

Need to increase Pradhan Mantri Awas Yojna (PMAY) subsidy-Laid

DR. NAMDEO KIRSAN (GADCHIROLI-CHIMUR): In the past year, the average construction costs have increased by approximately 11%. This surge can primarily be attributed to a substantial rise in labor expenses, alongside a moderate escalation in the prices of construction materials. These factors have contributed to heightened operational costs for developers, compelling them to reevaluate their strategies. While rise in prices of key construction materials was relatively modest over the last year, labour costs have been driving the overall cost of construction upward. With labour accounting for more than one-fourth of overall construction cost, a 25% annual rise in labour costs has stretched construction budgets and impacted operational expenses. Moreover, the need for skilled labour and the associated costs for training, safety and regulatory compliance further adds to spiraling labour costs. The report indicates that the aggregate impact of price rise in four critical construction materials—cement, steel, copper, and aluminium—has been relatively subdued. Additionally, average cement prices have experienced a significant reduction of 15%, while average steel prices have decreased marginally by 1% over the past year. I, therefore request that the PM-Awas Yojana Subsidy may kindly be increased accordingly.