

THE KERALA AGRICULTURAL WORKERS'
(AMENDMENT) BILL, 2010

A

BILL

further to amend the Kerala Agricultural Workers' Act, 1974.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Agricultural Workers' Act, 1974, for the purposes hereinafter appearing;

BE it enacted in the Sixty-first Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Agricultural Workers' (Amendment) Act, 2010.

(2) It shall be deemed to have come into force on the 5th day of January, 2010.

2. *Amendment of section 9.*—In section 9 of the Kerala Agricultural Workers' Act, 1974 (18 of 1974) (hereinafter referred to as the principal Act),

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Every land owner holding more than forty ares in extent of agricultural land shall pay contribution to the Fund at the rate of twenty-five paise per are per annum for the land held by him in excess of forty ares or part thereof in the manner prescribed.”.

(ii) after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) The Government shall contribute to the Fund every year, by way of grant, an amount equal to that of the contribution paid by registered agricultural workers in every financial year.”.

3. *Repeal and saving.*—(1) The Kerala Agricultural Workers' (Amendment) Ordinance, 2010 (14 of 2010) is hereby repealed.

(2) Notwithstanding such repeal, anything done or deemed to have been done or any action taken or deemed to have been taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

Sub-section (1) of section 9 of the Kerala Agricultural Workers' Act, 1974 (18 of 1974) lays down that every land owner holding more than half hectare but less than one hectare in extent of agricultural land shall pay contribution to the Fund at the rate of ten rupees per annum for the land held by him and those holding one hectare and in excess thereof in extent of agricultural land shall contribute fifteen rupees per annum per hectare of land or part thereof held by him. Considering the present money value, the rate fixed 30 years ago is very low and due to sub-division and fragmentation the number of landowners who are eligible to pay the landowners' contribution have considerably decreased. Moreover, considering the benefits now being extended to the agricultural workers, the present rate of landowners' contribution has to be enhanced to meet the various welfare benefits to be rendered as per the provisions of the Scheme. Hence it is found necessary that the relevant provision in the Act has to be suitably amended so as to increase the landowners' contribution payable to the Fund.

Also, there is no provision in the Act for payment of contribution by the Government to the Kerala Agricultural Workers' Welfare Fund. At present, the income of the Fund is insufficient to pay the welfare benefits to the workers under the scheme. There exists a huge amount of arrear in the payment of benefits. Therefore, the Government have decided to pay an amount equal to that of the contribution from the workers to the Fund every year as Government contribution and to amend the Kerala Agricultural Workers' Act, 1974 accordingly.

The Bill seeks to achieve the above objects.

FINANCIAL MEMORANDUM

Sub-clause (ii) of clause 2 of the Bill is intended to insert sub-section (4) in section 9 of the Kerala Agricultural Workers' Act, 1974 which provides that the Government shall contribute to the Fund every year, by way of grant, an amount equal to that of the contribution paid by registered agricultural workers in every financial year. It is anticipated that, in the current financial year, an amount of 6 crores rupees will be collected as contribution from the registered agricultural workers to the Fund. If so, Government will have to pay 6 crores rupees in the current financial year and thereafter there will be a recurring annual expenditure of not less than 6 crores rupees from the Consolidated Fund of the State.

P. K. GURUDASAN.

EXTRACT FROM THE RELEVANT PORTIONS OF THE KERALA
AGRICULTURAL WORKERS' ACT, 1974
(18 OF 1974)

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9. *Contribution to the Fund.*—(1) Every land owner holding more than half a hectare but less than one hectare in extent of agricultural land shall pay contribution to the Fund at the rate of rupees ten per annum for the land held by him and those holding one hectare and in excess thereof in extent of agricultural land shall contribute fifteen rupees per annum per hectare of land or part thereof held by him in the manner prescribed.

(2) Every registered agricultural worker shall pay contribution to the Fund at the rate of two rupees per mensem.

(3) Any loan, grant or advance made by the Government of India, the State Government, a local body, or any other institution shall be credited to the Fund.

The loan, grant or advance made by any authority or institution shall be utilised for no purpose other than the purpose for which it was given.

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