

WELFARE MEASURES SCHEME

Introduction

The Coir Industry Act, 1953 enjoins upon the Coir Board the responsibility of formulating and implementing suitable schemes for the overall development of Coir Industry and welfare of all other engaged in the Coir Industry, Coir Workers are among the most unorganized and socially and economically weaker sections of the Society. About 80% of the primary workforce consists of women. Under employment, drudgery, unhygienic working and living conditions are the common features of the Coir Industry. Basic amenities of life are very often not available in this sector and the people are unable to find their own resources to acquire such facilities. Though mechanization / modernization are rapidly taking place in some sectors of the industry, the fibre extraction in white fibre sector is still being undertaken manually under unhygienic conditions. In the background of demands for limited resources from various interests, it is essential to carry on developmental schemes for the benefit of marginalized groups alone like coir workers. Even though there are welfare schemes implemented by various Departments / Ministries under Central / State Government which are similar to the programmes implemented by Coir Board, Coir workers seldom get any benefit. There are several instances where multi Ministry / Department schemes have resulted in better synergy producing noticeable gains. The Welfare Measures proposed by the Board consist of three Sub-Schemes viz.

- Production Enhancement Linked Coir Workers Welfare Scheme.
- Contribution to Coir Workers' Welfare Fund Board
- Insurance to Coir Workers

I. Production Enhancement Linked Coir Workers Welfare Scheme

Objectives

- i. To mitigate the hardships of workers and to ameliorate their living and working conditions.
- ii. To achieve better productivity and employment generation through Production Oriented Welfare Infrastructure.
- iii. To improve the working and living conditions of the coir workers so as to attract younger generation to the coir industry thereby creating new employment opportunities.

Review

This is a new Plan Scheme introduced on an experimental basis during the latter half of 2005-06. There were some procedural delay in getting the proposals formulated by the State level beneficiary organizations in different coir producing states. Firm proposals were received from the State Governments and State level beneficiaries only during the last quarter of the year. Coir Board could only transfer the funds against the proposals approved to the account of the implementing agencies, which were opened jointly with Coir Board, for the specific purpose with the only option to stretch the actual implementation of the projects to 2006-07. Necessary constructions and activities concerned with infrastructural development for implementation of the programme after observing all formalities and procedures, therefore, took place actually during the last financial year. Firm proposals were received from the States of Kerala, Tamil Nadu, Karnataka and Orissa. Under 280 numbers of programmes worksheds, toilets, community halls, restrooms, spinning sheds, common facility centres, drinking water facilities, crèche, road to worksites, smoking chamber, equipment like dye vat, air compressor, spray gun, loom and spinning ratts were provided to 16 clusters at a total project cost of Rs.147.56 Lakhs (including 10% of beneficiary contribution).

Proposals for XI th Five Year Plan

Under the scheme, Coir Board proposes providing/ constructing

- Common Facility Centre for white fibre extraction/ dyeing, bleaching and stenciling.
- Workshed at traditional coir fibre extraction site and yarn spinning site.
- Drinking water and toilet at work site.
- Creche attached to work site.
- Community hall/rest room
- Foot bridge across the canal – work site critical for development of the industry.

Cluster based approach is envisaged under this Welfare scheme. Cluster will be selected on the basis of relative backwardness and with local leadership in promoting coir sector as in coir co-operatives/NGOs/Village Block Panchayat engaged in coir activities. Selection of cluster, beneficiaries/beneficiary organizations and implementation of the programmes under the scheme will be carried out in close association with the concerned coir producing State Government.

Justification for Continuation

The Scheme provides basic amenities to the coir workers, most of whom are below poverty line and from economically and socially backward areas.

- The most desirable coir workers are benefited which will go a long way in motivating them resulting in the enhancement of production.
- The Scheme will attract the younger generation to the coir industry in view of a better working environment and improved infrastructure being created.
- It is a unique scheme addressing directly the welfare needs of the workers particularly the most backward sectors of the industry – fibre extraction, spinning and tiny and micro enterprises.
- The provisions such as work-shed, spinning shed etc. provide shelter to the women workers from hot sun and rain and ensure uninterrupted production.
- The cumulative effect would be arresting migration of labour from this sector to others seeking better environment and remuneration.

II. Contribution to Coir Workers' Welfare Fund Board of the State Governments:

The Kerala Coir Workers Welfare Fund Board of Government of Kerala provides care/rehabilitation and undertakes a number of measures aimed at the welfare of the destitute coir workers who are uncared for due to infirmity caused by old age, chronic diseases, mental imbalances or retardation etc and also to those living with hand to mouth existence below the poverty level. The Coir Workers Welfare Fund Board of Kerala maintains an old age home for the benefit of poor coir workers, besides implementing various welfare programmes. Other welfare measures include pension to coir workers above 60 years of age, assistance for meeting funeral expenses, educational assistance, scholarships to students of coir workers etc. At present, this is a Kerala Specific Project. Other coir producing State Govts. are encouraged to set up similar Welfare Boards and old age homes for the benefit of coir workers. The State/Central Government level patronage for its maintenance will be a great solace to the workers dependent on such shelters.

Objective

The Kerala Coir Workers Welfare Fund Board was formed by the Government of Kerala with the aim of looking after the welfare needs of coir workers who are economically and socially from the backward strata of the society. Only the state intervention can ensure at least the

minimum support to the coir workers for their welfare. The present state of affairs in the industry is such that even the minimum prescribed wages could not be enforced effectively in the industry. The services of organizations exclusively constituted for the purpose results in providing timely assistance on a regular basis to the needy coir workers in their clusters. Other State Governments will also be motivated to constitute similar bodies to look after the welfare needs of coir workers. The programme envisages extending Central assistance to State level organizations to implement programmes aimed at welfare of the poor coir workers.

Review

The Board had contributed a total amount of Rs.1.53 crores for the Coir Workers Welfare Fund Board during the year, 1991-92 to 1998-99. The funds released by the Board were utilized by the Welfare Fund Board for implementing various programmes for the welfare of coir workers including the maintenance of Rajiv Gandhi Old Age Home.

Proposal for XI th Five Year Plan

During XIth Plan, the Coir Board proposes to extend financial assistance to the State level organizations like KCWWFB providing:

- Payment of pension to coir workers
- Payment of family pension
- Payment of financial assistance to disabled coir workers.
- Payment of ex-gratia financial assistance to the spouse of a member meeting with a fatal accident.
- Financial assistance to meet funeral expenses in workers family
- Reimbursement of medical expenses of the member or his family.
- Scholarship/stipend for education of children of coir workers.
- Maintenance of Old-age home for coir workers

The release of funds will be subjected to the condition that the State level organisation would submit periodical reports to assess the effectiveness of the welfare programmes being implemented and to take a view about continuation of Government of India contribution. The Coir Board will monitor the utilization of the funds released by the Government of India through periodical review and report to the Govt. of India.

Justification for Continuation of the Scheme

If the experience of the Kerala Coir Workers Welfare Fund Board is any guide, they find it difficult to find adequate funds to implement welfare programmes to lakhs of workers in coir sector in Kerala. The member workers' contribution at a nominal rate and the State's matching contribution at 1:2 ratio is not sufficient for extending welfare assistance at the prescribed minimum essential rate to the most deserving workers of the industry. The exclusive bodies like KCWWFB in coir producing states will have all the paraphernalia for the implementation of the welfare measures and Coir Board can take part in the efforts to improve the welfare of coir workers without contributing anything in the form of men or machinery.

III. Group Personal Accident Insurance and Health Insurance for medical support to coir workers

Group Personal Accident Insurance Scheme

The Group Accident Insurance Scheme for coir workers aims at securing secure the life against accident, accidental death, permanent/temporary total disability and permanent, partial disability. The benefit is available to all the workers in the country. The premium of the policy is regularly renewed by the Coir Board on behalf of the coir workers since the year, 1998. The coir workers are not required to pay any premium for getting covered under the scheme.

The Scheme shall provide financial compensation to the disabled coir workers or nominee of the disabled or deceased coir workers. Details of compensation payable are detailed below.

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| 1. Accident death | : Rs.50,000/- |
| 2. Permanent Total disability | : Rs.50,000/- |
| 3. Permanent Partial Disability | : Rs.25,000/- |
| 4. Provision for finger cut | : Depending upon the finger and limited to applicable percentages of capital sum insured. |

Objective

- Provide financial compensation to deceased/disabled coir worker/nominee.

Review of the Scheme:

Details of compensation paid

Year (Dec. to Nov.)	Premium Paid (Rs.)	Compensation Paid (Rs.)	No. of Claims
2002-2003	6,30,000	6,87,500	28
2003 -2004	6,48,000	3,25,000	13
2004 -2005	6,00,000	8,62,500	32
2005 -2006	9,96,208	6,00,000	19
2006 – 2007	8,53,000	4,04,000	11
Total	37,27,208	28,79,000	103

The Board proposes to widen the Insurance coverage by including reimbursement of hospitalization expenses of coir workers and members of his family under a suitable medicare insurance scheme. It is also proposed to give wide publicity to the Scheme in all coir producing States so that more workers could avail of the benefits of it.

Justification for Continuation

No other insurance scheme is in existence specifically for the benefit of coir workers in India. Because of the economic backwardness coir workers are not in a position to get them covered under any Insurance Scheme for securing their life against accident/accident death. The added advantage of the scheme is that coir workers, most of whom are far below the poverty line, do not have to pay any premium from their part and the Coir Board pays the entire premium on behalf of 4 lakhs coir workers in the country. Similarly coir activities are concentrated in backward rural areas where Government level medical facilities are rather not sufficient to take care of the medical needs of coir workers. Health problems are common among coir workers because of the occupational hazards. In most cases, the workers have to depend on private hospitals and medical care. Appropriate medicare insurance will be a great solace to poor workers in the context of ever increasing medical expenses.

Financial Outlay (Rs. crores)

Sl No.	Programmes	2007-08	2008-09	2009-10	2010-11	2011-12	Total
1	Production Enhancement Linked Coir Workers Welfare Scheme	2.50	2.50	3.50	3.50	4.00	16.00
2	Contribution to Coir Workers Welfare Fund Board of the State Govts.	0.50	0.50	1.00	1.00	1.50	4.50
3	Insurance to Coir Workers with extended coverage for accidental death, medical care and education of children of the coir workers	5.00	7.00	8.00	9.00	11.00	40.00
	All	8.00	10.00	12.50	13.50	16.50	60.50

Approval of SFC/EFC required

Approval of SFC/ EFC is requested for the implementation of the programmes under the scheme Welfare Measures with three programmes viz. Production Enhancement Linked Coir Workers Welfare Scheme, Contribution to Coir Workers Welfare Fund Board of the State Govts. and Insurance to Coir Workers, with an outlay of Rs.60.50 crores during the XIth Five Year Plan.