

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 3776
TO BE ANSWERED ON 03.04.2025**

FUNDS FOR CONSTRUCTION WORKERS

3776. DR. ASHOK KUMAR MITTAL:

Will the Minister of Labour and Employment be pleased to state:

- (a) the reasons for the underutilization of funds meant for the welfare of construction workers;**
- (b) the measure taken to ensure that these funds reach the intended beneficiaries without any further hurdles;**
- (c) the measures undertaken to prevent States from diverting or misusing these funds for other purposes; and**
- (d) whether Government is considering implementing a mandatory deadline for States to utilize these funds effectively, if so, the details thereof, if not, the reasons therefor?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SUSHRI SHOBHA KARANDLAJE)**

(a) to (d): The cess is collected and utilized by the respective State Building and Other Construction Workers' Welfare Boards (Board).

The Boards are constituted under the Building and Other Construction Workers' (Regulation of Employment and Condition of Service) Act, 1996 by the concerned State Governments to function under the provisions of the Act. The Boards are empowered to meet expenses on its objects and for purposes as authorised by this Act. Ministry of Labour and Employment has also framed a 'Model Welfare Scheme' for Building and Other Construction Workers and Action Plan for strengthening implementation Machinery for the Boards including the awareness programme for its strict compliance. An Addendum on Model Welfare Scheme has also been issued for utilization of cess fund.

Several instructions under Section 60 of the said Act have been issued from time to time to State/UT BOCW Welfare Boards for implementation of the provisions of the Act and for optimum utilization of the cess funds. A Monitoring Committee has been constituted to monitor the implementation of directions issued under the said Act, specifically with reference to utilization of cess fund for Welfare Schemes framed by the States/UTs.
