

Thirteenth Kerala Legislative Assembly

Bill No. 60

**THE KERALA BEEDI AND CIGAR WORKERS' WELFARE
FUND (SECOND AMENDMENT) BILL, 2011**

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2011

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further to amend the Kerala Beedi and Cigar Workers' Welfare Fund Act, 1995.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Beedi and Cigar Workers' Welfare Fund Act, 1995, for the purposes hereinafter appearing ;

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

1. *Short title and commencement.*—(1) This Act may be called the Kerala Beedi and Cigar Workers' Welfare Fund (Second Amendment) Act, 2011.

(2) It shall come into force at once.

2. *Amendment of Section 5.*—In section 5 of the Kerala Beedi and Cigar Workers' Welfare Fund Act, 1995 (18 of 1995),—

(1) in sub-section (2), for the words “five rupees”, the words “nine rupees” shall be substituted ;

(2) in sub-section (4), the words “and at the rate of three rupees per mensem in respect of every self employed person” shall be added at the end.

STATEMENT OF OBJECTS AND REASONS

The existing rate of contribution to be paid to the Beedi and Cigar Workers' Welfare Fund by every self employed person is five rupees per mensem. At present, the Government do not pay contribution to the Welfare Fund in respect of the self employed persons as done in the case of employees' contribution. Hence, the Beedi and Cigar Workers' Welfare Fund Board have requested the Government to enhance the rate of contribution payable by the self employed persons from five rupees to nine rupees per mensem and also requested to make a provision in the Kerala Beedi and Cigar Workers' Welfare Fund Act, 1995 (Act 18 of 1995) that the Government shall contribute to the Fund an amount of three rupees per every self employed person per mensem by way of grant. Therefore, the Government have decided to amend the said Act as proposed by the Board.

2. The Bill is intended to achieve the above objects.

FINANCIAL MEMORANDUM

The amendment proposed to sub-section (4) of section 5 of the Kerala Beedi and Cigar Workers' Welfare Fund Act, 1995 as per sub-clause (2) of clause 2 of the Bill provides that the Government shall contribute to the Fund every year by way of grant an amount at the rate of three rupees per mensem in respect of every self employed person. Hence, the Bill, if enacted and brought into operation, the Government will have to contribute an amount of Rs. 1,44,000 to the Fund in a year by way of grant, which is a recurring expenditure. This amount may vary in future years depending on the number of persons eligible for pension.

SHIBU BABY JOHN

EXTRACT FROM THE KERALA BEEDI AND CIGAR WORKERS'
WELFARE FUND ACT, 1995

(18 OF 1995)

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5. *Contribution to the Fund.*—(1) The contribution which shall be paid by the employer to the Fund shall be at the rate of six rupees per mensem in respect of each employee and the employee's contribution to the Fund shall be at the rate of three rupees per mensem.

(2) Every self employed person shall contribute to the Fund five rupees per mensem.

(3) Every employer shall, along with his contribution, pay to the fund, the contribution in respect of the employees engaged by him.

(4) The Government shall contribute to the Fund every year by way of grant or on a matching basis an amount equal to the contribution paid by the employees under sub-section (1).

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