



# भारतीय मज़दूर संघ

**BHARATIYA MAZDOOR SANGH**

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## **BMS Suggestions presented at Pre Budget Consultations with Trade Unions- with the Finance Minister and officials on June 24, 2024 by Sri B.Surendran, All India Organising Secretary**

To,

**Smt. Nirmala Sitaraman Ji**  
**Honorable Finance Minister**  
**Government of India**  
**New Delhi**

**Respected Madam,**

**Namaskar!**

Let me begin by congratulating you for keeping up the spirit of tripartism and inviting trade unions to discuss budgetary allocation.

*The Central Government is making all efforts to deliver—"the fruits of development to the last of persons, in line with Deendayal Upadhyaya's idea of Antyodaya".* We also believe that with cooperative participation and inputs of on-ground situations from Central Trade Unions, and civil society institutions, we can do much better in the coming years to proceed to fulfill the dreams and aspirations of Indians. We strongly feel that the Capital should flow to where Land and Labour are available.

BMS requests the Hon'ble Finance Minister to formulate the strategy for the upcoming union budget 2024-25 by focusing on “*Rural Development, MSMEs, Manufacturing, Exports, Infrastructure, and skill development*”. So that earnings can be improved, leading to a higher growth rate of consumption and increasing the purchasing power of ordinary workers/employees. At the same time, it will attract investments.

***BMS would like to draw your kind attention to a few important areas of work, where immediate and long-lasting impact can be created with budgetary support. These include:***

1. **Unorganised Sector:**

- a. **MGNREGA:** The scope of MGNREGA needs to be broadened with the provision for a guaranteed 200 days of work for each family. Agriculture and allied sectors works should be linked to MGNREGA. The use of Machinery to perform MGNREGA work has to be stopped. Wages paid to MGNREGA should not be less than minimum wages under any circumstances.
- b. Budgetary allocation should be enhanced accordingly to accommodate a larger number of workers.
- c. **Scheme workers:** GOI had announced a hike in honorarium for scheme workers in 2018. Since then, prices have increased sharply and hence it is necessary to increase the honorarium of ASHA, Aanganwadi, Midday Meal Workers and NHM workers along with all other scheme workers.
- d. Scheme workers must be identified as workmen. Particularly ASHA, Aanganwadi and Mid-Day meal workers must be given the workmen status given the permanent nature of their work.

## 2. **Social Security:**

The universalisation of social security which the government has been serious about needs to be funded well. We are happy to note that the statement passed by L20 regarding the same found space in the G20 declaration adopted during India's presidency.

The perception of social security for organized sector and unorganized sector workers must be based on ground-level evidence. *There should be two different approaches.* It has to be taken into account while framing policies/schemes.

### **The following provisions can make a big difference towards fulfilling this goal:**

- a. Ensure appropriate funding for unorganized sector social security boards.
- b. Ensure funding for different industrial boards like the beedi workers welfare board, contract labour board, etc. which were earlier (before the GST regime) funded through a cess. Provide special packages for labor-intensive sectors like - Plantation, beedi, agriculture, and fisheries. New Generation workers like those working in the platform economy should also be provided with special packages.
- c. Third-party insurance can be avoided and ESIC has the best facilities hence it should be roped in for benefits to UOS workers.
- d. As E-shram data stands at 30 crores, its benefits seem to be missing. Government must come forward to advertise both its benefits and mechanisms to benefit from it. Other benefits that are already available for unorganized workers can also be linked to E-shram cards. Budgetary provisions should be made based on E-shram data that can be utilised through e-shram cards.
- e. Provide health benefits to all persons above 60 years of age. It can be made contributory with a token amount of Rs. 100 per month and coverage of Rs. 5 lakhs annually. Ayushman Bharat Scheme criteria should be extended from Rs 1.20 Lakhs to Rs 3.00.

f. *Increase minimum pensions for EPS-95 pensioners from 1000 to 5000 and link it with VDA. Extend the Ayushman Bharat scheme to EPS 95 pensioners. In addition to this, provide old age pensions to all these people.*

g. **Uniform Pension Formula**The government must assure a minimum pension equal to 50% of the last salary drawn + DA under NPS/OPS/EPS-95. If required scheme investments can be modified.

h. Increase the ceiling of both EPF and ESIC which have fixed so low a huge chunk of contract workers can't access its benefits. Enhance coverage limit to Rs 30000/ for EPF and to 42000 for ESIC.

i. Further the threshold number of workers should be decreased from 20 to 10 for the application of EPF& MP Act, 1952.

j. Under EPS the Govt. is paying a contribution of 1.16% on 15000 whereas under the Coal Mines Pension scheme the govt. Is paying a 1.16% contribution of Rs. 1600 only which is a grave injustice. This injustice should be done away with.

k. Link all pensions with the Consumer Price Index and Dearness Allowance.

l. Bank and Insurance employees' Pension should be enhanced periodically.

### **3. Employment:**

a. High priority must be accorded to Rural based MSMEs under the PLI scheme to be able to create a larger number of jobs:

i. Cheaper credit lines should be made available for setting up factories under the PLI scheme in rural areas, particularly Agro-based industries

ii. Single-window digital licensing camps can be organized in district headquarters to ease licensing procedure for MSMEs

iii. Create permanent posts and employ workers in all Corporations, Municipalities, and rural bodies, especially sanitary and sewage workers. For all contract workers on these posts, increase the amount insured.

b. There is contractualisation of group C posts in government. This work is a perennial nature of work. Notify the vacancies and employ appropriate persons for these posts.

c. Rural Development: Utilise technology in agriculture to increase yields and consequently incomes; adopt new concepts like intercropping and crop diversification; increase focus on food processing at village clusters so that agriculture workers' income will increase.

d. MSME: Formulate a centrally sponsored scheme for rural industrial parks/clusters at the block/district level.

e. Self-Enterprises: There is a good response for Startups at the District level. So, establish Enterprise Development Centres (EDCs) across all the districts within a stipulated period and create a framework for entrepreneurship promotion campaigns across all the districts. This was one of the major outcomes of Startup 20 under the G20. Start Entrepreneurship and Placement Cells in Higher Education Institutes. There should be proper budget allotment for these purposes.

#### 4. **Other issues:**

a. **Legislation of schemes** should be a key priority for labour-centered schemes. The schemes have functioned well for a few years and it can now be legislated for the greater good of the workers.

b. Regularise contract workers indulged in the perennial/permanent nature of work. Government must lead the way on this issue. Paid weekly offs should be provided for contract workers also. Same should apply for payment for bonuses.

#### c. **A policy for revival, diversification etc. of loss-making PSUs:**

i. Constitute a high power committee comprising members from Trade Unions along with Management and Govr. Representatives to discuss and decide the revival plan of sick PSUs.

ii. There is a definite need to create a business management cadre similar to IAS, IPS etc. to manage PSUs instead of deputing erring officers as MDs.

iii. Pay salaries and pending dues of workers of different PSUs.

iv. Immediately start wage negotiations in PSUs where it is pending.

d. **FSEs in LIC:** Provide employment to financial service executives of LIC who lost their jobs due to the abrupt closure of the scheme. It has been pending for 05 years now and is a cause of serious discontent among workers. LIC has to be pragmatic in solving this issue.

e. Allocation of funds to workers' training centers like VVGNLI, DTNBWED and other centers by the Ministry of Labour and Employment and the Ministry of Skill Development has to be increased.

f. Increase income threshold for taxation. Exempt disabled persons and other vulnerable groups that were exempted earlier from Income tax.

g. Deductions such as those under Sections 80C, 80D, 80E, interest on home loans (Section 24b), leave travel concession, house rent allowance, standard deduction, deduction for entertainment allowance, SEZ unit exemption, and various other deductions under Sections 32AD, 33AB, 33ABA, 35AD, and 35CCC are not permitted under the new tax regime.

h. Government must constitute the 08th pay commission soon and nominate appropriate persons for the same.

With Best Regards!

Yours Sincerely



(Ravindra Himte)  
General Secretary

Copy to—

1. Sri Pankaj Chowdary,  
Hon. MOS for Finance  
Government of India  
New Delhi

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