

**A SOCIO-ECONOMIC ANALYSIS AND PERFORMANCE APPRAISAL  
OF CESS-BASED WELFARE SCHEMES IN THE STATE OF MADHYA  
PRADESH, INDIA.**

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**ABSTRACT**

Welfare Funds are set up to provide social security to workers in disadvantaged occupations, in the form of healthcare, housing and education of children. The Ministry of Labour and Employment, Government of India, runs welfare schemes for *Beedi* workers and certain categories of mine workers administered by the Welfare and Cess Commissioner's office in every state. These schemes are funded by collection proceeds of levied cess on sale of *beedis* and mined minerals, and provide a comprehensive package of benefits to the workers and their family members. This paper, part of a larger study in 2014, attempts to analyze these schemes on their comprehensiveness and efficiency through secondary data as well as primary field analysis, and find out to what extent they have been able to bring about a qualitative difference to the lives of their intended beneficiaries.

**Keywords:** Welfare schemes, enrolment, budget allocation, comprehensiveness, perception, quality of life.

**INTRODUCTION**

Labour Welfare Funds were conceptualized to extend social assistance to workers in the unorganized sector. Towards this end, separate legislations have been enacted by the parliament to set up five welfare funds, administered by the ministry of labor, to provide housing, medical care, educational and recreational facilities to *beedi* workers, certain categories of mine workers and cine workers as follows:

1. The Beedi Workers Welfare Fund Act, 1976
2. The Mica Mines Labour Welfare Fund Act, 1946;
3. The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972;

4. The Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Fund Act, 1976;
5. The Cine Workers Welfare Fund Act, 1981.

The Funds are financed out of the proceeds of cess levied under respective cess /fund acts on manufactured *beedis*, feature films, export of mica, consumption of limestone & dolomite and consumption and export of iron ore, manganese ore & chrome ore. A comprehensive package of benefits has been envisaged for the workers in each of these categories covering mostly health and education, but also other basic needs like housing assistance, and basic social security.

Each of these funds has been in existence for over thirty years and has covered two generations of workers. And while several studies have been conducted to gauge how many workers were given benefits and how much money has been disbursed under the schemes, this study, part of a larger study conducted in 2013-14, attempts to analyze the funds in terms of not only their performance over the years but also qualitatively, in terms of perception of people and how much their quality of life has improved by being beneficiaries under the schemes.

For the purpose of this study, the following three welfare funds in operation in the state of Madhya Pradesh, under the office of the Welfare and Cess commissioner were studied, with primary focus on the *Beedi* Workers welfare fund.

- The Beedi Workers Welfare Fund Act 1976
- The Limestone & Dolomite Mines Labour Welfare Fund Act 1972
- The Iron Ore Manganese Ore Chrome Ore Mines Labour Welfare Fund Act 1976

Following is a brief description and benefits envisaged under the schemes studied:

<b>1. Health schemes</b>	
• Permanent and mobile dispensary	For <i>beedi</i> workers to provide free medical aid
• Maternity benefit scheme	For women workers at the rate of ₹ 1000 each for first two deliveries
• Family planning operation	₹200 grant for undergoing family planning operation.
• Spectacle scheme	₹150 for spectacles and ₹20 for lens. Only for <i>beedi</i> workers
• Heart and kidney treatment scheme	₹1,30,000 for heart ailment and ₹2,00,000 for kidney treatment. Maintenance amount of ₹750 to 1000.

• Tuberculosis	Free treatment of Tuberculosis in hospitals for nine months with food allowance, Home based treatment and medicines.
• Cancer treatment scheme	Full financial support at approved hospitals; Maintenance allowance @ ₹600-750 per month; travel allowance for patient and one attendant
• Leprosy treatment scheme	In house as well as outdoor treatment facility
• Mental illness treatment scheme	₹180p.m. for state beds and ₹900 p.m. for independent beds for six months. Maintenance allowance @ ₹600-750/- pm for nine months.

There were two central hospitals located in Sagar (M.P.) (30 bedded) and Bharveli District Balaghat apart from 41 SCM/Static/ Allopathic/Ayurvedic dispensaries located in different places in the states of Madhya Pradesh & Chhatisgarh. In addition health schemes specially formulated for mine Workers are as follows:

- Scheme for artificial limb for workers working in mines
- Scheme for fatal and serious accidental benefit
- Scheme for payment for grant-in-aid to the mine managements for mine workers and their families
- Scheme for organizing health camps;
- Grant-in-aid for the purchase of ambulance

## 2. Educational Schemes

Assistance is provided at the following rates

Group	Class	Rate in Rupees	
		Girls	Boys
I	Class I to IV	250	250
II	Class V to VIII	940	500
III	Class IX	1140	700
IV	Class X	1840	1400
V	Class XI to XII	2440	2000
VI	Non-professional degree courses, post- graduate courses, Diploma courses, BCA, BBA & PGDCA.	3000	3000
VII	Professional degree courses {BE/B.Tech/MBBS/BAMS/BUMS/B.Sc.(Agri.) and MCA/MBA}.	8000	8000

## 3 .Housing Schemes

- Amended Integrated Housing scheme 2007 for *beedi* workers *Beedi* workers having more than one year membership are eligible for a housing grant of ₹40,000 payable in two instalments.
- Financial help to *beedi* workers for ₹1,50,000 or 75 percent of the total cost whichever is less is

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construction of worksheds and  
godowns

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payable in two instalments

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#### 4. Social Security

- |                          |  |
|--------------------------|--|
| • Group insurance scheme | ₹ 10,000 for natural death and ₹25,000 for accidental death is payable under GIS. For partial physical disablement, compensation amount of ₹12,500 is payable. |
|--------------------------|--|
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#### 5. Recreational schemes

Movie show	Free movie shows by the labour welfare organisation
Television sets	₹10000 for purchase of colour and ₹4000 for B/W TV sets.
Games/ Social and cultural programs	Upto ₹10000.
Holiday Home scheme	Provision for to and fro second class railway fare, sightseeing charges along with free accommodation at the holiday home in Puri.

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### METHODOLOGY

Secondary data was collected from the office of the Welfare and Cess commissioner's office located in Jabalpur Madhya Pradesh and analysed to arrive at scheme performance over a ten year period at the time of writing the report. The design of schemes was studied for comprehensiveness, and informal interactions with scheme administrators and end users helped to arrive at conclusions regarding accessibility and effectiveness.

Primary data was collected from about 100 *beedi* workers in the districts of Sagar, Damoh and Jabalpur divisions of Madhya Pradesh. These workers were administered a questionnaire to assess their socio-economic status, expenditure patterns and access to credit also education and awareness levels, how much assistance they had received, and whether the schemes had made any perceptual difference in their quality of life. Semi structured group discussions were used to elicit communally accepted perceptions regarding benefits and perceptions.

## **RESULTS AND ANALYSIS**

### **1. Enrolments**

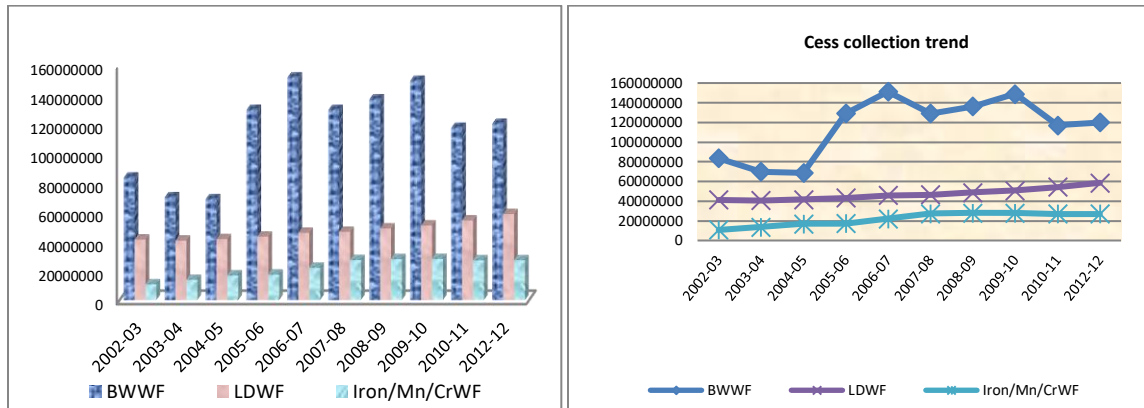
While official figures cite hundred percentage coverage, it is commonly known and acknowledged that all *beedi* workers are not covered. Workers employed in factories are counted and accorded benefits. However *beedi* rolling is a home based activity involving the whole household including children in apprentice and supplementary roles. This was confirmed by field visits. While efforts are made to enrol large number of home based workers also, usually only the head of the family is covered. In many houses not a single member was reported covered. A trend however being noticed was that more women workers were now coming forward for coverage.

There were many reasons given for low enrolment. The villages were often remote, located at distances ranging from 30-100 km from the enrolment centre, with limited means of transport. This coupled with loss of daily earnings for the day to get cards issued and callous attitude of the officials discouraged new application for cards. Another problem enumerated by centre workers was duplicity of cards. Several workers had more than one card, by ignorance or by connivance and misguiding of sub-contractors. Enrolment figures of mine workers were not made available by the Welfare commissioner's office.

### **2. Cess Collection and Funds Utilization**

The Welfare Funds are financed out of the proceeds of cess levied on manufactured *beedis*, consumption of Limestone & Dolomite and consumption and export of Iron ore, Manganese ore and Chrome ore. Figures 1 and 2 illustrate the cess collection over a 10 year period, as provided by the Cess Commissioner's office.

Figures 1 and 2: Cess collection

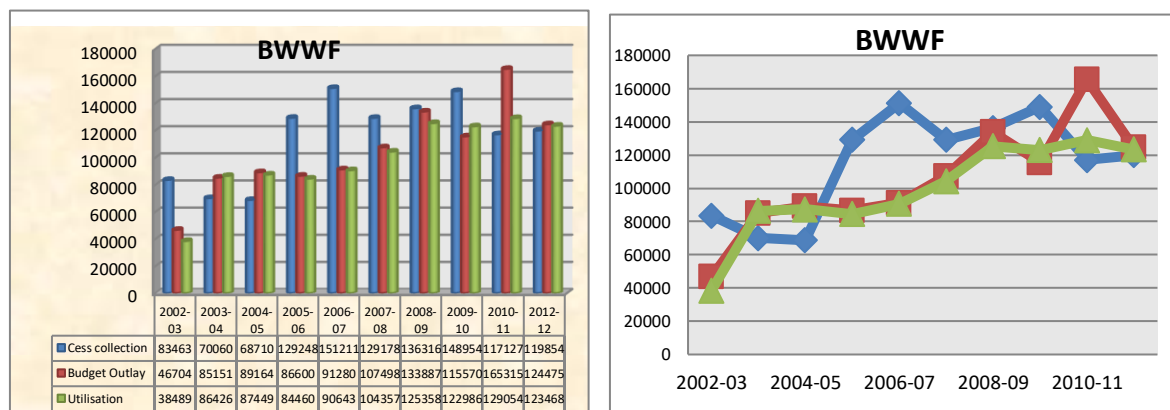


Source: Office of the Welfare and Cess Commissioner, Jabalpur

The cess collection for the *Beedi* Workers Welfare fund was seen to vary considerably over the ten year period with the highest collection in 2006-07 and collection in 2011-12 significantly lower by over three *crores*. In percentage terms it was lower by over 20 percent. Reasons examined found a steady decline in the *beedi* industry over the years due to lower profits, large unregulated grey market, lower sales, and disinclination of workers to adopt *beedi* rolling as a full time occupation.

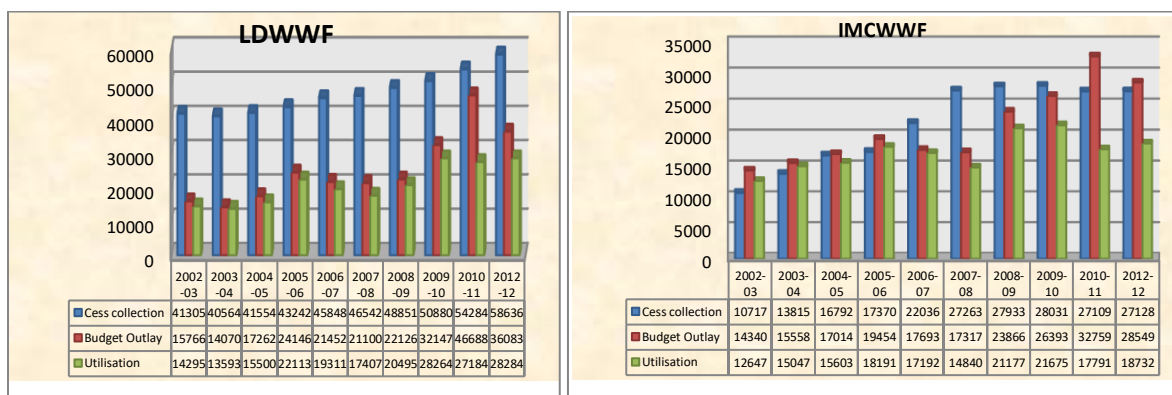
The cess collection figures for the other two funds however appeared steady over the same ten year period. Moving on to Cess utilisation pattern and accessibility of benefits, the collection, outlay and utilisation are depicted in figure 3 and 4.

Figure 3 and 4: Cess Collection, Budget Outlay & Utilization BWWF



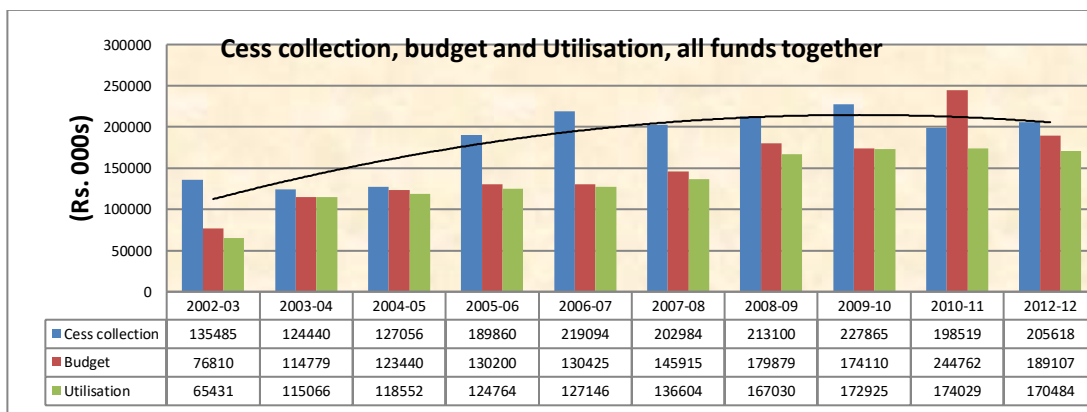
Analysing the BWFF over a ten year period we see some difference in outlay and total collections on some occasions, but on the whole, outlay constituted a sizeable proportion of the total cess collected. In four of the ten years the budget outlay exceeded the cess collection for that particular year. On the other hand, the utilisation of allocated budget was good in almost all cases. Examination of the remaining two funds provides some interesting insights, as we can see from figures 5 and 6 below:

**Figure 5 and 6: Cess Collection, Budget Outlay & Utilization LDWWF and IMCWWF**



Interestingly, cess collection for the LDWWF was on the higher side while budget allocation was quite low. The cess in this case seemed to be filling the deficit between cess collection and budgetary requirement for the IMCWWF. Since all three funds are being administered by the same authority on similar pattern, this kind of adjustment appears expedient. The cess collection, budget and utilisation of all three funds together are presented in figure 7.

**Figure 7: Cess collection, budget and utilization all three schemes**

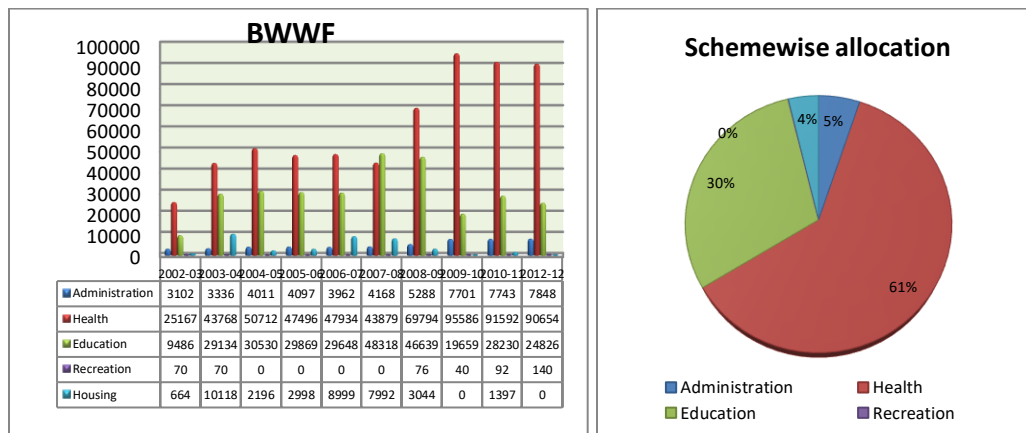


3. Expenditure pattern

BWWF

The year wise and average expenditure breakup is shown in figures 8 and 9.

Figures 8 and 9: Expenditure Pattern Last 10 Years (BWWF) and break up



Major expenditure of the fund seems to be on health. In fact in all the years except for 2007-08, health expenditure was seen to dominate spending. This was expected also, considering the extensive medical coverage envisaged. However if we further break up the health expenditure budget component-wise over the ten year period, we get the following picture:

Table 1: Budget for Health Expenditure (BWWF) (in ₹000)

Year	Total Expenditure	Exp. on Salaries & Wages	Salaries and wages as percentage of total	Other Admin. Exp*	Exp. On Medical Treatment	Supplies and Material
2002-03	25167	18216	72.4%	5226	0	1725
2003-04	43768	20168	46%	21109	0	2491
2004-05	50712	24795	48.9%	23898	29	1991
2005-06	47496	24103	50.7%	21054	350	1989
2006-07	47934	27122	56.5%	18118	196	2498
2007-08	43879	32049	73%	8042	209	3579
2008-09	69794	49701	71.3%	4160	194	4183
2009-10	95586	71692	75%	18760	395	4793

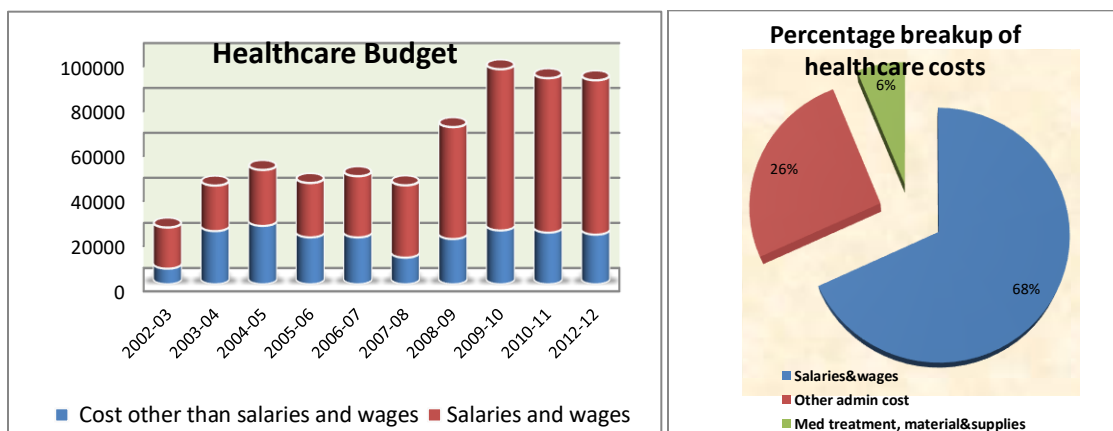


<b>2010-11</b>	91592	68667	74.9%	16942	491	5492
<b>2012-12</b>	90654	68627	75.7%	16144	285	5598
<b>Total</b>	606582	405140	66.7%	153453	2149	34339

\* Other Admin. Expenditure Includes T.E., Overheads, Rent Rate & Taxes, Minor Works, Motor Vehicle, Machinery & Equipments, Advt. & Publicity, Publication And Other Charges.

The administrative cost of healthcare comes out to be on a rather high side with salaries and wages alone accounting for more than 70 percent of the total costs in all years except for the period 2003-07 where expenditure on salaries and wages was not less, but the percentage was skewed on account of other major administrative expenditure (minor works). Graphical representation of the same will make the picture clearer:

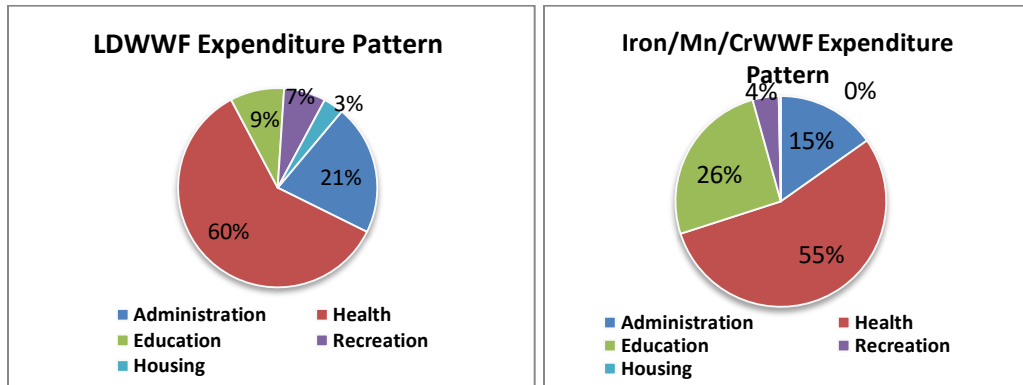
**Figures 10 and 11: Component of Salaries & Wages in Health Care Budget**



The charts above show the high component of salaries and wages in total healthcare costs. If we add other administrative expenditure like travel expenses, overhead expenditure, rent, rates and taxes, minor works, motor vehicle, machinery, equipment, advertisement, publicity, material, publication and other charges to salaries, the administrative expenditure gets even more loaded, to *over ninety percentage expense*, making this a very costly health care fund to administer. Expenditure on actual healthcare, comprising medical treatment, Material and supply, and grant-in-aid if any, constitute *less than ten percent* of the total expenditure.

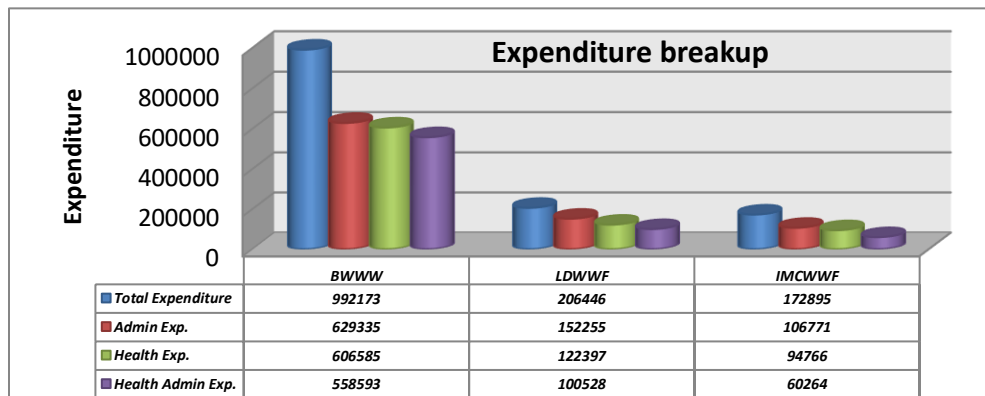
The expenditure pattern of the other two funds seems to follow more or less on the lines of the BWWF, in that healthcare dominated expenditure by more than twice any other budget head in almost all the years. Average expenditure over the ten year period is shown in Figures 12 and 13.

Figure 12 and 13: Expenditure pattern LDWWF and IMCWWF



Healthcare constituted bulk of the spending. Recreation and housing appeared to be low priority areas. Administration is a separate budget head, but still each major component appeared to have major administrative overheads. Without going into details, if we examine and compare these administrative overheads of all three funds on total and on healthcare, we can arrive at the cost of administering the funds and the cost of healthcare delivery. Figure 16 gives the fund wise overhead on healthcare and total expenditure.

Figure 14: Expenditure Break-up all schemes



Administrative cost of running the funds was found prohibitive on total expenditure, more than 60 percent in all cases for all three funds. In particular, the cost of administering healthcare funds was more than 90 percent in case of the BWWF and also significantly high in other funds as well.

#### 4. Achievements of the Funds

The achievements in healthcare of BWWF only were available, for 7 years between 2005-12. The achievements have been tabulated in table number 2.

**Table 2: Achievements in Healthcare BWWF**

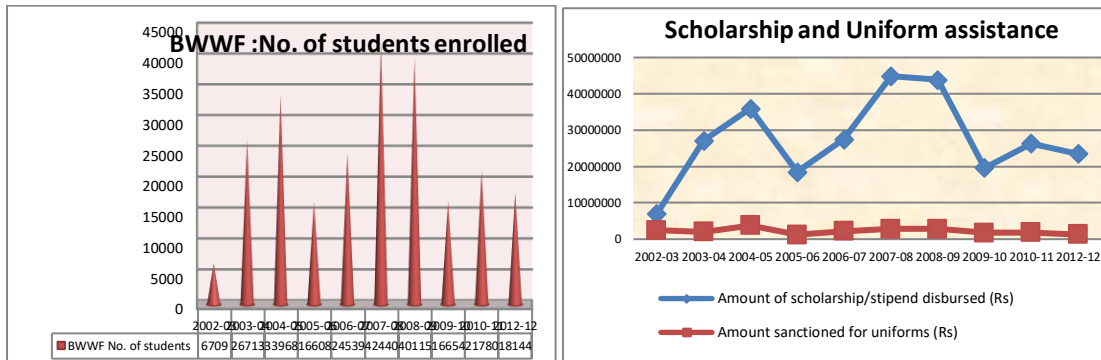
Name of Scheme	No .of beneficiaries/ Amount disbursed(Rs.)						
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
T.B. Patients	248	168	160	280	144	125	120
	1248302	708450	678450	1179450	610500	537870	511285
Maternity benefit	540	409	361	499	273	367	415
	567000	429450	379050	523950	286650	385350	435750
Purchase of spectacles	721	822	2506	435	1155	1035	273
	108145	123574	529909	121663	336365	293860	81085
Heart disease	43	61	106	128	62	26	13
	186491	226359	466647	701582	451	963346	507656
Kidney transplant/allied	3	7	7	8	3	0	1
	20167	116500	98223	63224	5753		200000
Gynae/Hernia/appendectomy/ulcer	2	7	6	6	5	4	1
	5188	28556	33270	64084	7747	37817	2110
Monetary compensation	19	13	15	24	22	40	55
	3990	2730	3150	11970	11550	21000	28875
Leprosy relief	3	1	0	0	1	0	0
	7500	1800			2700		
Mental disease treatment	2	1	0	0	1	0	0
	3000	3000			750		
Cancer treatment	0	31	36	65	45	14	18
	0	46500	684947	1280009	1045248	295933	544414

Source: Office of the Welfare and Cess Commissioner Jabalpur

### 1. Expenditure on scholarship and stipend

It was observed that the number of students as well as the amount spent on scholarship and stipend showed considerable variation and decline over a ten year period.

Figure 15 and 16: BWWF Students Enrolment, scholarship and uniform assistance



Though figures were not made available, it was reported that dropout rate of students was a factor. Thus a sustained momentum was not seen enabling greater enrolment or educational enablement among *beedi* workers. Still it was noted that free education was being provided and availed of by the children. The broad trend in scholarships and uniforms being availed is shown in figure 16. The expenditure roughly follows that of total students.

During informal discussion with villagers, this issue was discussed. Dropouts were admitted, mostly of girls from schools after primary level, due to sustenance based lifestyle where more hands were required to earn livelihoods. Safety and security of post pubertal girls was also a concern, especially in view of long distances and lack of viable means of transport. Water scarcity cropped up on many occasions as a major problem.

Women in the villages surveyed were required to carry water over some distance daily, in addition to fetching firewood. They also worked as agricultural labourers in fields of other people in addition to tending to their own small acreage and livestock. Time left over after all the chores was devoted to rolling *beedis* to supplement the family income. Young girls in the family were as a result under increasing pressure to drop out of schools to care for younger children and help with household work.

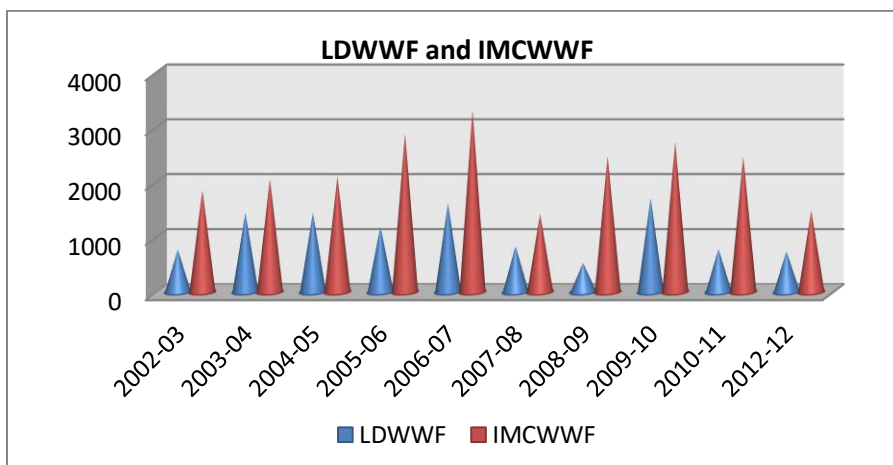
There was also found entrenched in the responses patriarchal gender bias related to girls. Educating girls had little economic return for families. Other concerns were distance to school, problems of transportation and poverty leading to indebtedness.

Issues related with boys dropping out of schools were more difficult to understand. In most cases, disinterest in studies was reported as a major cause, with insufficient precedent and incentive from families concerned, to persuade children to return to school. Moreover there was pressure to contribute to household income through *beedi* rolling. However it was heartening to

note overall that significant numbers of children were availing of free education which was enabling them to move away to safer and more remunerative alternative sources of employment.

The trends of the other two funds are shown in figure 17. In absence of primary survey it was difficult to examine reasons for the variations, particularly the declining trend in the later years. Informal information indicated lack of sustained efforts towards ensuring enrolment in remote areas and high dropouts as the main reasons. Amount disbursed for these two schemes for scholarship and uniforms was not available at the time of writing of the report.

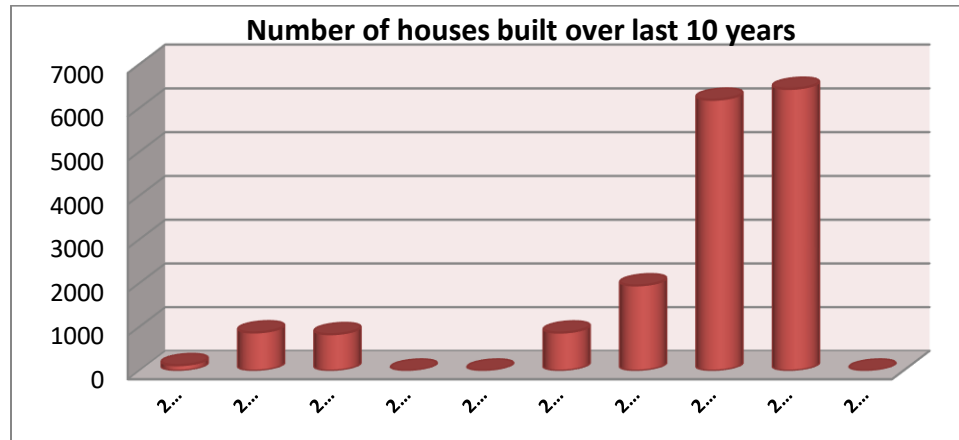
**Figure 17: № of Students Receiving Scholarship Last Ten Years LDWWF & IMCWWF**



## 2. Housing Scheme

A subsidy of ₹forty thousand is envisaged as housing assistance for *beedi* and mine workers on receipt of application in proper format and subject to investigation and administrative approval by the central ministry of labour. It was sought to investigate how the scheme was benefitting *beedi* workers become owners of their own homes. Figure 18 shows actual number of houses built over a 10 year period for *beedi* workers.

Figure 18: № of Houses Built *Beedi* Workers



These were the number of houses actually built. Considerable variation was observed over the years which was not consonant with budgetary outlays or sanctioned cases. The reason given for not building of houses in 2005-07 was that during the period the scheme was handed over to the state government. Not even a single case was sanctioned during these years.

As far as number of workers actually having their own houses is concerned, no record was available with the welfare department. However the total number of houses built though assistance was given as 17288. Compared on total, this stood abysmally low, at 1.62 percent of total reported workers.

Table 3: Number and percentage of workers availed housing assistance

Total number of <i>beedi</i> workers	Workers given housing assistance	Percentage of workers
1066430	17288	1.62

The reasons presumably due to low rate of application, have been provided by the department as follows:

- Illiteracy
- Non awareness
- Poverty

On examining actual number of applications, rejections and sanctions, as shown in table 4, it was found that rejections were on the higher side, in some years being well over 50 percent of the total number of applications.

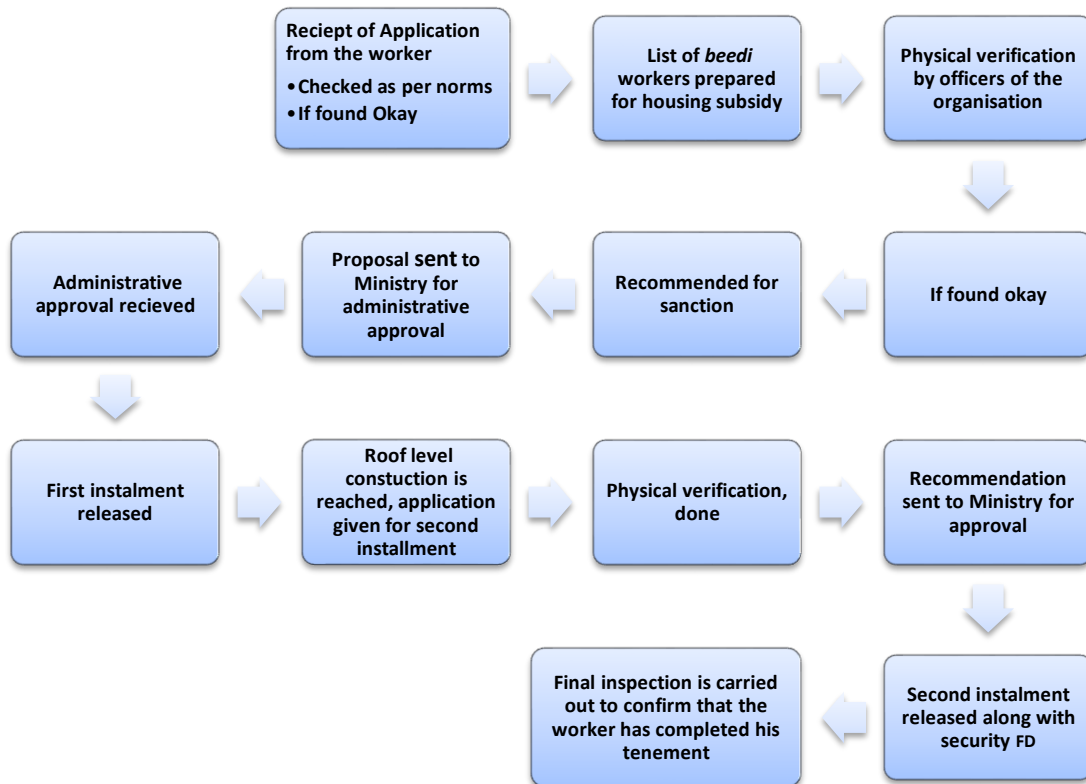
**Table 4: № of Applications Received, Sanctioned & Amount Disbursed**

	<b>No of applications received</b>	<b>No of applications rejected</b>	<b>No of applications sanctioned</b>	<b>Amount sanctioned in Rupees</b>
2007-08	1282	411	871	3,48,40,000
2008-09	5673	3413	1950	7,80,00,000
2009-10	16836	10643	6193	24,77,20,000
2010-11	8077	1636	6441	25,76,40,000
2012-12	9052	4498	3000*	7,81,20,000

\*No. of applications found eligible, sanction pending with ministry

The main reasons given for rejection of applications were fake land documents, fake identity cards, already having a house, less plot area or house proposed to be constructed on agricultural land etc. The housing subsidy was released in two parts. The mechanism for monitoring housing progress of a worker was reported as follows:

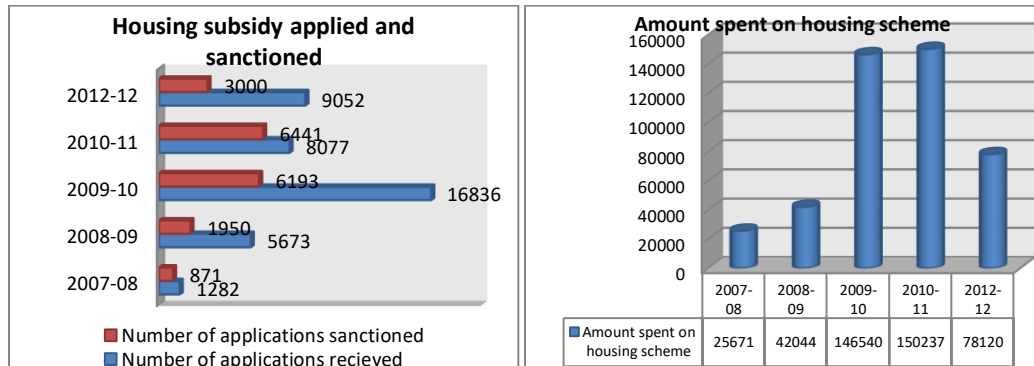
**Figure 19: Process of Getting Housing Subsidy from the Welfare Department**



The whole process is lengthy and cumbersome. The forms and formalities were tedious and the process of administrative approval time consuming and tardy. Delegation of powers appeared to be called for. Also hundred percent physical verification of remote and far flung tenements, thrice, for a single house construction activity appeared excessive and time consuming. It was no surprise that few applications were received and even fewer approvals took place. Figure 5-33 Illustrates the total number of housing advances sanctioned against total number applied.



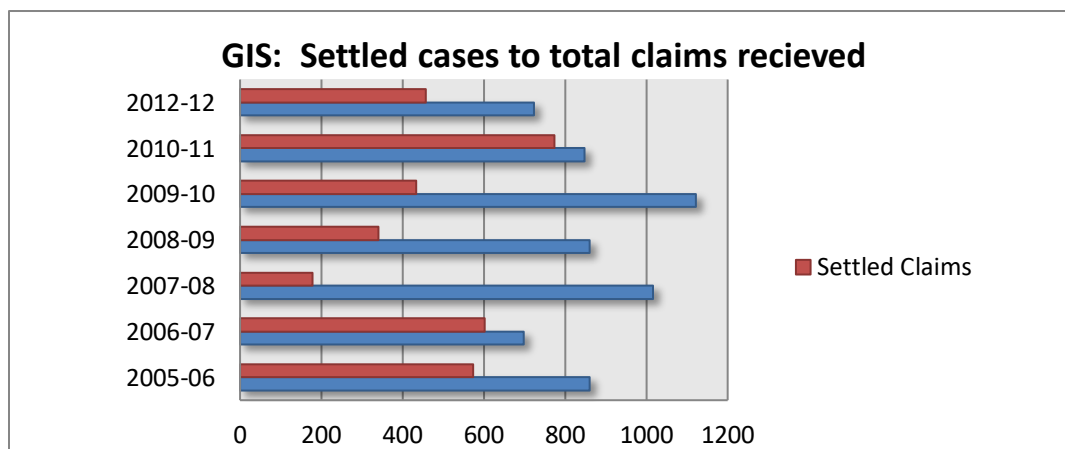
**Figures 20 and 21: Housing Subsidy Applied & Sanctioned**



### 3. Group Insurance Scheme

In this scheme number of enrolments was not separately provided. It was assumed that all *bedi* workers were members of the group insurance scheme. The claims were scrutinised at the level of the Nodal Officer or Medical officer in charge and after due verification forwarded for settlement to the Life Insurance Corporation (LIC) of India. The rejection ratio in the latter three years appeared to be on the higher side, probably due to increasing instances of attempted fraud as reported by the officials concerned. Ratio of settled claims to total is shown in figure 22.

**Figure 22: Total No of Applications & Settled Claims**

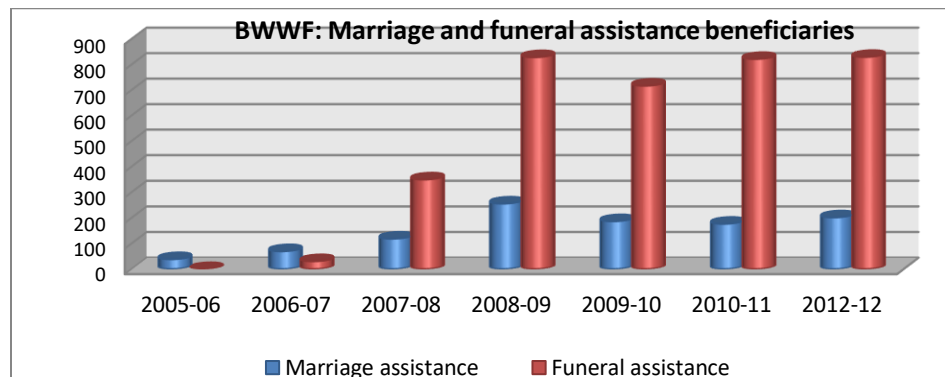


### 4. Funeral scheme and marriage assistance

For funeral and marriage assistance, a system of hundred percent claim verification was followed before release of assistance. The rates of rejection and approval were not available. It was

reported that all cases of funeral and marriage assistance applied for were considered. However verification was carried out in view of high number of fraudulent or non genuine applications.

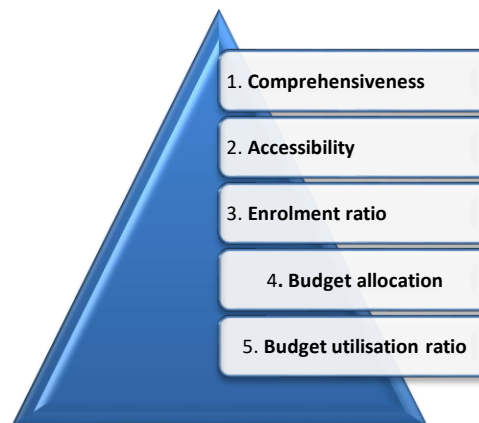
**Figure 23: Marriage and funeral assistance, BWWF**



### Qualitative assessment of the three Welfare schemes

#### Welfare Funds assessment

All three funds are run by the office of the Welfare Commissioner based at Jabalpur. Though the process proceeds, budgets and utilisation patterns for each fund are different, the benefits envisaged are roughly the same. Hence all three funds have been taken together while assessing on following broad criteria:



#### Comprehensiveness

Comprehensiveness relates to the design of the schemes, whether it meets the requirement of workers as regards work standards and social security entitlements, and how comprehensive is such coverage. It includes the criteria of coverage, the quantum and scope of coverage, whether

all dependents are covered, and whether the amount of benefit envisaged is sufficient to cover the cost of the foreseen exigency. Following broad parameters have been included in order to gauge the comprehensiveness of the schemes:

Health Security	<ul style="list-style-type: none"> <li>•Free medical care through govt hospitals/ dispensaries</li> <li>•Health insurance</li> <li>•Maternity benefit / Dependants health cover,</li> </ul>
Housing Security	<ul style="list-style-type: none"> <li>•Housing assistance through subsidy</li> <li>•Subsidised/low interest housing loans</li> </ul>
Life and Accident Security	<ul style="list-style-type: none"> <li>•Life insurance</li> <li>•Accident insurance and disability cover</li> <li>•Social and group insurance</li> </ul>
Old Age Security	<ul style="list-style-type: none"> <li>•Provident Fund</li> <li>•Pension Schemes</li> </ul>
Social Security	<ul style="list-style-type: none"> <li>•Free Education</li> <li>•Marriage and Funeral assistance Assistance</li> <li>•Other obligatory expenses</li> </ul>

Food security has not been included here as it is separately covered through the common TPDS and many *beedi* households did report possession of ration cards for availability of subsidised food grain. Whether the coverage was enough is not the relevant question here as we are studying only design of schemes.

Health security was found to be the cornerstone of all the three schemes in terms of outlay as well as coverage. Almost all major ailments and health risks were covered, medical aid was free through government hospitals and dispensaries, and mobile dispensaries were also envisaged to provide doorstep medical assistance. Hence on this parameter, the schemes were found to be in the most comprehensive category and full marks awarded.

Housing security was provided in the form of a lump sum grant of ₹40,000. While this was clearly not enough to construct a house, it certainly offered substantial assistance towards housing. Life and accident security were provided through GIS, free education, marriage and funeral assistance were also provided for, and Provident Fund and Pension coverage separately available under the Provident Fund and Miscellaneous Provisions Act 1952.

***Hence on comprehensiveness criteria, the schemes have been rated outstanding.***

### **Accessibility**

Accessibility of schemes means that entry to the schemes is easy, convenient and hassle free, that all eligible members are enrolled, and benefits of schemes are easy to avail in a transparent manner.

To assess the schemes on criteria of accessibility, ease of membership based on interaction and observation as well as interviews with field personnel were studied. Villagers were made to come and apply for cards a number of times. Remoteness of villages, lack of means of transport and lack of awareness were also factors. Field personnel were also found wary of issuing new cards due to card duplicity and multiplicity.

For ease of availing benefits, settlement ratios under the various schemes were studied. Rejections were considered as well as transparency and simplicity of procedure while applying for benefits.

It was found that procedural time was long due to lack of delegation in sanctioning of claims and prescription of hundred per cent verification for housing and marriage or funeral assistance. Rejections were also very high. Due to all the above factors, the *performance of the schemes on criterion of accessibility was found to be BELOW PAR.*

### **Enrolment Ratio**

Enrolment ratio refers to the percentage of enrolment of eligible members. The total number of *beedi* workers in the state of Madhya Pradesh was called for from the state labour department as well as the welfare commissioner's office. The figure of estimated *beedi* workers coincided exactly with the number of covered *beedi* workers provided. This clearly was not possible. In many homes only the household head was found covered while the whole family worked collectively. So probably, the total estimated number of *beedi* workers was not accurately known. Hence the percentage of enrolment could not be ascertained. Going by informal field estimates, actual coverage was found less than fifty percent. Child *beedi* workers were not in any case covered, other members particularly women were also usually not covered.

The figures available were of actual enrolments over a ten year period which did not show a progressive or steady trend. Coupled with a general disinclination towards enrolment as well as procedural and bureaucratic problems, we can say that enrolments are on the decline, and on the whole not easily accessible.

*Enrolment has been rated as BELOW PAR.*

### **BUDGET Allocation**

Budget allocation examines whether budgetary outlays are sufficient to cover cost of benefits envisaged, and whether budget allocation is done properly among the various components of the schemes. More importantly, it also examines whether a particular scheme is administratively cumbersome and costly to implement.

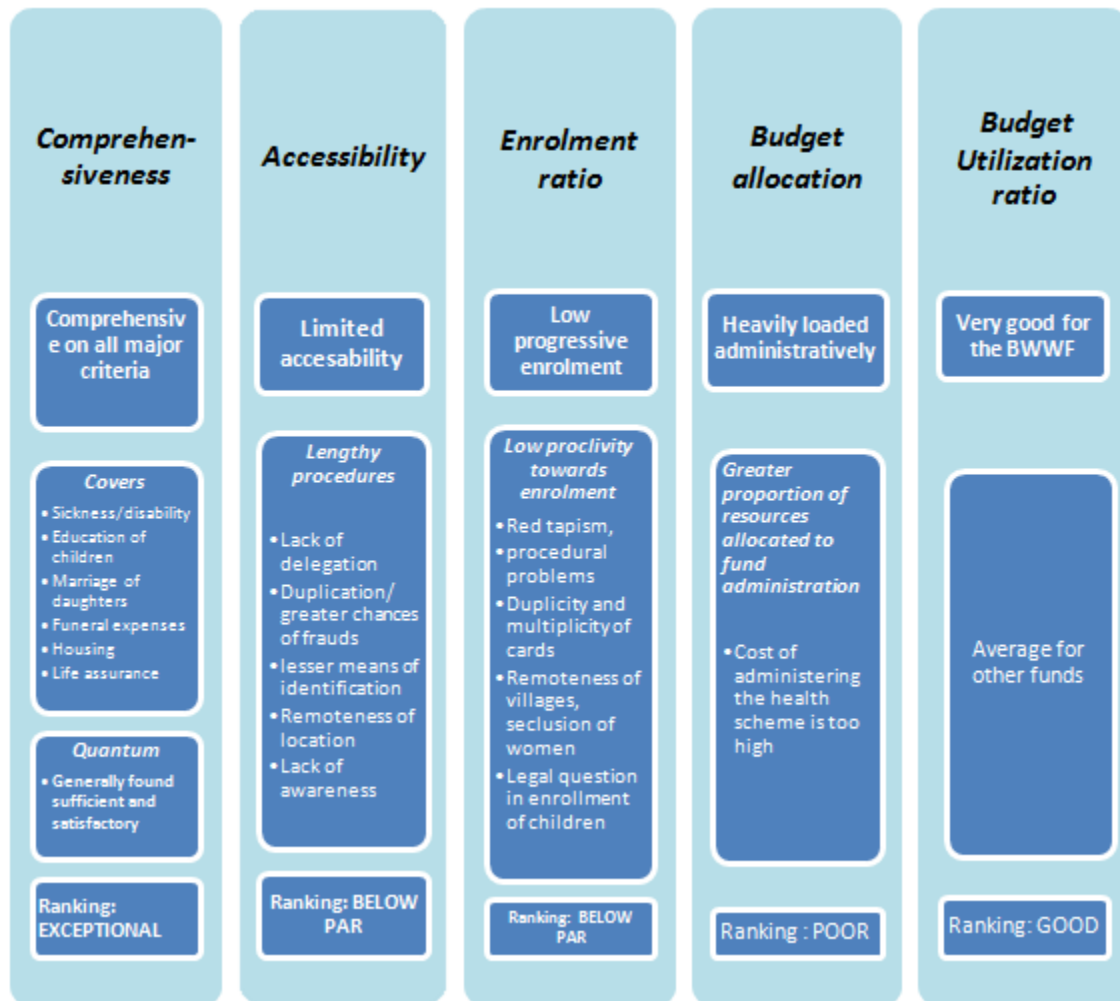
While examining the schemes in the foregoing passages, it was seen that administrative cost of all the schemes was high, with salaries and wages constituting a major drain on resources. In particular the health scheme of *beedi* workers was found heavily loaded administratively, up to ninety percent of total health outlay.

**Hence the budget allocation has been ranked as POOR.**

### **BUDGET Utilization Ratio**

The budget utilisation has been adjudged as very good for the BWWF, average for the other funds. While analysing the schemes, the broad trend over a ten year or seven year period, where available, has been studied for all three schemes, with fund-wise variations separately remarked upon. A summarised snapshot of the above analysis has been given in figure 24 with brief opinion or summary on top, salient findings and ranking at the bottom rung of the figure.

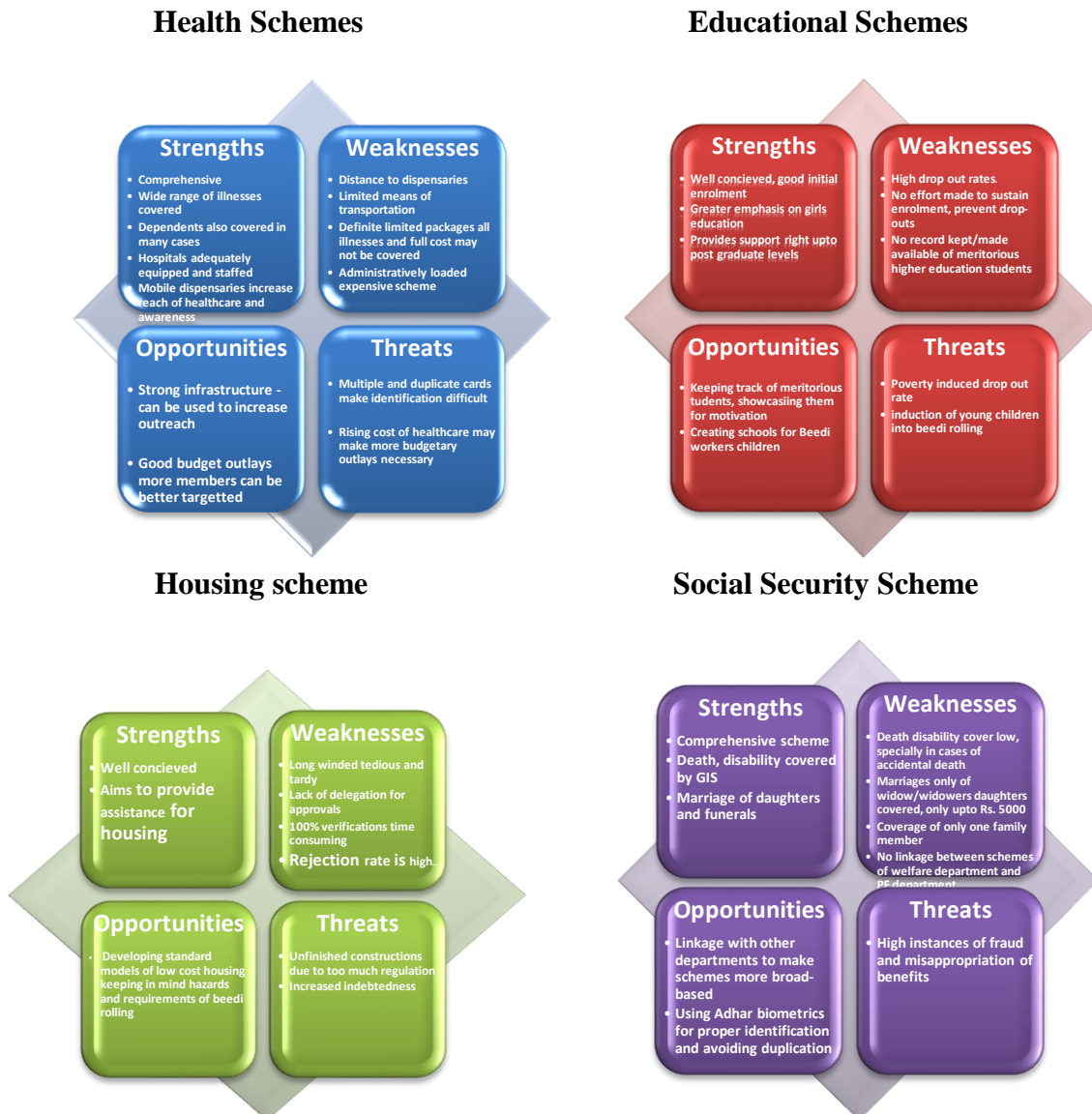
Figure 24: Summarized snapshot of schemes on all the criteria



### Scheme Performance

Coming to performance of individual schemes being operated under the three funds, each scheme was studied as to its Strengths, Weaknesses, Opportunities and Threats in standard SWOT format. The focus of study was the BWFF, but the analysis and trends are indicative and inclusive of all three funds. Presented in figures 25-28 is a SWOT analysis of each of the schemes which is self-explanatory.

Figure 25-28: SWOT ANALYSIS



**Funds and schemes: Field analysis of availed and perceived benefits**

Primary data was used to study reported benefits availed by respondent beneficiaries and their perceptual inputs dealing with actual enrolment, receipt of benefits under the schemes, awareness and perception about the benefits provided. It was sought to examine actual field conditions against projected official figures and judge their authenticity. Only the *beedi* workers were included in the primary survey.

**Enrolment under the scheme**

The question was whether all villagers, making *beedis* in home premises for *beedi* factories, through contractors or sub-contractors, were registered as *beedi* workers or not. As per statistics provided by the department and the government of Madhya Pradesh, the total estimated number of *beedi* workers is equal to the number of covered *beedi* workers exactly, i.e. there is hundred percent coverage. This is merely for statistical purposes. The exact or even approximate number of *beedi* workers is not known. Even if an attempt is made to estimate the total number based on the number of *beedis* produced annually in number of man days based on average per person daily output, the correct figures cannot be known due to the unregulated grey market which is said to be larger than the regulated one, with no records.

Informal discussion based estimates reveal that almost all members of each family are involved in some manner or another. Almost all children twelve to fourteen years or older and even younger and school going children are involved in helping roles. Women form the backbone of the *beedi*-rolling process. However mostly the head of the household and often one or two more members are enrolled. Children for obvious reasons are not enrolled. The problem was, how to determine the actual enrolment in quantitative and percentage terms to the total. Survey through questionnaire affirmed enrolment of the respondents who were often registered *beedi* workers but others in the family seen making *beedis*, affirmed that they were not enrolled. Each family member could not be administered this questionnaire separately.

This problem was addressed in two ways. First, though unstructured group discussions it was ascertained that for an average family size of seven members, coverage was one or two members per family, an average of 1.5. Leaving out children under fourteen years, the coverage ratio worked out to be less than forty percent. This was confirmed from field workers and village elders or opinion-makers in the villages who were mostly *sarpanchs* or other vocal persons.

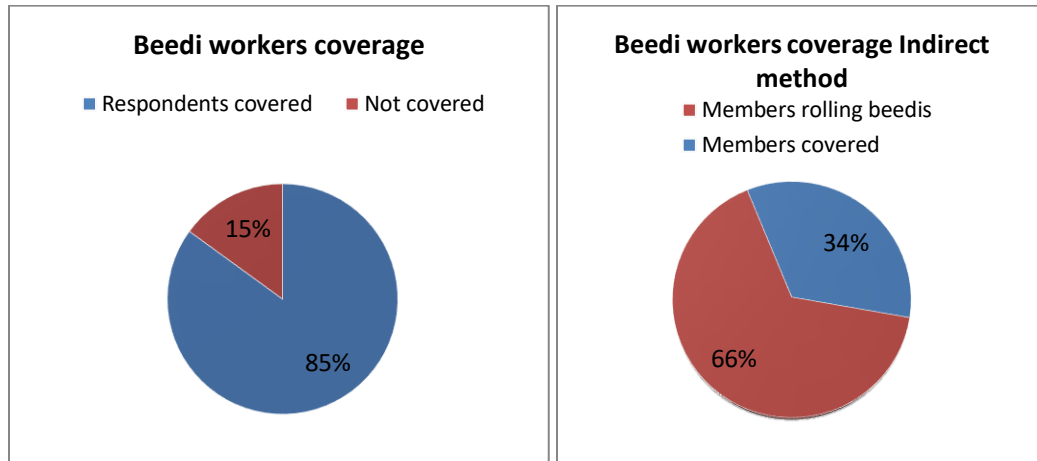
The other method adopted asked the question how many people know how to make *beedi* in the house versus how many people were covered. The results are given in table.

**Table 5: percentage coverage of *beedi* workers primary survey**

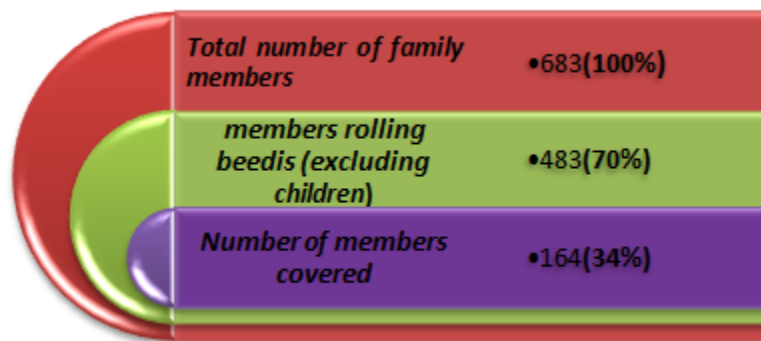
Total number of respondents	Total number of family members of all respondents	Children younger than ten	Number of members involved in <i>beedi</i> rolling work	Number of members covered	Percentage of coverage
100	683	186	483	164	34%



**Figure 29: Beedi Workers Coverage Estimates**



**Figure 30: Beedi workers- percentage of coverage**



Coverage ratio ascertained by direct method is eighty five percent. By using the second method the coverage works out to be only thirty four percent of total workers. The reasons for the same have already been examined in the foregoing sessions.

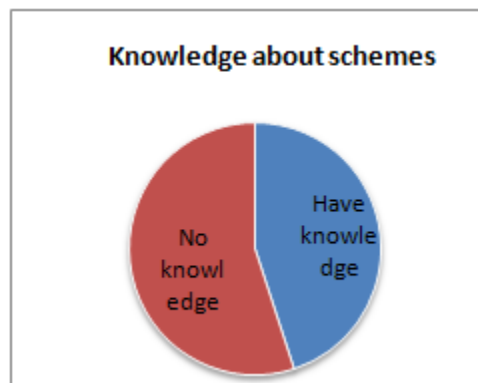
### Difficulties faced in enrolment

The difficulties faced in enrolment ranged from perceived non-necessity of coverage of family members to seclusion of women, non-awareness that all members of a family could be/ should be covered, non-inclination of centre staff to issue cards and busy dawn-to-dusk sustenance based lifestyle, leaving no time free to get cards issued. Interestingly, demand for bribe or absence of valid ID did not figure in the reasons given.

**Knowledge about scheme and provisions**

Respondents were asked whether they were aware about the *Beedi Workers Welfare Scheme* and its provisions. The question entailed a yes or no response. Nearly forty five percent respondents reported knowledge about the fund and schemes. However none claimed detailed knowledge.

**Figure 31: Knowledge about schemes**



**Benefits availed**

The data relating to benefits availed under the various schemes is tabulated in table 5-15 below, listing actual number of people who have availed benefits, people who have applied for but failed to avail benefits, and number of people who have never applied due to lack of knowledge or other reasons.

**Table 8: Benefits availed under different schemes**

Scheme	Category	No of people availed of benefit	Applied but failed to avail/ tried to apply/ is pending	Had no knowledge/ did not apply/ Not Applicable
Free medical aid for self/ dependents	General medical care	26	8	56
	Heart/ kidney disease/ Cancer/ serious illness	4	9	87
	Leprosy/T.B./ Other chronic illness	26	7	66
	Mental illness/ other	0	0	100

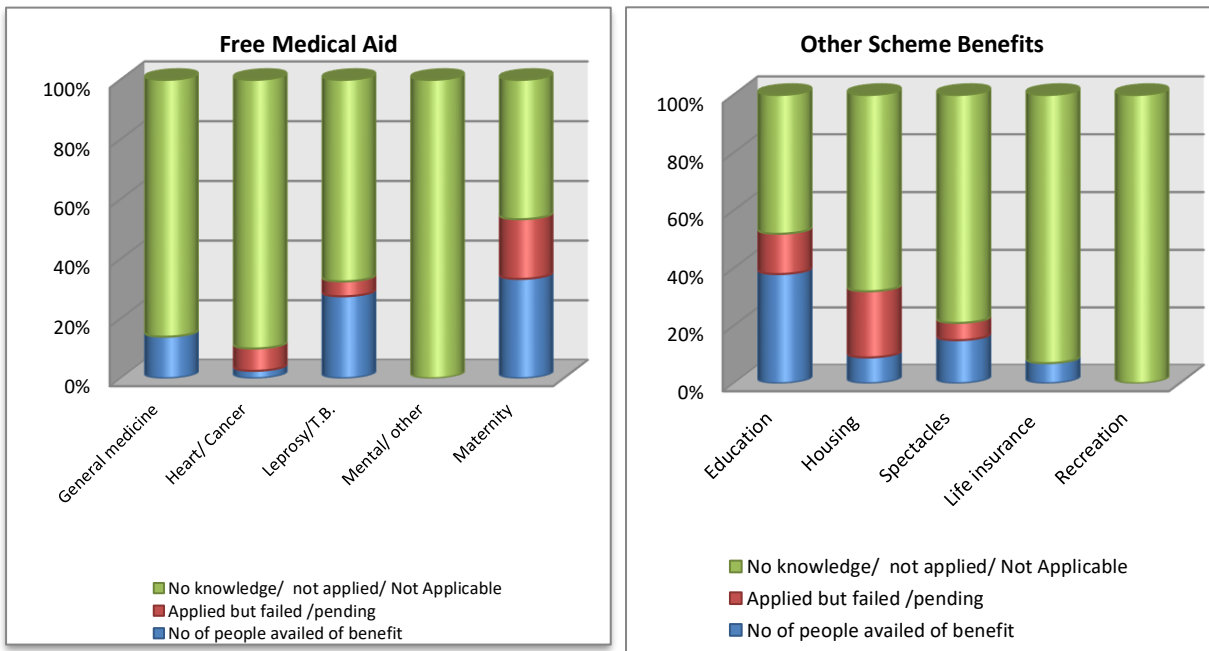
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	Maternity assistance	21	12	66
<b>Education schemes</b>	School education	38	14	48
	Higher education	2	3	95
<b>Housing assistance</b>	-	9	23	68
<b>Spectacle assistance</b>		15	6	79
<b>Life insurance</b>	-	7	-	93
<b>Recreational schemes</b>	-	0	0	100

This data is graphically presented in figures 32 and 33. It can be seen that despite extensive budgets, wide reach and accessibility of free medical aid through mobile vans, greater number of people have in fact not applied for and not availed of free medical aid. Maternity benefit is an exception; a greater percentage of people seem to have availed of it.

The reasons examined were less frequency and penetration of mobile vans, people's traditional reliance on local home remedies, neglect of minor ailments, and unwillingness and lack of time to travel to a hospital or dispensary for perceived minor illnesses.

Figure 32 and 33: Number of people availed free medical aid



As regards other scheme benefits, education schemes seem to have benefited a greater proportion of the population. Housing assistance availment was predictably low; Spectacle assistance seemed to have been provided where required while recreational schemes found no takers and no interest, reportedly due to non utility.

### Scheme Perception

Lastly, it was attempted to examine the schemes from the point of view of the beneficiaries, whether the schemes were beneficial for them, and whether they were correctly tailored to suit their requirements. The respondents were asked to give their extent of agreement with questions related to the schemes on a five point *Likert scale* to gauge their perception about the scheme and its operational dimensions. The responses have been tabulated in table 9 and graphically presented in figure no. 34.

**Table 9: Scheme Perception**

Number of Respondents

	Strongly agree	Agree	Can't say	Disagree	Strongly disagree
<i>Beedi Workers Schemes are designed keeping in mind the requirements of workers</i>	5	32	36	11	16
<i>All the needs of workers are fulfilled by these schemes</i>	2	20	29	38	11
<i>Schemes are being implemented properly</i>	0	8	21	33	38
<i>Schemes have made our lives better or raised our standard of living</i>	0	8	14	39	39

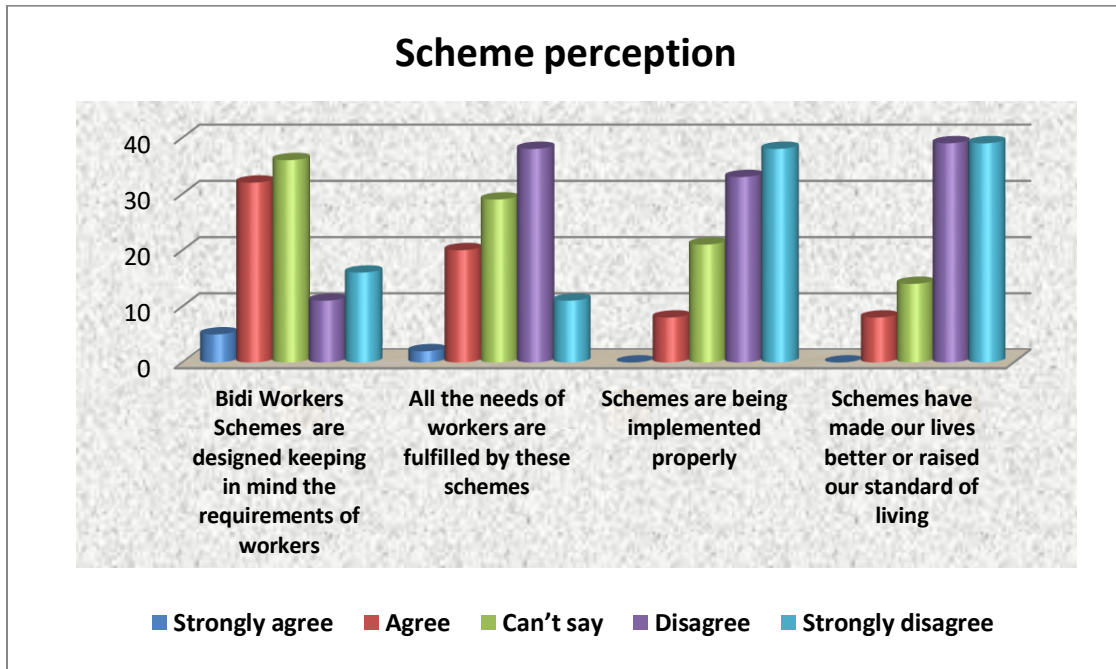
Most respondents either agreed or were undecided on whether the schemes were designed as per their requirements. However, they tended towards disagreement on whether all their requirements were taken care of by the scheme. Regarding implementation, strong disagreements emerged, with most people finding the implementation faulty at some point or the other.

On the question of impact, just eight people agreed that the schemes had raised their standards of living or made their lives better.

To find out whether the responses were representative of the population, chi square test was applied. After applying Yates correction, the value of chi-square comes out as follows:

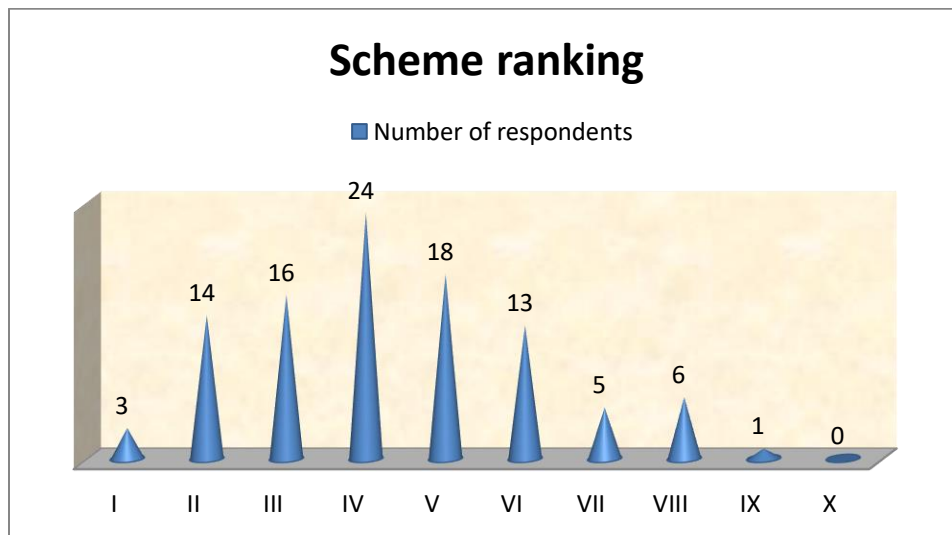
$\chi^2 = 38.34$ ,  $df = 12$ ,  $p\text{-value} = 0.00013$ , which is significant. Hence the responses were validated as presenting a general perception among the population relating to the schemes.

Figure 34: Scheme perception



Further, the respondents were asked to rate the schemes on a scale of 1 to 10. The average score is, on the 1-10 scale, came out to be 4-5, which is by any standards low, particularly considering reach and comprehensiveness of the schemes, and this can only point towards implementation bottlenecks.

Figure 35: Scheme ranking



## **CONCLUSION**

The Welfare funds are well intentioned social legislations, comprehensively designed, for specific groups of disadvantaged workers, and also funded adequately with required infrastructure in place. Timeline analysis of performance over the years shows that their performance has been steady, even if not benefiting a greater majority of workers or showing progressively increasing benefits. Particularly in the case of children's education, the results were found encouraging. However, the beneficiaries' lack of awareness and ability to benefit as well as lower perceptual ranking point towards lacunae in reach and implementation mechanisms. They also point towards the overall paucity of basic infrastructure and facilities in rural areas which these funds on their own cannot assuage. Having the schemes in place did not appear to lift the workers out of the poverty, or significantly raising their standards of living and working conditions. However the funds did offer medical assistance related with their occupational hazards and also educational opportunities for children, facilities for higher education, housing assistance and some modicum of entertainment as well as basic social security. Given that expectations from the funds was more than their mandate, this was possibly the reason for their overall lower ranking in the minds of the people.

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