



## Bill Summary

### The Building and Other Construction Workers Related Laws (Amendment) Bill, 2013

- The Building and Other Construction Workers Related Laws (Amendment) Bill, 2013 was introduced in the Rajya Sabha by the Minister of Labour and Employment on March 18, 2013. The Bill has been referred to the Standing Committee on Labour for examination and report within three months.
- The Bill amends two laws i.e. the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (RECS Act) and the Building and Other Construction Workers' Welfare Cess Act, 1996 (WC Act).
- The RECS Act regulates the employment, service conditions, health, safety and welfare measures of building and other construction workers.
- The WC Act provides for the levy and collection of a cess on the employer, at the rate of one to two percent of the cost of construction incurred by him. The cess collecting authority (local authority or state government) deducts upto one percent of the amount collected towards the cost of collecting such cess. The cess is paid to the Building and Construction Workers' Welfare Board constituted under RECS Act.
- The RECS Act is being amended to remove the upper limit of Rs 10 lakh as the total cost of construction. The Bill allows the central government to notify the maximum cost of construction.
- Under the RECS Act, every building worker between the ages of 18 to 60 years who engaged in any building or construction work for at least 90 days (during the past one year) is eligible to register as a beneficiary. The amendments remove the: (i) 90 day requirement for registration of workers and, (ii) the upper age limit of 60 years.
- Till the state governments constitute their State Welfare Boards, the amendments provide for the constitution of a Board that will perform such functions. The Board will consist of a chairperson, i.e. Secretary of the Department of Labour, and Secretaries of the Department of Finance, Planning and Social Welfare as members.
- As per the RECS Act, the Welfare Board can incur expenses for salaries, allowances and other administrative requirements upto five per cent of its total expenses during that financial year. The amendment removes this limit and allows the central government to notify the percentage.
- The amendments in the RECS Act allow the central government to appoint and coordinate with Director Generals (not exceeding 10) in laying down the standards of inspection and they shall exercise powers of an inspector in the respective area.
- The WC Act is amended to prescribe a time limit of 30 days for cess collecting authorities to deposit cess to the Welfare Board.
- The Bill allows state governments to file complaints for contravention of provisions of the Act.

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