PRESS INFORMATION BUREAU GOVERNMENT OF INDIA

Finance Minister: To make health and social security benefits accessible to un-organised sector workers like construction workers, migrant labourers, volunteers of different schemes including Anganwadi workers are one of the major priorities of the present Government.

New Delhi, January 4, 2016 Pausha 14, 1936

The Union Finance Minister Shri Arun Jaitley said that the making social security schemes accessible to unorganised sector workers is a major challenge, which the Government is keen to address at this juncture where the unorganised sector is growing at a faster pace. He said that to make health and social security benefits accessible to unorganised sector workers like construction workers, migrant labourers, volunteers of different schemes like Anganwadi workers etc are one of the major priorities of the present Government. Mechanisms can be thought of wherein social security benefit contributions to workers can be made by employers at a single window for all workers. The Finance Minister Shri Jaitley was speaking during his second Pre -Budget Consultative Meeting with the representatives of different Trade Union Groups here today.

The Finance Minister Shri Jaitley said that the present framework of social security is structured for different groupings —organized, unorganized and those not employed/BPL, which are functional requirements. He said that there is a need to ensure a convergence of benefits for all these groupings, above a minimum threshold.

The Finance Minister Shri Jaitley further said that for employment generation, the Government has taken many intiatives like Make in India, Skill India, Mudra Yojana and National Career Service Portal. He said that around 9.63 lakh organizations have registered on National Career Service portal and 2.09 crore persons have also registered for employment on the same. Along with skill development, identifying labour-intensive industries and new areas where jobs can be created like renewable energy and reusable resources etc. and providing employment linked training can be some of the ways to capitalise on the demographic dividend, the Finance Minister added.

Along with the Finance Minister Shri Jaitley,the Pre-Budget Consultative Meeting with the representatives of Trade Union Groups was also attended among others by Shri Jayant Sinha, Minister of State for Finance, Shri R.N. Watal, Finance Secretary, Shri Shaktikanta Das, Secretary, DEA, Dr. Hasmukh Adhia, Revenue Secretary and Dr. Arvind Subramanian, Chief Economic Adviser (CEA). The representatives of various Trade Union Groups who attended the today's meeting include among others Shri Vrijesh Upadhyay (BMS), Shri Rajender Prasad Singh (INTUC), Shri A.L.Sachdev (AITUC), Shri Harbhajan Singh Sidhu (HMS), Shri Tapan Sen, (CITU), Shri Sankar Saha (AIUTUC), Shri S.P. Tiwary (TUCC), Smt. Jyotiben Macwan (SEWA), Shri Rajiv Dimri (AICCTU), Shri L.Rashid Khan (LPF), Shri Deeepak Jaiswal (NFITU) and Shri Ashok Ghosh (UTUC).

Most of the Trade Union representative gave a joint memorandum to the Finance Minister containing suggestions for the forthcoming Union Budget 2016-17. Various

suggestions were made by the representatives of Trade Union Groups. The major suggestions include that next Budget should be people oriented budget and help in creation of more jobs/employment opportunities including opening of the Government sector for the employment opportunities. It was suggested to increase the minimum wage to Rs.15,000 especially after the 7th Pay Commission recommended lowest scale starting from Rs. 18,000. Other suggestions include need for taking effective and timely measures to keep prices especially of food items under control, strengthening of social security schemes for the workers especially those working in un-organised sector, extension of National Pension System(NPS) to the workers of un-organised sector.

Many other suggestions include need for over hauling of tax structure, and minimum tax exemption limit be raised to Rs. 5.00 lakh in case of employees. creation of a separate Social Sector Affairs Department coordinating different ministries and experts and to include representative of such sectors so that the benefits reach directly to the real beneficiaries.

Other suggestions include minimizing the administrative cost upto 5% of total allocation. It was suggested that growth may be related to the wage of workers and hence a 'wage-led growth' has to be brought in. Increase in wages would lead to increase in purchasing power of the people which in turn will strengthen the market and the economy. It was suggested that allocation to education sector be raised to 6% and health allocation be raised to 3% (from present 1%) of the total budget. It was suggested that un-organised sector required a comprehensive decent work agenda which includes reasonable/decent wages, work conditions, social security, welfare, safety, gender justice and job security among others.

It was suggested to open a 'Worker's Bank' for general interest of workers. It was suggested that there is need for amendment of Contractual Labour Act and same wages be given for same work for those working on contractual basis. Anti-dumping measures especially in metal sector have to taken-up on utmost priority to save the domestic industry from irreparable loss and ultimate closure. There should be no ceiling on bonus and no FDI be allowed in crucial sectors such as railways & defence and no disinvestment of profit making PSUs be made among others.
