemwal | - | Deputy Secretary-II |

**PART-I****REPRESENTATIVES OF TRADE UNIONS/NGO'S**

<b>Sl.No.</b>	<b>Name of the Organisation Designation</b>	<b>Name of the representative</b>	<b></b>
1.	All India Anganwadi Workers Federation & A.I.T.U.C	Smt. B.V. Vijayalakshmi	General Secretary
2.	All India Rural Health workers	Smt. K. Aruna	President
3.	Bhartiya Krishi Gramin Mazdoor Maha Sangh Bharatiya Mazdoor Sangh & Anganwadi BMS Federation	(i) Shri Sultan Singh Shekhawat (ii) Shri Hira Lal Patidar (iii) Smt. Premwati	
4.	New Trade Union Initiative	(i) Shri M. Subbu (ii) Shri Gautam Mody	Treasurer (NTUI) & General Secretary Tamil Mahila Kattida Thozhilalar Sangam Secretary (NTUI) & Working President, Kamani Employees' Union
5.	Social Security Now	(i) Shri J. John (ii) Shri Arun Khote (iii) Dr. R.S. Tiwari	Centre for Education & Communication NCDHR Centre for Education & Communication
6.	National Centre for Secretary/Coordinator Labour (NCL)	(i) Shri N.P. Samy (ii) Shri K.Loganathan	President, Tamil Nadu Agricultural Labourers Union (TALU), Chennai

	(iii) Shri Shaktiman Ghosh	All India Hawkers Federation (NCL)
	(iv) Ms. Kartiyayni Chamaraj	Journalist (NCL)
	(v) Dr. Pravin Sinha	Labour Functionary & Researcher (NCL)
7.	Uttar Pradesh Gramin Mazdoor Union	Shri Tularam Sharma President

#### **PART-II**

#### **REPRESENTATIVES OF THE MINISTRY OF LABOUR AND EMPLOYMENT**

- (i). Smt. Sudha Pillai, Secretary
- (ii). Shri Anil Swarup, Joint Secretary/DG (Labour Welfare)
- (iii). Ms. Gurjot Kaur, Joint Secretary

#### **PART-I**

35. At the outset, the Hon'ble Chairman welcomed the representatives of the Trade Unions & NGOs working for the welfare of the workers of unorganized sector to the sitting of the Committee and drew their attention to Direction 55 of Directions by the Speaker, Lok Sabha. The Chairman, thereafter sought their opinion on the various provisions of the Bill in question, i.e., "The Unorganised Sector Workers' Social Security Bill, 2007".

36. The representatives of the Trade Unions & NGOs deposing before the Committee spelt out their views/suggestions regarding the various provisions of the Bill alongwith the shortcomings therein, viz. Minimum wages, regulation of employment, definition of the unorganized sector/worker, issue of identity cards to beneficiaries, etc. They further desired that the proposed Bill should be restructured incorporating the provisions regarding regulation of employment and service conditions based on the recommendations made by NCEUS, a Commission constituted by the Government in 2004, and added that the adequate funds may be made available to meet the social obligations as ordained in the Bill.

4. The queries raised by a few Members pertaining to the Bill were also responded to by the representatives.

37. Thereafter, the Hon'ble Chairman requested the representatives of the Trade Unions and NGOs to send their representations/Memoranda or any other relevant information in writing within 10 days as well as the replies to the questionnaire given to them during the meeting.
38. The Hon'ble Chairman then thanked the representatives of the Trade Unions/NGOs for giving valuable suggestions on the various provisions of the Bill.

**The witnesses then withdrew.**

#### **PART-II**

39. The second half of the meeting resumed at 1430 hrs. with the Chairman welcoming the representatives of the Ministry of Labour & Employment. He drew their attention to Direction 55 of Directions by the Speaker, Lok Sabha.
40. The Secretary, Ministry of Labour & Employment then briefed the Committee about their perception on various provisions of the Bill. DG (Labour Welfare) also gave his views on certain issues concerning the Bill. The Hon'ble Chairman and members of the Committee raised several questions pertaining to the Bill, which were replied to by the witnesses.
41. The Hon'ble Chairman then asked the representatives of the Ministry of Labour & Employment to reply to the questions. If the Ministry was not able to reply to any of the questions for want of information/data, they may send replies to them within 10 days.
42. The Hon'ble Chairman thanked the representatives of the Ministry of Labour & Employment for giving their valuable views to the Committee on the Bill.

**The witnesses then withdrew.**

43. Verbatim records of the proceedings held during both the sessions have been kept.

**The Committee then adjourned.**

**MINUTES OF THE SEVENTH SITTING OF THE STANDING COMMITTEE ON LABOUR**

The Committee sat on 29 November 2007 from 0930 hrs. to 1100 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

**PRESENT**

**Shri Suravaram Sudhakar Reddy – CHAIRMAN**

**MEMBERS  
LOK SABHA**

2. Shri Furkan Ansari
3. Shri Subrata Bose
4. Shri Santasri Chatterjee
5. Shri Thawar Chand Gehlot
6. Shri Mohammad Tahir Khan
7. Shri Virendra Kumar
8. Shri Chandradev Prasad Rajbhar

**RAJYA SABHA**

9. Shri Rudra Narayan Pany
10. Shri Narayan Singh Kesari
11. Shri K.Chandran Pillai
12. Shri Arjun Kumar Sengupta

**SECRETARIAT**

1. Shri N. K. Sapra -Joint Secretary
2. Shri R.K. Bajaj -Director
3. Shri N. K. Pandey -Deputy Secretary-II
4. Smt. Mamta Kemwal -Deputy Secretary-II

2. At the outset, the Hon'ble Chairman welcomed the Members to the sitting and apprised them about the draft Twenty-fifth report on "The Unorganised Sector Workers' Social Security Bill, 2007".

3. The Committee then took up the draft Twenty-fifth report for consideration and adoption. After detailed discussion on all the recommendations, the Committee adopted the report with the following modifications:

- (i) **Page No.8, Para No.12, Line 2 :Insert " at the earliest but" after "Act".**
- (ii) **Page No.12, Para No.18, Line 3: Insert "or benefited" after "protected"**
- (iii) **Page No.13, Para No.22, Line 4 : replace "five" by "three"**
- (iv) **Page No.14, Para No.22, Lines 2 & 3: insert "of India" after "Government"**
- (v) **Page No.14, Para No.22, Line 5: delete "existing"**
- (vi) **Page No.14, Para No.25, For "However, those difficulties are likely to be administrative in nature. In the garb of overcoming these difficulties on day-to-day basis, powers like addition or deletion of the schemes altogether from the Schedule or from the Bill cannot be vested with the Government. It will certainly be a welcome move for the welfare of the workers of the unorganized sector, if some National Minimum Social Security Benefits are ensured to them statutorily. The scope of these National Minimum Social Security Benefits may be enlarged in a phased manner reviewing their success over a period of time. The Committee, therefore, recommend that the Government may take appropriate steps including minor changes in the schemes, if deemed essential, with a view to facilitate the quick and effective delivery of social security benefits. However, for any major changes or addition/deletion/alteration of any of the schemes, the proper course of action, i.e. seeking approval of legislature for such measures should be made mandatory".**

**Substitute**

**"In the garb of overcoming operational difficulties on day-to-day basis, the Government cannot be allowed to make substantial changes including addition or deletion of the schemes from the Bill itself. However, the Committee are not averse to minor changes in the schemes to overcome administrative difficulties with a view to facilitate quick and effective delivery of social security benefits. For any major changes or addition/deletion/alteration of any of the schemes, the proper course of action, i.e. seeking approval of legislature for such measures should be made mandatory" .**



- (vii) **Page No.16, Para No.28, as revised may be read as “The Committee further recommend that the National Minimum Social Security Benefits like life and accident cover, health insurance and maternity benefit should be wholly funded by the Central Government”.**
- (ix) **Page No.16, insert “Social Security and Welfare” after “State” in heading**
- (x) **Page No.17, Para No.30, Lines 7, 9 & 20 after “Security” insert “and Welfare”**
- (xi) **Page No.17, Para No.30, Line 4 from bottom replace “administration” by “implementation”**
- (xii) **Page No.17, Para No.31, Line 2, for National Fund and State Funds substitute “National Social Security and Welfare Fund and State Social Security and Welfare Fund”**
- (xiii) **Page No.20, Para No.33, Line 5 replace “NGOs” by “civil society organizations”**
- (xiv) **Page No.20, Para No.33, Line 3 from bottom replace “classes” by “sections”**
- (xv) **Page No.23, Para No.37, add “within a specific timeframe” at the end.**

4. The Committee then authorised the Chairman to finalise the above Report and present the same to the Parliament on their behalf.

**The Committee then adjourned.**

