

Audit Flags Major Flaws in Delhi's Construction Worker Welfare Funds



A performance audit by the Comptroller and Auditor General (CAG) has revealed significant issues in the management of welfare funds for building and other construction workers in Delhi. The report, which covered the period from 2019 to 2023, highlighted a severe underutilization of funds, unreliable worker data, and a failure to implement key welfare schemes.

The audit found that while the Delhi Building and Other Construction Workers' Welfare Board had accumulated over Rs 3,579 crore in cess, a large portion of this money remained unspent. Expenditure on welfare schemes ranged from only 9.53% to 11.33% of the total receipts, except for a period in 2021-22 when ex gratia payments were made during the COVID-19 pandemic.

One of the most alarming findings was the state of worker registration. The report noted that Delhi's registration renewal rate for construction workers was a mere 7.3%, far below the national average of 74%. The audit also found discrepancies in the registration data, with instances of duplicate images, images with no faces, and multiple registrations for the same individual, suggesting loopholes in the system. The board could only provide a complete database for 1.98 lakh out of the 6.96 lakh registered workers.

The CAG report also identified a number of unimplemented schemes. Of the 17 welfare schemes, only 12 were operational during the audit period. No expenditure was recorded for schemes offering financial assistance for miscarriages, house purchase loans, or grants for

work-related tools. Furthermore, a significant amount of money, Rs 46.08 crore, earmarked for the education of workers' children for the years 2018-19 and 2019-20 was released only in March 2022, after a considerable delay.

The report also criticized the lack of inspections and enforcement. It found that no construction site inspections had been carried out by the Labour Department or the Directorate of Industrial Safety & Health during the four-year audit period. Additionally, the audit revealed that 97 private establishments that had paid the mandatory cess were not registered with the welfare board.