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स्वाश्रयी महिला सेवा संघ (सेवा)
Self Employed Women's Association (SEWA)

Regd. No. G.938



SEWA @ 50
1972-2022

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By Hand Delivery

December 27, 2024

To,

Shri Nirmala Sitharaman,
Honourable Minister of Finance
Government of India,
Ministry of Economic Development
North Block,
New Delhi - 110001

Respected Shri Nirmala Sitharaman Ji,

**Subject: SEWA's Submissions for considerations for poor women of the informal sector in
Pre-Budgetary Consultation on December 27, 2024**

SEWA being the single largest Central Trade union for the women workers of the unorganised workers in India would like to take forward the points of discussion it had put forward last year for consideration in the Pre-budget meeting with the Honourable Finance Minister. The focus continues to be increasing productivity of women through social protection and pathways to ensure better employment opportunities for the young workers of this sector.

The Suggestions are :

- 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 However, in 2017 the Beedi and Cigar Workers Welfare Cess Act (1966) was repealed and it was promised that welfare schemes for beedi workers would continue to be funded through GST revenue.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.

Studies show that the health benefits under the Act increased productivity of the workers, while scholarships helped their children to qualify for new employment opportunities, at the same time these workers also got formalised through identity cards. Beedis are subjected to a GST rate of 28% and according to a 2021 report, 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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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 Welfare Board so that the workers can avail the welfare schemes.

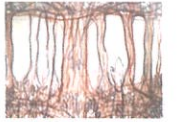
- Construction industry in India is the second largest employment generator with approximately 8 crore workers. These workers are very vulnerable to workplace injuries and accidents which require medical attention in emergency and medical care including outpatients services. It is therefore important 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. **Approximately Rs. 1,11,993 crore were collected as CESS till March 2024 in the 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 that remains unspent. Therefore, the Employee and employer contribution should be considered from the unspent cess collected in "The Building and Other Construction Workers Welfare Board (BOCWBB)", so that there is no extra budget allocation required for this.**
- Agriculture remains the largest industry providing livelihood to the workforce. Majority of farmers are small farmers or family farmers. Increase in feminisation in this trade is also witnessed and they are now involved in mainstream agriculture work. Therefore the under the **Kisan Sanman Yojana** the money should be transferred in the **joint accounts of wife and husband workers**. Therefore, they also have to work as agriculture workers or share croppers to have round the year work. Similarly, the agriculture workers/ share croppers should also be included under Pradhan Mantri Fasal Bima Yojana.
- Climate shocks are on rise. Heat waves excessive or unseasonal rain, cyclones and cold waves. All these climate shocks disproportionately affect the women workers in the Informal sector. The working hours reduce, the incomes fall by 40 to 60%. This directly affects the food and nutrition intake. The workers suffer from various health and also children's education suffers. Very often the women workers are pushed in the vicious cycle of poverty and indebtedness – losing their dignity and self-respect. Vulnerability of the workers increases.

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To address the above issues. To stabilize the work and income of the informal sector workers, there is immediate need to set up "Climate Fund" – this is a Blended Finance Facility. Such a Blended Finance Facility accelerates adaptation, mitigation – reduces the vulnerability of the workers. When work and income are stabilized, it builds resilience of the workers. Such a Blended Finance Facility is a pool of capital – grant, patient capital and debt. It provides access to Insurance Bundling; Customized Product Design; Integration of Insurance with Other Financial / Non-Financial Products (Insurance ++); Generating Livelihood Opportunities; Financial and Climate Insurance Literacy

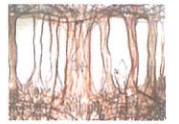
The Government of India may consider setting up a Climate Fund – as Blended Finance Facility of upto 500 crores.

- The initiative of Climate Insurance started by SEWA can be extended to the workers of the Construction industry who are registered under The Building and other Construction workers welfare board (BOCWFB), and the premium can be paid from the collected unspent CESS amount in this Boards. The registered Beedi workers under The Beedi and Cigar Workers Welfare Act can also be included and their premium can also paid from the welfare funds that are due from the collected GST from this trade. For the other workers registered under the E-shram portal, Climate insurance can be the first welfare scheme to include the worker of the unorganised sector. This scheme can then be designed sector specific

Other sectoral suggestions are :

- There are various existing mechanisms like the "The Unorganised Workers Social Security Act, 2008" or The Code on Social Security and Rules for providing Social Security to the workers of the unorganised section. 27.69 crore E-shram registrations have been completed. However, no money is put in to support it. As a result of this prescribed schemes are not implemented. **It is therefore required to make budgetary allocation in 2024-25 so that the social security reaches the workers of the unorganised sector.**
- **E-shram data should be used to frame the policies for the unorganised workers and dispensing at least the basic Social Security of healthcare, maternity benefit, education for children and insurance is extended to the workers of this sector. Required budgetary**

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allocation should be made for the same. Specific trade wise Social security schemes can be formed after the analysis of the E-shram portal's data. There is high unemployment in the urban areas. **The Secured Employment scheme like The National Urban Employment Guarantee Act (NUEGA) should be declared in the urban areas for the unorganised sector workers as per the unanimous recommendation in 43rd ILC. Budgetary allocation should be made for same.**

- Migrant workers constitute a vital portion of India's workforce, contributing across various sectors such as agriculture, construction, manufacturing and other services. 2011 Census estimates 450 million internal migrant workers. But their journey in pursuit of livelihood opportunities are often full of sufferings, is strenuous, fraught with numerous challenges. They have literally no access to basic amenities, lack of social security, exploitation by employers and limited legal protection **Budget should be allocated 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 as part of the Labour ministry. This will enable the migrant workers to entitled social security benefits at their source and destinations.**
- There are around 3 corers **street vendors** in India there is need to boost the employment opportunities of these self-employed workers further by allocating special vending spaces to build climate friendly markets. These markets will allow the street vendors to vend under covered roofs protecting them from direct sunlight or rains, special platforms to resist emission of heat from ground, toilet & storage facility, parking space and proper solid waste management. **The Budgetary allocation should be made for the formation of these markets through the TVC mechanism as mentioned in the "The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 to protect their livelihoods as well as strengthen the self-employment.**
- The salt/framers/salt workers are the self-employed workers who in very tough conditions. They face many occupational hazards and the current climatic changes affect their salt production adversely and they suffer losses. The salt farmers/ salt workers must be given long term lease of land - Revenue land. **Financial Assistance should be provided to them to carry out their livelihood. The Government must also include salt under MSP being an essential commodity.**

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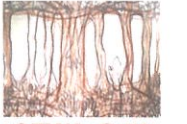
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- Currently the Government of India has revised the Solid Waste Management Rules, 2016. One of the provisions is to ensure that the traditional waste recyclers collect waste from the source. This provision of Solid Waste Management Rules 2016 should be implemented to enhance and ensure the livelihoods of unorganized sector waste recyclers by including them in all levels of City Solid waste collection. **Privatization of the Door-to-door waste collection system should be stopped and Government should direct all Urban Local bodies to employ traditional waste recyclers and their cooperatives in the door-to-door waste collection. There is need to invest in the community-based technology and skills upgradation.**

We believe that any sustainable strategy to promote employment should have broader consideration of factors such as education, skilling, support to vulnerable groups like women workers in the unorganised sector, their health and security of work as well as incomes. This ensures productivity through strong and effective labour market. All the initiatives thus, should be workers centric. With the similar view, we request you to suggestions in the upcoming budget for the financial year 2025-26.

Thanking you,

With Regards,

J S Macwan

Jyoti Macwan
General Secretary, SEWA

Manali Shah

Manali Shah
National Secretary, SEWA

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