

Bill No. XXXVIII of 2007

THE MATERNITY BENEFIT (AMENDMENT) BILL, 2007

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BILL

further to amend the Maternity Benefit Act, 1961.

BE it enacted by Parliament in the Fifty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Maternity Benefit (Amendment) Act, 2007.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

53 of 1961.

2. In the Maternity Benefit Act, 1961, for section 8, the following section shall be substituted, namely:—

Substitution of new section for section 8.

“8. (1) Every woman entitled to maternity benefit under this Act shall also be entitled to receive from her employer a medical bonus of one thousand rupees, if no pre-natal confinement and post-natal care is provided for by the employer free of charge.

Payment of medical bonus.

(2) The Central Government may from time to time, by notification in the Official Gazette, increase the amount of medical bonus subject to the maximum of twenty thousand rupees.”.

STATEMENT OF OBJECTS AND REASONS

The Maternity Benefit Act, 1961 regulates the employment of women in factories, mines, the circus industry, plantations and shops or establishments employing 10 or more persons except the employees who are covered under the Employees' State Insurance (ESI) for certain periods before and after child-birth and provides for maternity and other benefits.

2. With the gradual extension of coverage under the Employees' State Insurance Act, 1948 (ESI Act) which also provides for maternity and certain other benefits, the area of application of the Maternity Benefit Act, 1961 has shrunk to some extent. The coverage under the ESI Act is, however, at present restricted to factories and certain other specified categories of establishments located in specified areas. The Act is, therefore, still applicable to women employees employed in establishments which are not covered by the ESI Act, as also to women employees, employed in establishments covered by the ESI Act, but who are out of its coverage because of the wage-limit.

3. Under the Maternity Benefit Act, 1961, women employees are entitled to maternity benefit at the rate of average daily wage for the period of their actual absence up to 12 weeks due to the delivery. In cases of illness arising due to pregnancy, etc., they are entitled to additional leave with wages for a period of one month. They are also entitled to six weeks maternity benefit in case of miscarriage. The Maternity Benefit Act, 1961 also makes certain other provisions to safeguard the interest of pregnant women workers.

4. Section 8 of the Maternity Benefit Act, 1961 provides that every woman entitled to maternity benefit shall also be entitled to receive from her employer medical bonus of Rs. 250, if no pre-natal confinement and post-natal care is provided for by the employer free of charge.

5. In the present economic scenario, it is felt that the medical bonus, which is presently Rs. 250/-, is inadequate. Therefore, it is proposed—

(i) to raise the medical bonus payable under the Maternity Benefit Act, 1961 from Rs. 250/- to Rs. 1000/-; and

(ii) to give powers to the Central Government to revise medical bonus from time to time subject to a maximum of Rs. 20,000/-.

6. The Bill seeks to achieve the above objects.

NEW DELHI;
The 1st May, 2007.

OSCAR FERNANDES.

FINANCIAL MEMORANDUM

The Maternity Benefit Act, 1961 regulates the employment of women in factories, mines, the circus industry, plantations and shops or establishments employing 10 or more persons except the employees who are covered under the Employees' State Insurance (ESI) for certain periods before and after child-birth and provides for maternity and other benefits.

2. Section 8 of the Maternity Benefit Act, 1961 provides that every woman entitled to maternity benefit shall also be entitled to receive from her employer medical bonus of Rs. 250 if no pre-natal confinement and post-natal care is provided for by the employer free of charge. Clause 2 of the Bill seeks—

(i) to raise the Medical Bonus payable under the Maternity Benefit Act, 1961 from Rs. 250 to Rs. 1000; and

(ii) to give powers to the Central Government to revise medical bonus from time to time subject to a maximum of Rs. 20,000.

The proposed provisions will ensure payment of medical bonus on comparatively higher rates than existing rates.

3. The above-mentioned proposals in their application to the women employed in factories, mines, the circus industry, plantations and shops or establishments will involve increased expenditure on employers by way of payment of medical bonus. Every woman entitled to maternity benefit shall also be entitled to receive from her employer the enhanced medical bonus, if no pre-natal confinement and post-natal care is provided for by the employer free of charge.

4. The Bill does not involve any expenditure, whether recurring or non-recurring.

MEMORANDUM REGARDING DELEGATED LEGISLATION

The Maternity Benefit Act, 1961 regulates the employment of women in factories, mines, the circus industry, plantations and shops or establishments employing 10 or more persons except the employees who are covered under the Employees' State Insurance for certain periods before and after child-birth and provides for maternity and other benefits.

Section 8 of the said Act is being amended to enhance medical bonus from Rs. 250 to Rs. 1000. Further, the Central Government is also being empowered to increase the said medical bonus from time to time, by notification in the Official Gazette, subject to the maximum of Rs. 20,000. The delegation of legislative power is of a normal character.

ANNEXURE

EXTRACT FROM THE MATERNITY BENEFIT ACT, 1961

(53 OF 1961)

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Payment of medical bonus. **8.** Every woman entitled to maternity benefit under this Act shall also be entitled to receive from her employer a medical bonus of two hundred and fifty rupees, if no pre-natal confinement and post-natal care is provided for by the employer free of charge.

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RAJYA SABHA

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further to amend the Maternity Benefit Act, 1961.

(Shri Oscar Fernandes, Minister of State for Labour and Employment)