

AS INTRODUCED IN THE RAJYA SABHA  
ON 8TH DECEMBER, 2023

**Bill No. XXXVII of 2023**

THE MOTOR VEHICLE DRIVERS AND OTHER WORKERS  
WELFARE FUND BILL, 2023

A

BILL

*to provide for the establishment of a Motor Vehicle Drivers and Other Workers Welfare Fund and to implement measures to promote the welfare of persons engaged in driving and other workers engaged in motor vehicles used for commercial purposes and for matters connected therewith or incidental thereto.*

BE it enacted by the Parliament in the Seventy-fourth Year of the Republic of India as follows:—

1. (1) This Act may be called the Motor Vehicle Drivers and Other Workers Welfare Fund Act, 2023.

Short title and commencement.

5 (2) 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 for different provisions of this Act, and any reference in any provision to the commencement of this Act, shall, in relation to a State, be construed as a reference to the coming into force of that provision in that State.

Definitions.

2. In this Act, unless the context otherwise requires,—

(a) "Fund" means the Motor Vehicle Drivers and Other Workers Welfare Fund established under section 3 of this Act;

(b) "motor vehicle drivers" means the persons who are drivers of a motor vehicle used for commercial purposes, including two-wheelers, three-wheeler autos, four wheeler taxi, cab, other multi-utility vehicles like tempo and also other commercial vehicles like lorry, truck, oil tanker, water tanker, dipper, dumper, trailer, either directly engaged or through any employer, agency, contractor, whether for wages or not, for transportation of persons, or goods and other materials;

(c) "other workers" means workers like cleaners, driver's assistants who help the drivers while they are engaged in driving of a motor vehicle and such other supporting labourers like road-side mechanics, mechanic assistants etc.; and

(d) "prescribed" means prescribed by rules made under this Act.

Motor Vehicle Drivers and Other Workers Welfare Fund.

3. (1) **There shall be established a Fund to be called the Motor Vehicle Drivers and Other Workers Welfare Fund for the purpose of implementing various measures to promote the welfare of motor vehicle drivers and other workers engaged in motor vehicles used for commercial purposes.**

(2) **The Central Government, shall from time to time, after due appropriation made by Parliament by law in this behalf, contribute such sums of money and/or funds, as may be necessary, to carry out the purposes of this Act.**

Application of Fund.

4. (1) **The Fund shall be applied by the Central Government to meet the expenditure incurred in connection with measures and facilities which, in the opinion of that Government, are necessary or expedient to promote the welfare of drivers and other workers engaged in motor vehicles of commercial nature; and in particular—**

(a) **to defray the cost of such measures for the benefit of such persons directed towards—**

(i) **the improvement of public health and sanitation, the prevention of disease and the provision and improvement of medical facilities;**

(ii) **the provision and improvement of water supplies and facilities for washing at the rest rooms;**

(iii) **the provision and improvement of educational facilities;**

(iv) **the provision and improvement of housing and recreational facilities including standards of living, nutrition and amelioration of social conditions; and**

(v) **the provision and improvement of such other welfare measures and facilities as may be prescribed;**

(b) **to grant loan or subsidy to a State Government, or to a local authority or an employer in aid of any scheme approved by the Central Government for the purposes connected with the welfare of motor vehicle drivers and other workers;**

(c) **to pay annually grants-in-aid to a State Government, or to a local authority or to an agency which satisfies the prescribed criteria (hereinafter to be referred to as the agency) or to an agency who provides to the satisfaction of the Central Government, welfare measures and facilities of the prescribed standard for the benefit of motor vehicle drivers and other workers;**

(d) **to meet the allowances, if any, of the members of the State Advisory Committees and the Central Advisory Committee constituted under sections 5 and 6 respectively and the salaries and allowances, if any, of persons appointed under section 8;**

**(e) any other expenditure which the Central Government may direct to be defrayed from the Fund.**

(2) The Central Government shall have power to decide whether any particular expenditure is or is not debitable to the Fund, and its decision shall be final.

5 **5. (1) The Central Government may constitute as many State Advisory Committees as it thinks fit, but not exceeding one for each of the States and Union Territories, to advise the Central Government on such matters arising out of the administration of this Act as may be referred to it by that Government, including matters relating to the application of the Fund.**

State  
Advisory  
Committees.

10 (2) Each State Advisory Committee shall consist of such number of persons as may be appointed to it by the Central Government and the members shall be chosen in such manner and for such term as may be prescribed:

15 **Provided that each State Advisory Committee shall include equal number of members representing the respective State Government, persons providing employment to motor vehicle drivers, persons engaged in the business of motor vehicles, and trade unions representing the motor vehicle drivers:**

**Provided further that at least one member of every State Advisory Committee shall be a woman.**

20 (3) The Chairman of each State Advisory Committee shall be appointed by the Central Government, in such manner and for such term as may be prescribed; and

(4) The Central Government shall publish in the Official Gazette the names of all members of every State Advisory Committee.

25 **6. (1) The Central Government may constitute a Central Advisory Committee to co-ordinate the work of the State Advisory Committees constituted under section 5 and to advise the Central Government on any matter arising out of the administration of this Act.**

Central  
Advisory  
Committee.

(2) The Central Advisory Committee shall consist of such number of persons as may be appointed to it by the Central Government and the members shall be chosen in such manner and for such term as may be prescribed:

30 **Provided that the Central Advisory Committee shall include equal number of members representing the Central Government, persons providing employment to motor vehicle drivers, persons engaged in the business of motor vehicles, and trade unions representing the motor vehicle drivers:**

**Provided further that at least one member of the Central Advisory Committee shall be a woman.**

35 (3) The Chairman of the Central Advisory Committee shall be appointed by the Central Government, in such manner and for such term as may be prescribed; and

(4) The Central Government shall publish in the Official Gazette the names of all members of the Central Advisory Committee.

40 **7. (1) A State Advisory Committee or the Central Advisory Committee may, at any time and for such period as it thinks fit, co-opt any person or persons to the Advisory Committee.**

Power to  
co-opt.

(2) A person co-opted under sub-section (1) shall exercise all the powers and functions of a member under this Act but shall not be entitled to vote.

45 (3) The State Advisory Committee or the Central Advisory Committee may, if it considers it necessary or expedient so to do, invite any person to attend its meeting and when such person attends any meeting, he or she shall not be entitled to vote thereat.

Appointment of Welfare Commissioners, etc., and their powers.

**8. (1) The Central Government may appoint as many Welfare Commissioners, Welfare Officers, Inspectors and such other officers and staff as it thinks necessary for carrying out the purposes of this Act.**

**(2) The Central Government may, by general or special order, direct a Welfare Commissioner to appoint such staff as is considered necessary for carrying out the purposes of this Act.**

**(3) Every person appointed under this section shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code, 1860.**

**(4) Any Welfare Commissioner, Welfare Officer or Inspector may,—**

**(a) with such assistance, if any, as he or she may think fit, enter at any reasonable time, any place which he or she considers it necessary to enter for carrying out the purposes of this Act;**

**(b) do within such place anything necessary for the proper discharge of his or her duties; and**

**(c) exercise such other powers as may be prescribed.**

Annual report of the activities financed under the Act.

**9.** The Central Government shall, as soon as may be, after the end of each financial year, cause to be published in the Official Gazette, a report giving an account of its activities carried out under this Act during the previous financial year together with a statement of accounts, in such form and manner as may be prescribed.

Power to call for information.

**10.** The Central Government may require a State Government or a local authority or any such agency to furnish, for the purposes of this Act, such statistical and other information in such form and within such period as may be prescribed.

Power to make rules.

**11. (1)** The Central Government may, by notification in the Official Gazette, and subject to the condition of previous publication, make rules for carrying out the provisions of this Act.

**(2)** In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

**(a)** the manner in which the Fund may be applied for the measures and facilities specified in sub-section (1) of section 4;

**(b)** the composition of the State Advisory Committees and the Central Advisory Committee constituted under sections 5 and 6 respectively, the manner in which the members thereof shall be chosen, the term of office of such members, the allowances, if any, payable to them, and the manner in which the State Advisory Committees and the Central Advisory Committee shall conduct their business;

**(c)** the recruitment, conditions of service and the duties of all persons appointed under section 8;

**(d)** the power that may be exercised by a Welfare Commissioner, a Welfare Officer or an Inspector under section 8;

**(e)** the furnishing to the Central Government by a State Government or a local authority or any such agency of such statistical and other information as may be required to be furnished under section 10;

**(f)** the forms in which and the period within which statistical and other information are to be furnished under clause (e); and

**(g)** any other matter which has to be or may be prescribed, or provided for, by rules under this Act.

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(3) In making any rule under clauses (e) and (f) of sub-section (2), the Central Government may direct that a breach thereof shall be punishable with fine which may extend to one thousand rupees:

5        Provided that the Central Government shall have the power to condone any such breach, as it may deem fit.

(4) Every rule made under this section 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,  
10 both the Houses agree in making any modification in the rule or both the 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.

#### STATEMENT OF OBJECTS AND REASONS

India has the fourth largest automobile industry in the world. It has also become the third largest automobile market in the world, surpassing Japan and Germany. It provides significant contribution to the nation's Gross Domestic Product. However, the working conditions of drivers of commercial vehicles like All India Permit trucks, heavy loaders, multi-utility vehicles like tempo, and other commercial vehicles like lorry, truck, oil tanker, water tanker, dipper, dumper, trailer etc. are pathetic. There are crores and crores of commercial drivers working in the unorganized sector in the country, who are engaged in transportation of goods and materials, including two-wheeler bike drivers engaged by platforms like Swiggy, Zomato, and such other gig workers who are not covered under with any welfare schemes, health insurance or social security.

This Bill seeks to establish a Motor Vehicle Drivers Welfare Fund to provide for implementing the requisite social security measures and welfare activities for the motor vehicle drivers and other workers engaged in this field including health insurance, safety, education, recreation and other amenities.

Hence, the Bill.

M. SHANMUGAM.

## FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for establishment of Motor Vehicle Drivers and Other Workers Welfare Fund which would be utilized to carry out activities for the welfare of motor vehicle drivers and other workers.

Clause 4 of the Bill specifies the purposes for which the Fund can be spent.

Clause 5 provides for establishment of State Advisory Committees and clause 6 for the establishment of Central Advisory Committee, for which expenditure would be incurred by the respective offices as also for payment of allowances to the members of the Committee.

Clause 8 provides for the appointment of Welfare Commissioners, Welfare Officers and Inspectors by the Central Government whose establishment expenditure will be met by the Central Government.

The Bill, therefore, if enacted, will involve certain amount of expenditure from the Consolidated Fund of India. It is not possible at this stage to give the exact amount estimated for the purpose of implementation of this Bill. A non-recurring expenditure of about rupees six hundred crore is also likely to be involved.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (1) of clause 11 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill.

Sub-clause (2) of the said clause enumerates the matters in respect of which such rules may be made, which *inter alia*, includes application of fund, composition of State Advisory Committees, Central Advisory Committee, recruitment and conditions of service of members of the Advisory Committees, powers to be exercised by the Welfare Commissioner, Welfare Officer or Inspector and the procedure to be followed for furnishing of information.

The matters in respect of which rules may be made are matters of procedure or administrative details, and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.





RAJYA SABHA

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to provide for the establishment of a Motor Vehicle Drivers and Other Workers Welfare Fund and to implement measures to promote the welfare of persons engaged in driving and other workers engaged in motor vehicles used for commercial purposes and for matters connected therewith or incidental thereto.

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*(Shri M. Shanmugam, M.P.)*