

L. A. BILL No. X OF 2024.

A BILL

further to amend the Maharashtra Labour Welfare Fund Act.

WHEREAS it is expedient further to amend the Maharashtra Labour
XL of 5 Welfare Fund Act, for the purposes hereinafter appearing ; it is hereby
1953. enacted in the Seventy-fifth Year of the Republic of India, as follows :—

1. This Act may be called the Maharashtra Labour Welfare Fund Short title.
(Amendment) Act, 2024.

XL of **2.** In section 6BB of the Maharashtra Labour Welfare Fund Act, for Amendment
1953. 10 sub-section (2), the following sub-section shall be substituted, namely :— of section
6BB of XL of
1953.

“(2) The amount of contribution payable every six months in respect of every employee and an employer for each such employee shall be at the following rates, namely :—

(a) in respect of an employee, whose name appears in the register of an establishment on the 30th June and 31st December, 5 respectively, shall be at the rate of twenty-five rupees :

Provided that, the State Government shall on receipt of a proposal from the Board, by notification in the *Official Gazette*, increase once in every three years, the rate of employee's contribution so, however that, such increase shall not exceed thirty 10 per cent. of the rate of contribution ;

(b) in respect of an employer, for each employee referred to in clause (a), thrice the amount of contribution payable by an employee.”.

STATEMENT OF OBJECTS AND REASONS

The Maharashtra Labour Welfare Fund Act (XL of 1953) is enacted to provide for the constitution of a Welfare Fund for the financing of activities to promote welfare of labour in the State of Maharashtra and for conducting such welfare activities.

2. Sub-section (2) of section 6BB of the said Act provides for contribution to be made to the Fund by the employees, employers and also by the State Government for every six months. The said tripartite contribution is the main source of income of the Maharashtra Labour Welfare Board to promote welfare activities for labourers and their dependants.

3. Over the decades there has been substantial increase in the welfare activities conducted by the Board and also number of workers and their dependants taking the benefit of the welfare activities as also cost of staff by way of salary and allowances has gone up substantially. But there is no increase in rate of contributions to the Fund since year 2003.

Besides, the Board has taken steps to introduce new welfare oriented schemes, activities and programs. The Board is also planning to start district sports training centres and organize sports tournaments and camps for workers and their dependants. Therefore, with a view to enable the Board to finance such welfare activities and to maintain the ratio of administrative expenses, it is considered expedient to increase the rate of contribution payable to the said Fund every six months by the employees, employers and also by the State Government.

4. The Bill seeks to achieve the above objectives.

Mumbai,
Dated the 29th February, 2024.

SURESH KHADE,
Minister for Labour.

MEMORANDUM REGARDING DELEGATED LEGISLATION

The Bill involves the following proposal for delegation of legislative power, namely :—

Clause 2.—Under this clause, power is taken to the State Government to increase once in every three years the rate of employee's contribution to such amount so however that such increase shall not exceed thirty per cent. of the prevailing rates of contribution by notification in the *Official Gazette*.

2. The above mentioned proposal for delegation of legislative power is of a normal character.

FINANCIAL MEMORANDUM

The provisions of the Bill are intended to increase the rates of tripartite contribution to the Labour Welfare Fund under the Maharashtra Labour Welfare Fund Act (XL of 1953) to enhance the welfare activities by the Maharashtra Labour Welfare Board and to maintain the ratio of administrative expenses of the Board within its limit as provided under rule 19A of the Maharashtra Labour Welfare Fund Rules. The total tripartite contribution payable by the employees, employers, and the State Government to the Labour Welfare Fund is estimated to be about Rs. 168,54,00,000 per year out of which Government contribution shall be Rs. 56,18,00,000 approximately, per year, as recurring expenditure from the Consolidated Fund of the State.

2. The exact contribution by each of the three parties would, however, vary, year to year, according to the variation in the number of employees covered by the Act.

GOVERNOR'S RECOMMENDATION UNDER ARTICLE 207 OF
THE CONSTITUTION OF INDIA

(Copy of Government of Maharashtra Order, Law and Judiciary
Department)

In exercise of the power conferred upon him by clause (3) of Article 207 of the Constitution of India, the Governor of Maharashtra is pleased to recommend to both Houses of the State Legislature, the Consideration of the Maharashtra Labour Welfare Fund (Amendment) Bill, 2024.

*ANNEXURE TO THE L. A. BILL No. X OF 2024—
THE MAHARASHTRA LABOUR WELFARE FUND (AMENDMENT)
BILL, 2024.*

(Extracts from the Maharashtra Labour Welfare Fund Act, 1953)

(Mah. Act No. XL of 1953)

1. to 5.	*	*	*	*	
6. to 6A.	*	*	*	*	
6BB. (1)	*	*	*	*	Contributions.

(2) The amount of contribution payable every six months in respect of every employee and an employer for each such employee shall be at the following rates, namely :—

(a) (i) in respect of an employee drawing wages upto and inclusive of three thousand rupees per mensem, six rupees; and

(ii) in respect of an employee drawing wages exceeding three thousand rupees per mensem, twelve rupees,

only if the name of such employee stands on the register of an establishment on the 30th June and 31st December, respectively :

Provided that, the State Government may, on receipt of a proposal from the Board, by notification in the *Official Gazette*, increase once in every three years, the rate of employees's contribution so, however that, such increase shall not exceed 30 per cent. of the rates of contribution.

(b) in respect of an employer for each employee referred to in sub-clause (i) and (ii) of clause (a), thrice the amount of contribution payable by an employee.

(3) to (8)	*	*	*	*	
6B.	*	*	*	*	
7. to 23.	*	*	*	*	

**MAHARASHTRA LEGISLATURE
SECRETARIAT**

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Labour Welfare Fund Act.]**

**[SHRI SURESH KHADE,
Minister for Labour.]**

**JITENDRA BHOLE,
Secretary (1) (I/C),
Maharashtra Legislative Assembly.**