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Regd. No. G.938

#### By Hand Delivery/ Email

January 22, 2025

7/2025

To,

Shri Nirmala Sitharaman,
Honourable Minister of Finance
Government of India,
Ministry of Finance

North Block, New Delhi - 110001

Subject: Representation for the unorganised sector women workers

Respected Shri Nirmala Sitharaman Ji,

#### Namaste!

Thank you very much for giving us your time to put forward few very important points concerning the women workers of the unorganised sector as discussed in the Pre-budget consultation held on January 3, 2025. These aspects are very crucial as well as directly related to enhancing the productivity of these workers. The recommendations focuses on inclusion of the unorganised sector workers in the **worker centric** social security mechanism to ensure better livelihood opportunities to these workers especially the women and young workers.

1. The Shipbreaking industry based at Alang in Gujarat is one of the biggest shipbreaking yard in the world where in more than 20,000 workers are working. But the downstream of this industry is even larger and according to an estimate more than 40,000 women workers are part of it. Bhavnagar city is the hub of downstream industry. These workers have a very significant role in the circular economy with optimum usage of the materials by recycling it and reducing the waste. But the work of the downstream workers is very precarious. The SEWA Reception Centre, Opp. Victoria Garden, Bhadra, Ahmedabad-380 001.

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महामंत्री : ज्योति मेकवान General Secretary : **Jyoti Macwan**  संस्थापक : इला भट्ट

Founder: Ela Bhatt





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workers are continuously exposed to poisonous gases, harmful substances, injuries and unhygienic working conditions. There are three types of downstream workers – 1. Those working with the Anchor ropes wherein they cut, untangle, wash, dry and segregate. Secondly the women workers then melted these threads to make yarn and then plastic fabric from it. The third category of women workers purchase the last grade of electrical and other waste from the shipbreaking yards, break them or dismantle them to remove metals, plastic, fibre etc from it. These items are then individually sold to the scrap trader. The incomes of both these workers are approximately Rs. 80 to 100/-per day but they put in at least 8 hours in this work.

These vulnerable workers remain invisible and therefore are not protected by any laws, policies or guidelines. Presently the Draft Regulations for Recycling of Ships, 20XX has been formed for the shipbreaking industry based on the Hongkong Convention ratified by our country. Unfortunately, the downstream women workers are completely excluded from these Regulations. This will deprive such a large number of women workers from fundamental rights and decent working conditions.

We request you to look into the matter for inclusion of the downstream workers in the shipbreaking industry including the women in the Draft Regulations for Recycling of Ships, 20XX being formed. We are enclosing here with SEWA's suggestions on this Draft Regulations for your kind reference.

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2. There are 75,00,000 Beedi workers in our country, and they are mostly women and among the most vulnerable workers. Until 2017 Beedi workers received health, scholarships and many other benefits under the Beedi Welfare Schemes, which were established by the Beedi and Cigar Workers Welfare Cess Act of 1966. The cess collected was 1% on price of beedis and in 2016-2017, the beedi worker welfare fund received Rs 170 crores. However, in 2017 the Beedi and Cigar Workers Welfare Cess Act (1966) was repealed and it was promised that welfare schemes for beedi workers would continue to be funded through GST revenue. This has not happened leading to more health problems and further vulnerability for them and their children.

Beedis are subjected to a GST rate of 28% and according to a 2021 report, the average annual revenue generated from tobacco products, including GST and excise duties, stands at approximately INR 53,750 crore. We request in order to continue better productivity, higher employment and more formalisation, **Equivalent Funds should be reinstated from the Central budget to the Beedi Welfare Board so that the workers can avail the welfare schemes**.

3. Construction industry in India is the second largest employment generator with approximately 8 crore workers. These workers are very vulnerable to workplace injuries and accidents which require medical attention in emergency and medical care including outpatients services. It is therefore important that Social Security for the registered 5.06 crore construction workers registered in the BOCW State boards should be linked with Employee State Insurance Corporation (ESIC) for their wholistic health care.

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Approximately Rs. 1,11,993 crore were collected as CESS till March 2024 in the State BOCWWB of which Rs.64,193 crore were spend and still Rs. 47,800 crore remains unspent here. This is almost 50% of the total CESS collected in the state remains unspent. Therefore, we request you that the Employee and employer contribution should be contributed from the unspent CESS collected in the States Building and Other Construction Workers Welfare Board (BOCWWB), so that there is no extra budget allocation required for this. This corpus of funds should be transferred to the ESIC to ensure that all the registered construction workers are able to attain health benefit through it.

- 4. The domestic workers due to the peculiarity of their work do not have one employer and therefore they too are not able to get the social security. It is important that the data collected in the E-shram portal for these workers is used to frame relevant social security policies for them. At least the worker centric basic social security of health care, maternity benefit, education for children and insurance is provided to them. Labour Ministry can provide this data to the Finance Ministry for the relevant budget allocation, planning and execution so that these workers can be covered by the Social security.
- 5. Migrant workers estimate to contribute substantially to India's GDP accounting to 10% by being present in all major industries of our country. These workers are often exploited at work with disparity of income as well as the type of work. They live in very scanty, make-shift dwellings with limited or practically no facility for our basic necessities. These situations disproportionately affects the women migrant workers and their children by intensifying their pre-existing vulnerabilities. There is no stability of work and they are always in transit from one city to another. As a result they are not able to attain

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the facilities under the Ration card or even enrol their children to school.

We request you to allocate appropriate budget to ensure technical coherence and interstate management mechanisms to ensure portability of ration cards and other identity cards. Allocation of special funds for a migration desk at the source and destination is very important as this will enable the migrant workers to entitled social security benefits.

We hope that your esteemed Ministry will consider the submissions and ensure that these poor and vulnerable workers are able to get their due validation of work as well as decent work environment.

Thanking you, With Best regards,

J. S. Mayon

Jvoti Macwan

General secretary, SEWA

Manali Shah

National Secretary, SEWA

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