How Delhi's Construction Workers Were Failed by Their Government-Run Welfare Board

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<u>A recently tabled Comptroller and Auditor General (CAG) report</u> has raised critical questions over the functioning of the Delhi Building and Other Construction Workers' Welfare Board.

Let's start with the most startling revelation. According to the national auditor, the welfare board, which comes under the Delhi government's labour department, spent a meagre Rs 182.88 crore between September 2002 and March 2019.

To put this in context, the board had Rs 3,273.64 crore at its disposal as of March 2019. This is money that the organisation accumulated through the collection of construction workers' welfare cess, registration fees and interest earned on its investments.

The next question that the CAG indirectly raises is over how much the Delhi board actually spent on COVID-19 relief during the first and second waves of the pandemic.

Referring to COVID-time cash assistance, the audit report states that an amount of Rs 38.36 crore was spent on construction workers, handed out to registered individuals in two instalments of Rs 5,000 each on March 24, 2020, and May 12, 2020. The first instalment disbursement was received by 37,127 registered workers and the second instalment disbursement was received by 39,600 registered workers.

Also read: Inept Welfare Board, Unpaid Dues Leave Delhi's Construction Workers High and Dry

However, in an answer given in Rajya Sabha on August 4, 2021, Rameswar Teli, the Minister of State for Labour and Employment, claimed that during the first wave of the COVID-19 pandemic, the Delhi BOCW Board had disbursed cash assistance worth Rs 43.95 crore (Rs 43.945 crore actually) to 43,945 registered workers.

In light of these different figures being cited, the member secretary of the Delhi BOCW Board should clarify how many registered construction workers were counted as of March 24, 2020, when the Delhi chief minister announced cash assistance to help tide over the loss of livelihoods.

Snail-paced registration of construction workers

To more closely evaluate the performance of Delhi BOCW Board over the last two decades, we reviewed previous audit comments by the CAG of India.

The table shown below depicts the pace of registration of construction workers.

Year	No. of workers registered during the year	Cumulative figure
Upto March 31, 2007	1,558	1,558
2007-08	5,831	7,389
2008-09	10,433	17,822
2009-10	7,860	25,682
2010-11	24,860	50,542
2011-12	36,731	87,273

CAG auditors found that out of the total registered construction workers in 2011-12 (87,273), many had failed to renew their membership on time. In fact, on March 31, 2012, there were only 41,910 'live' members (i.e. those whose membership had not lapsed) on the muster roll of the Board!

Audit scrutiny further revealed that only a nominal fraction of previously registered construction workers renewed their membership on time. The report also commented that "the Board has not evolved any mechanism for mapping the construction workers and did not have a complete database of construction workers in Delhi".

This, it appears, has been a recurring problem. For instance, <u>a 2013 audit report</u> noted that "the records made available to Audit did not show adequate efforts made by the Board to get workers' membership renewed".

On the issue of how little money is actually being spent for the welfare of construction workers, the <u>audit report on Delhi (State Finances) for the year ended 31st March 2018</u> made the following observation on the Delhi BOCW Board:

"Utilization of cess during 2009-18 ranged between 0.45 to 38.42 percent. Total accumulated cess available with the Building and Other Construction Workers' Welfare Board as on 31st March 2018 was Rs 2465.43 crore. The poor utilization of funds on welfare schemes is largely due to low registration of workers with the Board. Out of an estimated 10 lakh workers in Delhi, only 1.49 lakh workers (15 percent) are registered with the Board as of March 2018".

Identification and registration of construction workers

The latest performance audit of the Delhi BOCW Board covering the three year period (2016-2019) points out how this issue hasn't been solved yet:

"Audit observed that the Board had not conducted any survey or devised any systems to identify all construction workers in Delhi. As against the Board's estimate of 10 lakh (January 2019) construction workers in Delhi, only 17,339 (1.73 percent) were registered as of March 2019".

The audit report goes on to cite statistics in the table, which we reproduce below:

Year	Number of registered workers at the beginning of the year	Number of workers who renewed registration during the year	Number of workers registered	Live (active) members at the end of the year
2016- 17	1,52,289	34,266	1,11,352	1,45,618
2017- 18	1,45,618	69,388	67,823	1,37,211
2018- 19	1,37,211	11,930	5,409	17,339

[&]quot;As seen from the above table, the number of registered workers showed a declining trend over the years. Registration of workers was very low in the year 2018-19, declining from 67,823 in 2017-18 to 5,409," the report notes.

<u>Also read: The Delhi Construction Board's Journey of Affecting Change in Non-Functional Govt Departments</u>

During the first quarter of the fiscal year 2018-19, the labour minister of Delhi appears to have realised that such a declining trend could potentially give the Aam Aadmi Party government bad publicity. On June 14, 2019, Gopal Rai called a meeting of Delhi BOCW Board and posting the photographs, he tweeted saying, "A mega camp will soon be organised to expedite the process of registration, renewal and claim benefits".

आज दिल्ली सचिवालय में Delhi Building And Other Construction Workers Welfare Board की बैठक हुई।

रजिस्ट्रेशन, रिनूअल एवं बेनिफिट क्लेम की प्रक्रिया तेज करने के लिए मेगा कैम्प आयोजित किया जाएगा। pic.twitter.com/wHoyX67jOu

— Gopal Rai (@AapKaGopalRai) <u>June 14, 2019</u>

While this recent trend of bringing more and more construction workers under the BOCW membership could show a course correction that Aam Aadmi Party government is actively pursuing, what remains a worrisome detail is the fact that BOCW Board could not spend anything on six out of 15 welfare schemes during the period of audit (2016-2019).

CAG audit also makes an indicting comment stating:

"During this period, the Board disbursed Rs 121.47 crore on nine remaining schemes, out of which Rs 104.74 crore was disbursed as financial assistance for education to school children of registered construction workers through the Directorate of Education and also to children of MCD schools directly. However, no data relating to construction workers whose children were provided financial assistance was available with the Board."

The performance audits of the Delhi BOCW board make for a sobering read. It's clear that Delhi's civil society and labour unions need to ask pertinent questions and ensure that the welfare cess actually ends up providing benefits to the city's construction workers and their families.