

CHAPTER-VII: GOVERNANCE AND HUMAN RESOURCES MANAGEMENT

7.1 State Advisory Committee

As per Section 4 of the BOCW Act, 1996 and Rule 10 of the CG Building and Other Construction Workers Rules, 2008, the State Government shall constitute a State Advisory Committee (SAC) to advise the State Government on matters arising out of administration of the Act. The SAC comprises one chairperson and 15 members. Each member shall hold office for three years or till he remains a member of legislative assembly of State, whichever is earlier. The SAC is to be reconstituted every three years and has to meet at least once in six months as per the Rules.

State Advisory Committee (SAC): The SAC was constituted only in April 2013 i.e. five years after the notification of the CG BOCW Rules, 2008 and only three meetings were held as of date (January 2023). The third and last meeting was held in December 2017. The details of recommendations of SAC (December 2017) and implementation/action taken by the Government/Board are as shown in **Table 7.1**.

Table 7.1: Major recommendations by SAC (December 2017) and their implementation

Recommendations of SAC	Action Taken
To deploy regular staff in BOCW Welfare Board	No regular staff has been deployed as of date
ESIC facility to be given to Labour and contribution should be paid by the Board. 20 <i>per cent</i> of total Cess received during the year may be utilised for ESIC contribution.	No such scheme was introduced so far.
Cess Fund shall not be utilised for any other expenditure of State Government	Audit noticed that the cess fund was utilised for payment to Labour Department for outsourced staff engaged in the regular work at Commissioner office and District offices of Labour Department and for other expenses on implementation of welfare schemes.
Administrative expenditure shall not exceed five <i>per cent</i> of the total expenditure.	Audit noticed that amount of ₹ 104.71 crore was incurred on administrative expenditure which was more than five <i>per cent</i> of the total expenditure during the year 2017-22.
For the establishments which are engaged in construction works of more than Rupees five crore, the Board shall intimate by issuing notices to the principal employer of the establishments to engage the registered labourers in such construction works	During physical verification of construction projects involving more than Rupees five crore, audit noticed that all the labourers working in such projects were unregistered.

Non-appointment of the members of SAC even after expiry of three years and non-holding of meetings since December 2017 indicates lack of effective governance at Government level.

The BOCW Welfare Board has stated (May 2023) that correspondence has been made with State Government for appointment of committee members and the

State Government (April 2024) assured for taking necessary action after reconstitution of SAC in its reply.

7.2 Shortfall in Board meetings

The main responsibility of the BOCW Welfare Board is preparation and submission of annual budget, collection and administration of BOCW Welfare Fund, proper maintenance of accounts, and formulation of Welfare Schemes etc. As per Section 256 of BOCW Rules 2008, the BOCW Welfare Board shall ordinarily meet once in three months (i.e. *four* meetings in a year). It was noticed that as against 20 meetings during 2017-22, only 13 meetings¹ were held. It was further noticed that while in 2017-18, the Board had conducted all four meetings whereas in 2019-20 and 2020-21, only one meeting was held.

The Government stated (April 2024) that the shortfall in meeting was due to COVID-19 and non-appointment of members of SAC.

7.3 Hiring of contractual manpower in excess of sanctioned posts by BOCW Welfare Board

Section 263 of CG BOCW Rules 2008 states that the Board with the approval of State Government may open as many field offices as it may consider necessary for the efficient discharge of its functions under the BOCW Act 1996. As per sub clause (2) of Section 265 of CG BOCW Rules 2008, the Board may appoint such other officers and employees as it may consider necessary for the efficient discharge of its function provided that no post shall be filled up in the Board unless its creation has first been approved by the State Government.

During scrutiny of records of BOCW Welfare Board, it was noticed that the Labour Department, GoCG, sanctioned 86 posts for BOCW Welfare Board during the period 2010 to 2013 after the approval of the Finance Department, GoCG. The two posts of Secretary and Accountant were to be filled by deputation from the Labour Department. In addition to the above sanctioned posts, Labour Department of GoCG also approved 147 posts to be recruited on contract basis through placement agencies.

The detailed position of staff as per sanction and men-in-position is as shown in **Table 7.2**.

Table 7.2: Details of manpower deployment by the BOCW Welfare Board

S no.	Name of the post	Sanctioned Strength (SS)	Person in Position		Excess/(Shortage) against SS
			Regular (on deputation)	Outsourced	
(1)	(2)	(3)	(4)	(5)	(6) = [(5)-(3)]
A	Approved Set-up				
1	Secretary	01	01	00	00
2	Accounts Officer	01	01	00	00
3	Planning Officer	01	NIL	01	00

¹ Five meetings in 2017-18, three meetings in 2018-19, one meeting in 2019-20, one meeting in 2020-21 and three meetings in 2021-22.

4	Stenographer	01		02	01
5	Steno typist	02		00	(02)
6	Asst. grade-3	10		08	(02)
7	Driver	03		44	41
8	Peon	12		31	19
9	Watchman	07		00	(07)
10	Asst. grade-2	06		01	(05)
11	Personal secretary	01		00	(01)
12	Computer Operator (DEO)	08		165	157
13	Labour welfare inspector	27		00	(27)
14	Welfare Officer	06		00	(06)
Total (A)		86	02	252	168
B	Set-up of contractual staff sanctioned by the Labour Department without approval of Finance Department				
1	Computer Operator (DEO)	56	NIL	59	03
2	Labour welfare inspector	32		55	23
3	Welfare Officer	28		35	07
4	Accountant	30		29	(01)
5	Deputy Secretary	1		00	(01)
6	NIC programmer	0		05	05
Total (B)		147	00	183	36
Grand Total (A+B)		233	02	435	204

(Source: CG BOCW Welfare Board)

Audit observed that:

- No regular staff were recruited against the sanctioned posts. The BOCW Welfare Board hired 435 contractual staffs through a service provider “M/s. Call Me Services” against the total sanctioned set up of 233 posts.
- Overall, the BOCW Welfare Board hired 204 (88 per cent) outsourced staffs over and above the sanctioned strength.

Thus, sanction of 147 posts by the Labour Department for the BOCW Welfare Board without the approval of Finance Department of Chhattisgarh and hiring of contractual staff in excess of sanctioned posts by BOCW Welfare Board was irregular.

Further scrutiny revealed that during the period 2017-18 to 2021-22, Secretary, BOCW Welfare Board provided ₹ 5.54 crore to the Office of the Labour Commissioner for payment of remuneration to outsourced staff engaged in the Commissioner office and District offices of Labour Department for performing work related to BOCW and for other expenses on implementation of welfare schemes.

From the duty list obtained from the Commissionerate Office, it was observed that 41 staff deployed in the Commissionerate Office were actually posted in various sections/branches in the Commissionerate, Raipur performing regular

nature of office related work such as Stores, Legal Cell, Co-ordination section, Complaint cell etc.

The Government stated (April 2024) that due to absence of recruitment rules of BOCW Welfare Board, recruitment on all the posts had been made on the contractual basis for registration and implementation of schemes after getting approved in BOCW Welfare Board meeting and by Labour Department. As per the provision of section 3 of BOCW Cess Act, 1996, the Local Authority or the State Government shall transfer the proceeds of collected cess after deducting cost of collection of cess not exceeding one percent of the amount collected. It further stated that if the BOCW Welfare Board had established district offices in 28 districts of the State, the BOCW Welfare Board would have incurred expenditure of ₹ 8.11 crore every year. As cess collection and implementation of schemes is being done by Labour Commissionerate and its district offices, the BOCW Welfare Board provides funds accordingly for registration and implementation of schemes to Labour Commissionerate.

Reply is not acceptable as the BOCW Welfare Board had deployed 204 excess staff over and above the sanctioned strength of 233. Further, none of the cess deducting/collecting authorities viz., Public Works Department, Water Resources Department, Public Health and Engineering Department, Local Bodies etc., in Chhattisgarh deducted cost of collection from the proceeds of cess collected by them. Since all the expenditure of the Labour Department is met through budget provided by the State Government passed by the State Legislature, the fund provided by the BOCW Welfare Board for payment of remuneration to outsourced staff and for other expenses on implementation of welfare schemes to Labour Department was irregular.

7.4 Conclusion

There were instances of shortfall in holding meetings of BOCW Welfare Board and non-implementation of major recommendations of State Advisory Committee which indicated lack of proper supervision over pursuance of mandated objective of the BOCW Welfare Board. No regular staff/officials were recruited by the Board against the sanctioned strength. The Board had deployed 435 outsourced staff against the sanctioned strength of 233. Also 41 outsourced staff deployed at Labour Commissioner office were actually performing the routine work of Labour Commissioner office.

7.5 Recommendations

- The State Government may reconstitute State Advisory Committee (SAC) and instruct the Department to implement the recommendations of previous SAC.
- The Board should recruit regular staff against the sanctioned strength and rationalise the number of outsourced staff.