

**THIRTY SECOND SESSION OF
THE INDIAN LABOUR CONFERENCE
VIGYAN BHAVAN, NEW DELHI**

(23-24 NOVEMBER, 1995)



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**MINISTRY OF LABOUR
GOVERNMENT OF INDIA
NEW DELHI**

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AGENDA



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AGENDA

| SL.NO. | ITEM | PAGE NO. |
|--------|---|----------|
| 1. | Confirmation of the Minutes of the 31st Session of Indian Labour Conference | 1 |
| 2. | Action taken on the Conclusions of the 31st Session of Indian Labour Conference | 1 - 22 |
| 3. | Proposal to exempt certain categories of services/ employment from the purview of the I.D. Act - amendment of Section 2(j) of I.D. Act, 1947 | 23 - 29 |
| 4. | Social Security for Unorganised Labour | 30 - 33 |
| 5. | Restructuring of Vocational Training | 34 - 37 |
| 6. | Restructuring of Employment Exchanges | 38 - 40 |
| 7. | Discussion on the Participation of Workers in Management Bill, 1990 | 41 - 45 |

THIRTY SECOND SESSION OF THE INDIAN LABOUR CONFERENCE

(NEW DELHI : NOVEMBER 23 - 24, 1995)

A G E N D A

ITEM 1 : CONFIRMATION OF THE MINUTES OF THE THIRTY FIRST SESSION OF THE INDIAN LABOUR CONFERENCE HELD ON 3 - 4 JANUARY, 1995 AT NEW DELHI

The Minutes of the Thirty First Session of the Indian Labour Conference held on 3 - 4 January, 1995 were circulated vide letter no. U-12016/1/94-L.C. dated 30.3.1995.

ITEM 2 : ACTION TAKEN ON CONCLUSIONS OF THE 31ST SESSION OF THE INDIAN LABOUR CONFERENCE HELD ON 3 - 4 JANUARY, 1995 AT NEW DELHI

CONCLUSIONS

1. The institution of the Indian Labour Conference should be strengthened further by :

(a) Keeping in view the level of importance and sanctity attached to the institution, and its decisions/recommendations by senior captains of the industry, and stalwarts of the trade union movement.

(b) Holding regular meetings of the Indian Labour Conference and the Standing Labour Committee annually.

ACTION TAKEN

The Indian Labour Conference is the Apex Tripartite Committee at the National level. Representatives of the Workers' Organisations and Employers' organisations as well as the representatives of the State Governments/Union territories and of the Central Ministries are invited to attend the meeting of the ILC. Considering the importance of this Tripartite Committee, the level of participation in the Conference has all along been of a consistently high level.

Every effort is made to convene one meeting of the Indian Labour Conference in a financial year. Hence, this 32nd Session of the ILC during the current year. Similarly a meeting of the Standing Labour Committee is convened prior to the meeting of the Indian Labour Conference. This year also, efforts were made to convene a Session of the SLC in October/November, 1995. Since it was

CONCLUSIONS

(c) Constituting an Implementation Committee -as in the past - to monitor implementation of the Resolutions of the Conference.

2. The practice of holding Tripartite Discussions at the State level should be revived.

3. It is a matter of concern that despite discussions in the various tripartite fora including the Indian Labour Conference over the years and despite efforts on the part of successive Governments, establishment of a comprehensive industrial relations law has not become a reality. In the present scenario of vast changes in the socio-economic front, the Central and State Governments and the social partners should come together in making this Comprehensive Industrial Relations law a reality.

ACTION TAKEN

not possible to fix a date convenient to all the parties, a meeting of the Standing Labour Committee could not be convened prior to this meeting of the Indian Labour Conference.

The conclusions arrived at in the ILC receive the highest consideration of the Government. The implementation of the resolutions of the Conference are regularly monitored in the Ministry by the Secretary of the Ministry as well as the Labour Minister. Therefore, a separate Implementation Committee for the purpose is not considered necessary.

The conclusions of the 31st Session of the Indian Labour Conference were conveyed to all the State Governments. However, no feed back in this regard has so far been received. The representatives of the State Governments may perhaps like to enlighten the Conference in this matter.

During 1988, a comprehensive law was introduced in the Parliament by way of amendment to the Trade Unions and Industrial Disputes Act. This Bill could not be got enacted into a law and subsequently recommendations were made for amending the Trade Unions Act as well as Industrial Disputes Act by the bipartite Ramanujam Committee. A Bill for amending Trade Union law has been introduced and this is before the Parliament. Proposals to amend the Industrial Disputes Act, 1947 are yet to be approved by the competent authority. The various provisions in the laws relating to industrial relations are so sensitive that they always form subject

CONCLUSIONS

4. Recommendations of the Tripartite Committee on the N.T.C. Mills should be implemented immediately.

5. While fully recognising that productivity of economic enterprises as a whole is of paramount importance, it should be promoted through :

(a) Broad basing and diversification of production including by fuller capacity utilisation.

(b) Well thought out measures and practices for achieving higher levels of output and to produce goods and services of high quality which would enhance the competitive edge for the country's enterprises.

6. It is a matter of concern that inflationary trends and increase in the price of essential commodities are eroding the living standards of the working people. Government should give special attention to streamlining and expanding the public distribution system, particularly in centres of concentration of the working people.

ACTION TAKEN

matters of contentious debates. Even the Ramanujam Committee Report was not unanimous in many respects. In the circumstances, it may not be practical to pursue the idea of a comprehensive Industrial Relations Law.

The issue of modernisation of NTC mills was considered by the Special Tripartite Committee and the Sub-Committee of the Special Committee on NTC affairs and a unanimous agreement was reached on 9.4.94. Based on the unanimous agreement, the Ministry of Textiles prepared a Revival Turn Around Plan for NTC mills which was approved by the Cabinet on 9.5.95.

The resolutions of ILC relating to enhancement of productivity through diversification, capacity utilisation, higher production and better quality etc. were brought to the notice of the Employers' Organisations. Replies in the matter are still awaited.

The recommendation has been forwarded to Ministry of Civil Supplies, Consumer Affairs and Public Distribution for consideration and necessary action.

CONCLUSIONS

7. While the Government have permitted wage negotiations in the Central Public Sector Enterprises, yet wage settlements are not being concluded which is a matter of serious concern. The Government should review the situation and facilitate speedy conclusion of wage negotiations and settlements. PSUs should enjoy autonomy for negotiating Wage Settlements.

8. Delays in taking action pursuant to earlier deliberations on amendment to the Payment of Bonus Act and introduction of DA slabs for employees of the Public Sector Enterprises are a matter of serious concern. The statutory bonus formula, as implemented now, according to workers' representatives, strongly discourages skilled workers, particularly those turning out higher

ACTION TAKEN

Government earlier banned wage negotiations in the Central Public Sector Enterprises in view of the formulation of new Wage Policy by the Government. There had been a persistent demand for allowing fresh wage negotiations as the existing wage settlements have expired in a number of public sector enterprises. Government, therefore, through a policy announcement, made in the Parliament on 16th March, 1993 permitted resumption of wage negotiations in Central Public Sector Enterprises. The Deptt. of Public Enterprises issued guidelines on 12.4.93 for the wage negotiations. The guidelines, inter-alia, indicate that managements are free to negotiate the new wage structure keeping in view and consistent with the generation of resources/profits by the individual enterprise/unit. It was also stipulated that Government will not provide any budgetary support for the wage increase and the respective managements will have to find the requisite resources from their own internal generation. However, a number of Public Sector Enterprises are either making loss or are sick and therefore, wage settlements/negotiations have not been a smooth affair in such Public Sector Enterprises.

The Government has enhanced the eligibility limit for payment of bonus from Rs.2500 p.m. to Rs.3500 p.m. and the calculation ceiling from Rs.1600 p.m. to Rs.2500 p.m.. An Ordinance was promulgated on 9.7.95 to give effect to the aforesaid amendment. The ordinance was later on replaced by amendment to the Payment of Bonus Act, 1995 which received assent of the President on 30.8.95. The

CONCLUSIONS

productivity. Therefore, the provisions relating to eligibility and calculation ceiling should be scrapped urgently. (Employers' representatives have reservations on the matter). Quick decision should be taken on introduction of DA slabs, keeping in view the fluctuations in the cost of living indices.

9. Considering that social security is particularly important in the present situation, Government should introduce the Pension Scheme for Provident Fund subscribers on a priority basis. On the details of the Scheme there should be tripartite consultations before its introduction. Management of Social Security Funds should be professionally handled so that returns on investments of the resources of the Funds are maximised. Agreements/Settlements on pension matters should be implemented on a priority basis.

10. There is a crying need for speedy and orderly investigation into the rehabilitation of sick

ACTION TAKEN

amendment to the Payment of Bonus Act is effective from 1.4.93. Industrial Dearness Allowance for the employees of Central Public Sector Undertakings was raised from Rs.1.65 per point to Rs.2.00 per point effective from 1.1.89. Over 21 lakh employees of Central Public Sector Enterprises have been benefitted with an additional annual D.A. benefit of about Rs.385 crores. Effective from 1.1.92, slab system of Dearness Allowance has also been introduced for the benefit of the employees of Central Public Sector Undertakings. Under this system, neutralisation of increase in cost of living is allowed for various slabs of monthly Basic Pay at 100% upto Rs.3,500; 75% from Rs.3501 -6500; 60% from Rs.6501 - 9500 and 50% for Rs.9501 and above.

The Government has issued a ordinance on 17.10.95 to provide for pension to provident fund subscribers. This scheme is expected to benefit about 18 million provident fund subscribers. The ordinance is to enable the Government to establish a pension scheme to be applicable to subscribers to Provident Fund under the Employees Provident Fund and Miscellaneous Provident Act of 1952. The ordinance has been put into practice from 16.11.95.

As regards investment of the Social Security funds, the matter is being handled in terms of the prescribed rules/schemes and also in accordance with the approval of the Ministry of Finance.

CONCLUSIONS

ACTION TAKEN

Industrial Enterprises registered with the BIFR, minimising distress for the workers and disabilities for the employers. Very important amongst the measures required are :

(a) Review of the working of the BIFR so far and suggestion for changes, if necessary.

The Government is actively considering various issues concerning review of the working of the BIFR mechanism and the problem areas.

(b) Creation of adequate number of benches of the BIFR on a zonal basis.

(c) Hearing by BIFR benches to be so organised as to enable sittings in different places to suit, to the extent possible, the convenience of the parties called for hearing.

(d) Appointment of Members of the BIFR with adequate professional expertise in handling matters relating to structuring and restructuring of industries, management and industrial relations with trade union experience.

(e) The BIFR procedure should be simplified and made statutorily time bound.

(f) Registration of an enterprise with the BIFR under the Sick Industrial Companies Act should not result in cessation of fund flows from the financing institutions until a decision is taken on rehabilitation.

(g) Wherever rehabilitation proposals have been approved, the Government should ensure flow of funds for such rehabilitation. Wherever joint revival packages are submitted, those packages should be given full support by Government and Financial Institutes.

CONCLUSIONS

11. The constitution and the functioning of the National Renewal Fund should be reviewed so that the Fund truly serves the purpose of industrial renewal and regeneration and creation of employment opportunities. Representation should be given in the administration of the National Renewal Fund to employers' and workers' organisations. Priority in the use of resources of the Fund should be given for training, retraining, vocational counselling and guidance for redeployment of workers affected by rationalisation. Side by side with training, retraining and counselling of workers, concurrent investments should also be made by drawing on appropriate sources of finance for the rehabilitation of the rationalised enterprises. The Fund should also be made available to the workers owned companies running through workers' cooperatives.

ACTION TAKEN

The progress of N.R.F is reviewed from time to time by a high powered Committee known as Empowered Authority for National Renewal Fund set up by the Deptt. of Industrial Development. The Committee also comprises representatives from trade unions and employers organisation.

The progress of N.R.F was reviewed by the Special Tripartite Committee in its meeting held on 10.4.95. The Committee suggested various measures for improving the functioning of the N.R.F. The recommendations of the Special Tripartite Committee have been brought to the attention of the Deptt. of Industrial Development. The Committee was also informed that a special thrust has been given to counselling, retraining and re-deployment schemes under the NRF for which Rs.50 crores have been set apart.

Five Pilot schemes have been operationalised through Employee Assistance Centres set up by different agencies at Ahmedabad, Bombay, Calcutta, Indore and Kanpur. As on 31.7.95 these Employee Assistance Centres counselled 7421 workers, retrained 1475 workers and redeployed 234 implementing workers. 48 additional locations all over the country have been identified for workers' retraining/ redeployment schemes under the NRF. These centres are broadly expected to implement retraining programmes to equip the rationalised workers to re-enter the job market or take up self employment ventures. Ministry of Labour is also making retraining facilities available for the rationalised workers in 15 Industrial Training Institutes and 6 Advanced Training Institutes.

CONCLUSIONS

ACTION TAKEN

The Govt. of Gujarat had submitted an area regeneration scheme for 19 closed textile units of Ahmedabad and other areas, envisaging NRF assistance totalling Rs.168.37 crores. It was proposed to take over such units through a State Government Ordinance, pay off the workers' dues and redevelop the premises for establishing high-growth, low polluting, small scale business/ industrial units. Approval of the CCEA has been sought on the subject so that this component of NRF may also get activated.

So far NRF assistance for VRS has been limited to CPSUs. It has since been decided by the Empowered Authority to extend NRF assistance for restructuring and VRS compensation in State PSUs as well as units run by Workers Cooperatives.

A scheme of "part time training of rationalised workers," under NRF, funded by Deptt. of Indl. Development, Ministry of Industry, is being implemented by DGE&T, Ministry of Labour, to counsel, impart vocational training and help in re-deploying rationalised workers.

Under the scheme, training courses of short-term duration (upto a period of 6 months) are conducted at DGET Institutes, ITIs and Institutes under PSUs and NGOs, in the state of Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Maharashtra, West Bengal, Gujarat and Haryana. Courses are conducted in 25 Institutes in 21 trades/vocational areas. About 2000 workers are undergoing training at present. Further, about 2500 workers are more identified for ensuing courses. Other

CONCLUSIONS

12. Implementation of the training programmes should be undertaken within the framework of a well thought out plan. This plan should provide for involvement of the Central Government, State Governments and trade unions of employers and workers. The training centres should be organised on a decentralised basis, taking into account the scope for using existing training centres in different parts of the country and down to the industrial establishment and district levels. The training infrastructure available with the Industrial Enterprises themselves should also be pressed into service for training and retraining. No doubt, the training should also be in skills relevant to actual employment potential.

ACTION TAKEN

states/Institutes are also coming forward to implement the scheme.

In an endeavour to build skill workforce to meet the requirement of the Industry, DGE&T, M/o Labour has introduced several training programmes in the country within a well thought out plan. In the formulation of the National Policy for Vocational Training, the Central Govt. is advised by two tripartite bodies - National Council for Vocational Training (NCVT) and the Central Apprenticeship Council (CAC). These two Councils have representations of Central Government, State Government, Trade Unions of Workers, Employers, professional and learned bodies etc. The norms/standards prescribed by these councils are well thought out taking into account various facts and the same are implemented through a network of 2721 ITIs and various industrial establishments. Training and retraining is arranged to update the technical information, upgrade the skills in the relevant fields based on the need based requirement of industries. As regards decentralisation of training centres, it has been the experience of DGE&T that such proposals are generally not accepted by the State Govt. through whom the training is offered because of the reasons that certificate issued by the State Govt. are not recognised by the Industries at National level. However State Governments are imparting training in the ITIs and private ITCs in some of the trades based on the local needs. On successful completion of training, certificates under the aegis of State Councils for

CONCLUSIONS

ACTION TAKEN

Vocational Training are awarded to the trainees by the State Government.

The implementation of the training activities under the Women's Vocational Training Programme are undertaken as per the approved Scheme under the Non-Plan, Plan and Plan (World Bank). The training programme is run under the aegis of the National Council of Vocational Training which is a national tripartite body for setting up policies, standards and procedures for trade-testing and Certification etc. The training in programme is organised on a decentralised basis through a network of, institutions at the national and regional levels through then National (Apex Centre)/ Regional Institutions. These women's institution provide training in advanced skills and in Business Skills and Instructional Skills. The trainees passing out under the Craftsmen Training Scheme of NCVT from various Central and the State Government (ITIs/ITCs) are eligible for admission to these Regional Institutions. Short-term and part-time and need-based courses are organised by the women's institutions set up under DGET in consultation with the local industrial establishments and also in accordance with the local training demands. Wherever facilities are available, women trade apprentices are also engaged by the industrial establishments. The Advisory Committee set up for providing adequate inputs for development and diversification of the women's training include representatives from local industries, manufacturers' associations, women's organisations, Central and

CONCLUSIONS

13. It is generally known that there is a very positive correlation between education, population control, development and skill formation. The Central and State Governments should give high priority in allocation of resources for elementary and vocational education. The organisations of employers and workers should give full support for promoting elementary and vocational education through their constituents. The Governments and the social partners should further give special attention to the education of women.

ACTION TAKEN

State Departments dealing with industry and technical/vocational training.

It is an accepted fact that there is a very positive correlation between education, population control, development & skill formation. For providing high priority in allocation of resources for Elementary and Vocational Education, Ministry of Human Resource Development has to take care as these are the subject matters of Ministry of HRD. However, under M/o Labour DGE&T is providing high priority to Population Education Programme and has introduced Population Education as a part of the Social Studies curriculum in vocational training for the trainees undergoing training under the CTS & ATS programme in the country. DGE&T which is a nodal agency for the implementation of Vocational training in the country provides full support to the State Governments/UTs dealing with the implementation of Craftsmen Training in the country. DGE&T supports the Annual Plan proposals of the State Governments/UTs whenever these are discussed in the Planning Commission etc. for allocation of funds. The organisations of Employers and workers are well represented on the NCVT and CAC. They provide their active support. Trade experts from industrial establishments participate in the trade committee meetings for the finalisation of the trade syllabi based on the need based requirements of the industry and the requirements of technology. Govt. gives special attention to Women Vocational Training Programmes also by opening new institutes/centres under the Vocational Training Project assisted by the World Bank and also by supplementing the existing Women

CONCLUSIONS

ACTION TAKEN

Institutes/centres in the country. In addition, women's wings have been introduced in selected ITIs for boys by most of the State Governments. The Women's Vocational Training Programme is primarily concerned with providing employable vocational skills to women having a minimum of 10 years of formal education, i.e. X class pass or equivalent. The course curricula, however, includes components of population education, Social Studies, entrepreneurial/business skill development for providing a wider perspective and awareness to the semi-skilled women.

14: Pursuant to earlier deliberations, Government should enact, on a priority basis, laws for providing labour protection including social security for agricultural and construction workers.

An Ordinance in respect of Central Legislation for building & construction workers has been promulgated on 3.11.95. The Government proposals on Central Legislation for Agricultural workers are at an advanced stage of consideration. All consultations are over and Cabinet Note is being finalised.

15. The Labour Ministry should set up an Advisory Body to review, from time to time, the status and promotion of employment of women.

A Central Advisory Committee under the Equal Remuneration Act has already been set up to advise the Government on providing increasing employment opportunities for women and generally reviewing the steps taken for effective implementation of the Act.

16. The Constitution of the Child Labour Advisory Committee should be reviewed to ensure that it is fully representative of the social partners

The Central Advisory Board on Child Labour was formed on 4.3.1987. The board has been set up to review the implementation of the existing legislation administered by the Central Government and suggest legislative as well as welfare measures for welfare of working children. The board also recommends

CONCLUSIONS

17. The Trade Unions of employers and workers should be included in the National delegation to the World Summit for Social Development.

18. The Vocational Training System in the country should be reorganised. In specific terms the measures required are :

(a) Identification of skills needed in the present day context by industrial enterprises and for self-employment.

ACTION TAKEN

industries and areas where there must be progressive elimination of child labour. The Central Advisory Board on Child Labour has been reconstituted on 2nd November, 1994.

Shri G. Sanjeeva Reddy of INTUC attended the World Summit for Social Development at Copenhagen in March, 1995 as a member of the Indian delegation.

DGE&T with the assistance of World Bank has formulated a Vocational Training Project to strengthen the National Vocational Training System in the country. The main objective of the Project is to improve the quality and efficiency of the basic craftsmen training in the ITIs extend and diversify programmes in the advanced skills and Hi-tech areas, increased area of training in non-traditional sectors for the development of skills of women. The Project is continuing to assist the State Governments and Central Government to modernise facilities, training methodology, training materials, workshop and class room building and to improve the pedagogical and the technical skills of the trainees. DGE&T has engaged consultants for conducting studies to review and analyse different segments of National Vocational Training System.

Under the aegis of NCVT, Training is imparted in 42 Engineering and 22 Non-Engineering designated trades in ITIs (Government & Private) in various States/UTs of the country. The syllabi of the designated trades under CTS are periodically revised under the guidance of Trade Committees to keep pace with

CONCLUSIONS

(b) Designing of courses, syllabi and curricula relevant to such identified skills in demand in the employment market.

ACTION TAKEN

the changes in technology and rapid diversification in industries. Training in new trades is being offered in areas like chemical engineering, computer engineering, electrical engineering fields and Desk Top Publishing etc. Under the Apprenticeship Training Scheme, 132 trades in 29 trade groups in 218 specified industries have been designated under the Apprentices Act, 1961. These trades are identified based on the demand of the industrial enterprises. This also provide ample opportunities for providing self-employment.

The Women's Vocational Training Programme envisages Setting up of a machinery to identify training needs/skill/development for the industrial wage paid / self-employment. The Scheme also envisages conducting surveys and training needs, placement of trained persons/training of industrial workers and consultancy services and upgrading/updating of technical skills of trainees in appropriate industrial setting.

Necessary course syllabi and curricula have already been designed for the trades designated under both the scheme of CAC & NCVT keeping in view the demand in the employment market. A specialised institute namely Central Instructional Media Institute has been set up with the assistance of German Government to prepare instructional material in the form of IMPs.

Under the Women's Vocational Training Programme, a Methods and Development Cell is being established in the National Vocational Training Institute for Women (APEX) institute for providing

CONCLUSIONS

(c) Modernisation of the infrastructure of vocational training institutions.

(d) Institutionalised arrangements for interaction between the vocational training institutions, standard setting bodies like State and Central Councils of vocational training and the industry.

ACTION TAKEN

syllabi and curricula and training/teaching aids for identified skills under the Women's Vocational Training Programme.

Modernisation of infrastructure of Vocational Training Institutions has already been taken up under the Vocational Training Project assisted by the World Bank. DGE&T is implementing the Vocational Training Project (VTP) assisted by the World Bank in 28 States/UTs in which ITIs are located. Under the Project, outdated, wornout equipments are being replaced under one of the Schemes of the VTP i.e. modernisation of the equipment in existing ITIs. New constructions are also being carried out under various schemes of VTP. Staff of the field institutes is also being provided with the technical assistance within the country and overseas under Technical Assistance Scheme of VTP.

Under the Women's Vocational Training Programme, Schemes have been formulated for strengthening the existing NVTI/RVTIs by diversifying into new areas and upgrading/updating the existing programmes at the advanced and instructional skill levels.

Under the National Vocational Training System, a close interaction between the Vocational Training Institutes, Standard Setting bodies i.e. NCVT and SCVT has been established. The councils constituted by the Central and the State Governments are having the representatives of the Industries. Industries are also represented on the Trade Committees and other forums.

CONCLUSIONS

ACTION TAKEN

There is a definite Industry-Institute Interaction (I-I-I) in the Vocational Training Programmes conducted by the Training Directorate of DGE&T. A special trade namely; Plastic Process Operator of one year duration in the ITIs and two years duration under the Apprentices Act has been introduced. The training Programmes in the ITIs in this trade are conducted with financial as well technical assistance of the Indian Plastic Industries/Oil Industry Development Board. Special course for instructors for ITIs in this trade are conducted at CIPET, Madras as well as CTI Madras. The pass-outs generally get employed in the Plastic Industry as well as are encouraged for self-Employment. Besides, the Confederation of Indian Industry has signed Memorandum of Understanding with the State Governments of UP, HP, & Haryana adopting, specific ITIs for development. This is another example of I-I-I.

The Women's Training Cell of the DGE&T Headquarters is the nodal agency for formulating policies and standards under the aegis of National Council for Vocational Training, DGET to develop strategies for greater participation of women in production-oriented entrepreneurial training, promotional activities documentation, dissemination of information promoting awareness and publicity of the women's training activities. An established system already exists for liaison with other State and Central Departments, Councils of Vocational Education and Training and industries concerned with vocational/skill training.

CONCLUSIONS

(e) Reorganisation of the employment exchanges so that they bring together job seekers and employers to their mutual advantage with promptitude.

19. The resolutions of the 32nd session of the Standing Labour Committee in respect of the social clause, child labour elimination and bonded labour having been fully endorsed by the Conference as amended, the Governments and the social partners should take further follow up action in the matter.

ACTION TAKEN

A detailed note on 'Restructuring of Employment Exchanges' has been prepared by the Ministry. This note is included as item No. 6 of the agenda for the 32nd Session of ILC.

(a) SOCIAL CLAUSE

Government of India has been taking a consistent stand that a linkage between international trade and international labour standards does not exist and therefore, a linkage should not be attempted in any international forum.

During the course of the discussions held in the last meeting of the ILO Working Party on Social Dimensions of Liberalisation of the World Trade, representatives of the Indian Government, Indian Employers' and Indian Workers' opposed the attempt to establish a link between international trade and the consequent introduction of the "Social Clause".

The issue of 'Labour Standards and the Social Clause' was discussed in the Fifth Conference of Labour Ministers of Non-Aligned and other Developing Countries held from 19th to 23rd January, 1995. It was reaffirmed in the Conference that the linkage between international trade and enforcement of labour standards through the imposition of the Social Clause was totally unacceptable. The Conference was committed to promote and safeguard human dignity through measures aiming at improving the working and living conditions of all people and providing better level of protection.

CONCLUSIONS

ACTION TAKEN

At the national level sincere efforts are being made to improve social and labour standards. Two sessions of the National Tripartite Committee on Conventions were held in May and August, 1995 to review the progress of ratification of various ILO Conventions.

(b) CHILD LABOUR ELIMINATION

Under the National Child Labour Projects Scheme of the Ministry of Labour, a major activity undertaken is the establishment of special schools to provide basic needs like non-formal education, vocational training, supplementary nutrition, health care and stipends to the children withdrawn from employment. Voluntary agencies are being financially assisted to the extent of 75% for taking up welfare projects for working children under the Grant-in-Aid Scheme. 12 National Child Labour Projects are currently under implementation in 8 States (U.P., M.P., A.P., Tamil Nadu, Bihar, Orissa, Maharashtra, Rajasthan) covering approximately 16,000 children.

The Hon'ble Prime Minister had announced on 15th August, 1994 that 20 lakh children engaged in hazardous occupations will be withdrawn from work and put into schools in the course of next 4-5 years. To follow-up on this announcement the National Authority for Elimination of Child Labour (NAECL) has been constituted under the Chairmanship of the Union Labour Minister. The NAECL has adopted a plan of action titled "Identification, Release and Rehabilitation of Child Labour". It covers the range of actions required to be taken to tackle the child labour problem especially in hazardous occupations.

CONCLUSIONS

ACTION TAKEN

Briefly, it calls for a convergence of services and schemes of the Central and State Governments at the implementing level - the District - to effectively handle the child labour elimination effort. This plan of action has already been forwarded to all the State Governments by the Hon'ble Prime Minister and Union Labour Minister for necessary action.

The NAECL has also identified 100 child labour endemic districts in the country. It recommended that efforts to eliminate child labour in hazardous occupations should be started in these districts. Accordingly, a workshop of collectors of these and other districts from 12 States (Andhra Pradesh, Bihar, Gujarat, Karnataka, Kerala, Maharashtra, Madhya Pradesh, Orissa, Tamil Nadu, Uttar Pradesh, West Bengal & J&K) in the country was held on 13th & 14th September, 1995. These 12 States together account for well over 90% of the country's child labour population.

National Child Labour Projects in over 60 of the Districts, whose collectors had participated in the above mentioned workshop, covering approximately 1.1 lakh children have already been sanctioned. This is in addition to 16,000 being covered by on-going National Child Labour Projects. More such proposals are being processed for sanction. In all approximately 2 lakh child labourers will be covered under the National Child Labour Project Scheme in 1995-96. In a phased manner, 20 lakh children working in hazardous occupations, will be withdrawn from work and

CONCLUSIONS

ACTION TAKEN

diverted to education and vocational training by the year 2000.

To prevent fresh entry of children into hazardous occupations, the following measures have been taken :-

(i) A massive awareness campaign has been launched in the press and electronic media to sensitize society against child labour.

(ii) Efforts are being made to strengthen the enforcement machinery to effectively implement child labour laws in the States under the Child Labour (Prohibition & Regulation) Act, 1986.

(iii) Parents of child labour are being brought under poverty alleviation and employment generation programmes in order to strengthen them economically and thereby enable them to send their children to school instead of to work.

(iv) Integrated Child Development Scheme is being extended to child labour endemic districts to take care of the needs of pre-school children.

(c) BONDED LABOUR

The issue of fresh surveys for identification of bonded labourers was again discussed in the meeting held on 3.5.95 under the Chairmanship of Labour Minister with the State Secretaries dealing with bonded labour in the light of recent judgement of Supreme Court in the Writ Petition No.3922/85 and Writ Petition (Crl.) No.153/82 in which the Court have appointed an advocate and a NGO to verify the claims of the State Governments that they do not have bonded labourers in their

CONCLUSIONS

20. The present employment scenario in which organised sector employment has become stagnant and the agrarian sector is not absorbing more job seekers, meaningful action should be taken in pursuance of the report of the NDC Committee on employment to create more job opportunities in the economy as a whole and to protect existing levels of employment to the maximum extent possible.

ACTION TAKEN

States. However, in the meanwhile the States will continue with their survey in pursuance of the decision taken in the past. Survey reports are still awaited. The enhancement of rehabilitation assistance under Centrally Sponsored Scheme for rehabilitation of bonded labourers from Rs.6250/- to Rs.10000/- per released bonded labourers is under active consideration of the Ministry. The amount is likely to be revised shortly.

Regarding investigation of relapse into bondage, instructions from the Central Government to State Governments have already been issued to identify such cases and to take corrective action. Only the State of Karnataka has taken up such investigations and has reported that there had been no case of relapse into bondage.

The Eighth Five Year Plan envisages a strategy for achieving the goal of near full employment situation in the country as a whole by the year 2002. This goal is sought to be achieved by accelerating growth of productive employment opportunities on the basis of faster growth of employment-intensive sectors, sub-sectors and activities. The Plan also emphasises the need for revamping education and training system to introduce flexibility and responsiveness to labour market. In addition to this overall strategy resulting in employment opportunities for both the educated and uneducated unemployed through the normal growth process, the Prime Minister's Rozgar Yojana launched on 2nd October, 1993 aims at creating self-employment opportunities

CONCLUSIONS

21. The Economic Reforms Process should be geared to expansion of employment opportunities by evolving an employment policy which would arrest the loss of job opportunities and provide suitable rehabilitation package for sick industries.

ACTION TAKEN

specially for the educated unemployed youth in various States.

This does not have any direct bearing on women's training except that the training is geared to the needs of the available employment/job opportunities so as to provide suitable placement to semi-skilled/skilled women.

ITEM 3 : PROPOSAL TO EXEMPT CERTAIN CATEGORIES OF SERVICES/
EMPLOYMENT FROM THE PURVIEW OF THE INDUSTRIAL DISPUTES
ACT, 1947 - AMENDMENT OF SECTION 2(J) OF THE INDUSTRIAL
DISPUTES ACT, 1947.

3.1 The scope and coverage of the Industrial Disputes Act, 1947 have been the subject of discussion for quite some time. One of the contentious issues concerns the definition of the term "Industry".

3.2 The Hon'ble Supreme Court, in their judgement in the Bangalore Water Supply and Sewerage Board Vs. Rajappa (1978) case, gave a wide interpretation to "Industry" and observed that Government might restructure the definition of the term appearing in the I.D. Act through suitable legislative measures. Accordingly, attempts were made to redefine the term "Industry" to exclude inter-alia certain institutions/ activities such as Hospitals and Educational, Scientific, Research and Training Institutions from the purview of the I.D. Act in view of the exclusive character/needs of such institutions as distinct from other industrial/commercial undertakings.

3.3 The first attempt to revise the definition of "Industry" was made through the Industrial Relations Bill, 1978 which remained unsuccessful as the Bill lapsed before it could secure passage through Parliament. From the very beginning it was recognised that whereas Hospitals and Educational Institutions etc. had special and distinctive characteristics which rendered necessary to maintain in these institutions an atmosphere that eschewed strife and conflict, the employees engaged in these institutions nevertheless needed some form of legal protection. The Ministry of Law have also consistently advised that exemption from the purview of the I.D. Act can be granted only to such establishments as may have devised suitable alternative grievance redressal machinery for its employees. Accordingly, the Hospitals and Educational Institutions (Conditions of Service of Employees and Settlement of Employment Disputes) Bill of 1978 was introduced in Parliament concurrently with the Industrial Relations Bill of 1978. However, the Bill lapsed with the dissolution of the Lok Sabha.

3.4 Subsequently, the Industrial Disputes (Amendment) Bill, 1982 was introduced in the Lok Sabha to amend, inter alia, the definition of the term "Industry". The Government simultaneously introduced the Hospitals and Other Institutions (Settlement of Disputes) Bill, 1982 in the Rajya Sabha. Whereas, the former Bill was enacted, the Hospitals and Other Institutions (Settlement of Disputes) Bill was not pursued further because of opposition to various provisions of the Bill both inside and outside the Parliament. As a consequence thereof, the amended definition of the term "Industry" could not be brought into effect in the absence of alternative grievance machinery for employees in Hospitals, Educational Institutions, etc. who would have been denied the protection of the I.D. Act, 1947. Another attempt was made by introducing the Hospitals and Other Institutions (Redressal of Grievances of Employees) Bill, 1987 but the Bill lapsed with the dissolution of the Lok Sabha in 1989.

3.5 The revised definition of the term "Industry" contained in Section 2(j) of the I.D.Act as amended in 1982 excludes the following activities/establishments from the purview of the Act:

- (i) Any agricultural operation except where such agricultural operation is carried on in an integrated manner with any other activity and such other activity is the predominant one; or
- (ii) Hospitals or dispensaries; or
- (iii) Educational, scientific, research or training institutions; or
- (iv) Institutions owned or managed by organisations wholly or substantially engaged in any charitable, social or philanthropic service; or
- (v) Khadi or Village industries; or
- (vi) Any activity of the Government relatable to the sovereign functions of the Government including all the activities carried on by departments of the Central Government dealing with Defence Research, Atomic Energy and Space; or
- (vii) Any domestic service; or
- (viii) Any activity, being a profession practised by an individual or body of individuals, if the number of persons employed by the individual or body of individuals in relation to such profession is less than ten; or
- (ix) Any activity, being an activity carried on by a cooperative society or a club or any other like body of individuals, if the number of persons employed by the cooperative society, club or other like body of individuals in relation to such activity is less than ten.

3.6 The revised definition of "Industry" contained in Section 2(j) of the I.D.Act was to be made effective from the date of its Notification. As has been explained above, the revised definition has not been brought into effect for want of alternative grievance redressal machinery for the employees of establishments/undertakings who would be denied the protection of the I.D.Act.

3.7 Based on the recommendations of the Sanat Mehta Committee, the Government introduced the Trade Unions and Industrial Disputes (Amendment) Bill, 1988 in the Rajya Sabha. This Bill was not, however, taken up for consideration in Parliament because of opposition expressed against various provisions of the Bill. The matter was further discussed at the 29th session of the Indian Labour Conference held in April, 1990.

3.8 Accordingly, the Trade Unions and Industrial Disputes (Amendment) Bill, 1988 was withdrawn and a bipartite committee comprising representatives of Central Trade Union Organisations

and Employers' Organisations was constituted under the chairmanship of Sh. G.Ramanujam on May 8, 1990. The Ramanujam Committee furnished its proposals for the formulation of the New Industrial Relations Law in October, 1990. Based on the recommendations of the Ramanujam Committee and the discussions held thereon in various fora and taking into account the views of the Inter-Ministerial Group on Industrial Restructuring, specific proposals to amend the Industrial Disputes Act, 1947 and Trade Unions Act, 1926 have been formulated.

3.9 The recommendations of the Ramanujam Committee are not unanimous. Insofar as the definition of the term "Industry" in Section 2(j) of the I.D.Act is concerned, the Worker's group desired a broader definition of the term and recommended in effect that the 1982 amendment of the term "Industry" should be replaced. The Employers' Group on the contrary, felt that the 1982 amendment of the term should be enforced. With the exception of West Bengal, the Labour Ministers of Maharashtra, Tamilnadu, Uttar Pradesh and Andhra Pradesh headed by the then Minister of State for Coal and Labour were in favour of creating a separate grievance redressal machinery for doctors and teachers and for enforcing the 1982 amendment of the term "Industry".

3.10 As discussed above, the revised definition of the term "Industry" contained in Section 2(j) of the I.D.Act as amended in 1982 has not been brought into effect as no alternative grievance redressal machinery has yet been put in place for the protection of employees engaged in hospitals and educational, scientific, research or training institutions, etc. as advised by the Ministry of Law.

3.11 The National Dairy Development Board (NDDB) under the Ministry of Agriculture have been requesting Ministry of Labour to exempt small dairy cooperatives employing less than 10 workers from the purview of the I.D.Act, 1947. The matter was considered by the Empowered Committee under the chairmanship of the Cabinet Secretary on different occasions and Ministry of Labour was advised to seek the opinion of the Ministry of Law in the matter. Accordingly the matter was remitted to the Ministry of Law, seeking advice on the following points :

- (i) Ministry of Law may examine whether a conditional notification that will apply only in respect of institutions where an adequate grievance redressal machinery is established, can be issued;
- (ii) Ministry of Law may examine whether appropriate amendment to Section 2(j) of the I.D.Act can be made to the effect that the excluded categories could be notified together or individually. It may also be examined whether, in addition, an area specific notification can be issued for cooperatives.
- (iii) Another possibility which could be examined is to amend Section 36-B of the I.D.Act to enable State Governments to grant exemption in cases of cooperatives engaging less than 10 workmen, provided a grievance settlement mechanism is

established within the cooperative system in the State.

The Ministry of Law in their advice have categorically stated that:

the definition of 'Industry' under Section 2(j) of the I.D. Act has to be brought into force in its entirety and the definition cannot be bifurcated for the purpose of bringing its different parts into force on different dates. The Ministry of Law are also of the opinion that the question of further amending the definition itself for the purpose of notifying the various categories together or individually is a matter of policy. As regards area-wise Notification, Ministry of Law have stated that once a particular nature of institution is notified for the purpose of exclusion, then it may not be legally possible to discriminate other similar institutions in the area. The Ministry of Law have further opined that the question of amending Section 36-B of the I.D. Act for bringing cooperative societies engaging less than 10 workmen within the purview of that Section is also a question of policy.

3.12 In the case of NDDB it has been pointed out that the nature of the job in small dairy cooperative societies is such that its employees are engaged on part time basis for collecting milk supplied by the members of the society. Quite often the employees of the cooperative societies are themselves milk producers and their relationship with the management is manifold and not necessarily that which exists between an employer and employee. The procedures involved in handling matters relating to dispute resolution under the ID Act require knowledge of the relevant legal provisions. Under the ID Act every employee can be represented by a trade unionist who might be well-versed with the labour laws whereas the Chairman of the cooperative society, who may be an illiterate or semi-literate villager, is required to handle his case personally without any legal background.

3.13 A similar request for exemption from the purview of the I.D. Act has been made on behalf of Khadi and Village Industries.

3.14 In relation to Khadi and Village Industries (KVI), the High Powered Committee on KVI sector under the chairmanship of the Prime Minister has recommended that statutory notification may be issued for exemption of KVI from the purview of the ID Act. The main argument is that KVI artisans such as spinners, weavers, etc. are basically self-employed and the concerned KVI institutions are primarily functioning as agencies for providing escort services to such artisans in matters relating to supply of raw materials, marketing of their products, etc. and employer-employee relationship does not exist between KVI institutions and the artisans.

3.15 It may be pointed out that the Hospitals and other Institutions (Redressal of Grievances of Employees) Bill, 1987 sought to put in place an alternative grievance redressal machinery only for the exempted categories mentioned in items (ii), (iii), (iv), and (v) of Section 2 (j) of the ID Act. In

case of KVI the alternative grievances redressal machine was proposed only for institutions employing 10 or more persons. The Bill did not cover agricultural operations, activities carried out by the Government, domestic service, professional service or activities carried out by cooperative societies or clubs, etc. In fact, clause 19 of the 1987 Bill specifically excluded from its purview:-

- a) An establishment owned or controlled by Government; and
- b) Societies registered under the Societies Registration Act.

3.16 In other words, had the Hospitals and other Institutions (Redressal of Grievances of Employees) Bill, 1987 become an Act of parliament, both KVI institutions employing less than 10 workers as well as cooperative societies would have got excluded from the purview of the ID Act consequent upon notification of Section 2(j) of the Act without any alternative grievances redressal machinery for the employees of such institutions. The rationale of the 1987 Bill appears to have been to exempt certain activities/establishments from the purview of the ID Act where setting up of alternative grievance redressal machinery is either feasible or desirable.

3.17 There have been persistent demands from various quarters to enforce Section 2 (j) of the I.D. Act. But Section 2 (j) has remained on the statute book and repeated attempts to put in place an alternative grievance redressal machinery have remained unsuccessful. Ministry of Agriculture have suggested that for small dairy cooperatives of the NDDB, the State Cooperative Societies Acts or the Multi-State Cooperative Societies Act could be suitably amended to provide for an alternative grievance redressal machinery for cooperative societies. However, this will not meet the points raised by the Ministry of Law.

3.18 The alternative of amending Section 36-B of the I.D. Act has not been considered feasible. For one thing, Section 36-B in its present form may be applied only to industrial establishments or undertakings carried on by a Department of Government where an alternative grievance machinery is in place. So far no exemption has been granted under Section 36-B to any departmental undertaking and it is unlikely that dairy cooperative societies would be able to claim the exemption under this Section. The only viable solution appears to be to restructure the definition of "Industry" under Section 2 (j) of the ID Act.

3.19 An analysis of Section 2(j) of the ID Act would reveal that items (viii) & (ix) of the excluded categories read as under:-

- a) Any activity, being a profession practised by an individual or body of individuals, if the number of persons employed by the individual or body of individuals in relation to such profession is less than 10; and
- b) Any activity, being an activity carried on by a

cooperative society or a club or any other like body of individuals, if the number of persons employed by the cooperative society, club or other like body of individuals in relation to such activity is less than 10.

3.20 We have also seen that the Hospitals and Other Insitutions (Redressal of Grievance of Employees) Bill of 1987 sought, in effect, to exempt KVI institutions employing less than 10 persons from the purview of the ID Act. This would indicate that the intention of the law-makers was to exempt certain activities from the purview of the ID Act based on the nature of the activity and/or the number of persons employed. Based on this premise, it is proposed to discuss in the Indian Labour Conference the question of redefining the term "Industry" under Section 2 (j) of the ID Act by excluding from its purview the following activities/establishments:

- (i) Any agricultural operation employing less than 10 persons; or
- (ii) Hospitals or dispensaries employing less than 10 persons; or
- (iii) Educational, scientific, research or training institutions employing less than 10 persons; or
- (iv) Institutions owned or managed by organisations wholly or substantially engaged in any charitable, social or philanthropic service employing less than 10 persons; or
- (v) Khadi or Village Industries employing less than 10 persons; or
- (vi) Any activity of the Government relatable to the sovereign functions of the Government including all the activities carried on by Departments of the Central Government dealing with Defence Research, Atomic Energy and Space; or
- (vii) Any domestic service; or
- (viii) Any activity, being a profession practised by an individual or body of individuals, if the number of persons employed by the individual or body of the individuals in relation to such profession is less than ten; or
- (ix) Any activity, being an activity carried on by a cooperative society or a club or any other like body of individuals, if the number of persons employed by the cooperative society, club or other like body of individuals in relation to such activity is less than ten.

3.21 The above proposals would meet the requirements of both small dairy cooperative's of the NDDB and artisans in the KVI sector as well as similar small establishments, including domestic service, where setting up an alternative grievance

redressal machinery is found not feasible. It will also exclude from the purview of the ID Act such activities of the Government relatable to its sovereign functions including activities carried on by departments of the Central Government dealing with Defence Research, Atomic Energy and Space, etc.

ITEM 4 : SOCIAL SECURITY FOR UNORGANISED LABOUR

4.1 It has been observed that only about 10% constituting mostly workers in the organised sector of the 315 million workers in the country have been covered under social security schemes and there was a need to take stock of all such schemes with a view to extending coverage to large number of workers constituting the unorganised sector.

4.2 The Employees State Insurance Scheme and the Employees Provident Fund Scheme are contributory schemes applicable to the organised sector. Only the Workmen's Compensation Act is applicable to some sections of the labour in the unorganised sector, if their employment is not of a casual nature. Accordingly workers employed in tapping of palm trees, felling or logging of trees, farming by tractors etc., or in construction, working, repair or maintenance of tubewells, or in the construction, maintenance, repair or demolition of any building or dam or in construction of roads are covered for accident compensation. Almost all the State Governments and Union Territory Administrations have Old Age Pension Schemes. In a few States special pension schemes for agricultural workers have been in operation. A number of State Governments have pension schemes for destitutes and the physically handicapped. A Group Life Insurance Scheme for landless agricultural labourers has been introduced by the Central Government through Life Insurance Corporation in the year 1987. Another scheme for Life Insurance for Integrated Rural Development Programme (IRDP) beneficiaries came into force in 1988. The Central Government have constituted a Social Security Fund for certain unorganised categories (23 in number) under it and group schemes for weaker sections have been launched for sweepers, weavers, rickshaw pullers, construction workers, farmers, forest labourers, taxi drivers, blind workers, fishermen, porters, etc. The Personal Accident Insurance Social Security Scheme of the General Insurance Corporation (GIC) for poor families has been extended to all districts in the country in August, 1988. These Insurance Schemes are financed by the Government of India. In addition, the General Insurance Corporation (GIC) has introduced an insurance scheme for cattle and livestock agricultural pumpsets, failed wells, fire insurance cover for huts and belongings of landless labourers, small farmers, artisans and other poor people in rural areas, dwelling premises and other belongings of Integrated Rural Development Programme/National Rural Employment Programme beneficiaries. The Ministry of Labour are administering welfare funds for beedi workers, limestone, dolomite, iron, mica mine workers and cine workers to extend inter alia medical cover and group insurance for beedi workers. In some States e.g. Gujarat, Karnataka and Kerala, maternity benefit scheme has been introduced for landless agricultural women workers. Unemployment relief financial assistance have been provided in several States although the eligibility criteria, the duration and quantum of assistance differ in different States.

4.3 The National Commission on Rural Labour (1987-91) recommended the following minimum social security benefits as a matter of priority:

- (a) Old Age Pension : Old age pension at Rs.100 per month be paid to all males and females above age of 60 subject to income limits prescribed. Destitutes and handicapped persons, even if below the age of 60 may continue to be covered. The cost of the old age pension as drawn up is estimated to cost about Rs.1700 crore annually.
- (b) Life Insurance : The coverage under Personal Accident Insurance Social Security Schemes operated by GIC should be enlarged. Group life insurance schemes should be considered with the premium met by the State.
- (c) Maternity Benefit : All rural women above the age of 18 and belonging to families whose total annual income does not exceed Rs.6400 should be entitled up to a maximum of two live-births, maternity benefit for a period of 12 weeks for each birth and the amount of benefit should be at the daily minimum rates of wages for unskilled labour in agriculture. The total expenditure in a year for implementing the scheme of maternity benefit will be about Rs.460 crore.
- (d) Disability Benefit (Accident compensation) : Disability benefit in respect of all cases of loss of earning capacity of 70% or more, and not necessarily occupational or employment related, must be available on par with old age pension and subject to the same income criterion, to all the eligible persons between the ages of 18 and 60 years.
- (e) Minimum Health Care and Sickness Benefit : A scheme of sickness benefits, to compensate for loss of earning arising out of illness under which all rural persons within the age group 18 to 60 should, on hospitalisation in a recognised hospital, be entitled to the benefit for a maximum of 90 days, at the rate of the daily minimum wages for unskilled labour in agriculture. The benefit should be restricted to those from families whose annual income is less than Rs.6400.

4.4 It was estimated that three of the four major Social Security Schemes suggested by the Commission would cost nearly Rs.2700 crore.

4.5 An inter-ministry working group has been constituted with an objective to study all aspects (including effectiveness) of the existing social security and welfare measures available to workers in unorganised sector administered by the States and/or various Ministries/Deptts. of the Central Government and to recommend suitable model(s) for adoption by the Central/State Governments for providing effective access to social security and welfare measures for specific identified groups of unorganised workers. The main issues identified by the group include proper identification of individual beneficiaries; identification of the

package of benefits; identification of methods to involve participation and to generate sufficient awareness in the target beneficiary group; identification of sustained funding and suggested sharing between Central/State Governments as well as the beneficiaries; and a proper implementation mechanism. The report of the Group is expected shortly.

4.6 In the meetings taken by the Union Labour Minister on 11.8.94 and 17, 18.5.95 on the subject the following observations/conclusions were made :

- (a) There was need for the States to give better publicity for increasing coverage and identifying workers in the unorganised sector.
- (b) Awareness generation and decentralisation of delivery of benefits were essential for the success of any scheme and towards this end there was need for greater involvement of Panchyati Raj Institutions.
- (c) Initially, the benefit package could be limited to terminal benefits such as gratuity/ annuity/ pension or disablement benefits.
- (d) Other items such as medical benefits, maternity benefits and other welfare measures could be handled outside of the proposed integrated scheme through other welfare measures.
- (e) The element of sustainability and contribution by the beneficiaries had to be in-built in the schemes.
- (f) Social security schemes for unorganised classes of workers were desirable and could be introduced through expansion of existing social security schemes based on contributions from the employers and the beneficiaries themselves apart from Central and State Governments' support as may be available.

4.7 The Finance Minister during the course of his last budget speech has announced taking up of a new scheme, namely, the National Social Assistance Scheme (NSAS) for the poor which would benefit 14 million neediest families living below the poverty line. The scheme comprises of :

- (i) National Old Age Pension Scheme (NOAPS) under which pension @ Rs.75/- per month would be admissible to destitutes over 65 years of age (estimated expenditure Rs.484 crore benefitting over 53 lakh persons).
- (ii) National Family Benefit Scheme (NFBS) under which lump sum benefit of Rs.5000/- would be available to households below poverty line in the case of natural death and Rs.10,000/- in the case of

death due to accident of the primary bread winner of the family (estimated expenditure Rs.190 crore benefitting over 3.5 lakh households).

- (iii) National Maternity Benefit Scheme (NMBS) under which lump sum benefit of Rs.300/- would be available for first two live births to women belonging to households below the poverty line (estimated expenditure Rs.136 crore benefitting over 45 lakh women).

4.8 Besides the LIC has launched the Rural Group Life Insurance Scheme which provides insurance cover of Rs.5000/- in case of death of a member before 60 years of age on payment of a premium ranging from Rs.60-70 per year, to be implemented through elected Panchyats.

ITEM 5 : RESTRUCTURING OF NATIONAL VOCATIONAL TRAINING SYSTEM (NVTS)

PREAMBLE

5.1 National Vocational Training System (NVTS) in India, which has evolved its present status in more than four decades of operation under the Ministry of Labour, has come to occupy a prominent role in meeting the trained manpower needs of industry. The Directorate General of Employment & Training (D.G.E. & T.) in the Ministry of Labour is responsible for the development and organizing Vocational Training Programmes at various levels e.g., semi-skilled /skilled workers, technicians, supervisors, foremen, instructors and training managers in addition to the training of women as a special target group in the country, primarily to meet the trained manpower need of industries in the organised sector. Under NVTS, a large number of Industrial Training Institutes/Industrial Training Centres are functioning all over the country to meet the training requirements of potential industrial work force for which Central & State Governments are actively collaborating. Besides a large number of Govt. & non-Govt. agencies are also involved in organising training for different categories of personnel.

5.2 Under National Vocational Training System, two major schemes viz., Craftsmen Training Scheme (CTS) and Apprenticeship Training Scheme (ATS) meet the training need of industrial workforce at semi-skilled/skilled level. Under CTS, training is imparted to the school leavers through a network of about 2700 Industrial Training Institutes/Centres having a total seating capacity of about 4.5 lakhs covering 42 Engineering and 22 non-Engineering trades. In addition, with a view to imparting practical training in actual job situation to the passed out Craftsmen of the ITIs and also involving the industries to share the responsibility of developing skilled manpower for their own requirement, Apprenticeship Training Scheme was introduced in 1961 as an extension of the Craftsmen Training Scheme through Apprentices Act 1961. Under this scheme, about 138,000 trade apprentices undergo trade training annually in 132 trades in 218 specified industries in about 16,000 Industrial Establishments. These two major Schemes engage by far the largest number of trainees and are popular amongst school leavers in the pursuit of their career. Qualitative improvement in these schemes would significantly improve productivity in industrial production.

5.3 Development of the training schemes at the national level, particularly in the area of evolving policies, laying down standards and procedures, staff training etc. is the responsibility of DGE&T, whereas the day to day administration of Industrial Training Institutes /Apprenticeship Training in the state sector remains the responsibility of the State Governments/ Union Territory Administrations. Regional Directorates of Apprenticeship Training under DGE&T are responsible for the implementation of Apprenticeship Training Scheme in Central Sector. All the aspects of training of Vocational trainers, training of executives etc. are catered to by the field institutes functioning directly under the control of DGE&T.

5.4 In the formulation of policies, procedures and training standards etc. in the execution of Craftsmen Training, Apprenticeship training Schemes and other programmes, the Central Government is advised by two tripartite bodies viz., the National Council for Vocational Training (NCVT) and the Central Apprenticeship Council (CAC) which have representations from Government, Employers and Trade Unions. At the level of States/Union Territories, there are corresponding State Councils for Vocational Training (SCVT) and State Apprenticeship Councils (SAC) to advise State Govts. on Training matters. Recommendations of the Council are sent to respective State Govts. for decision.

WEAKNESSES IN THE SYSTEM

5.5 The system has its own strength and weaknesses. In regard to its strength, the schemes contribute to the stock of building skilled manpower, has national coverage, recognition even abroad, and capability to meet emerging requirements and introduce new schemes/programmes.

5.6 The following are the main deficiencies of the present NVTs.

- Since the training is supply oriented and not demand oriented the efficiency and effectiveness of the training is not up to the mark.
- Changing needs as a result of technological developments are not assessed in time.
- Curricula and syllabi are old and not revised in time.
- As a result of non-availability of adequate number of Basic Training Centres, a large number of trainees are not trained under ATS. Adequate number of Apprentices are not engaged in many trades i.e. in 90 out of 232 trades less than five hundred trainees have been engaged in each trade through out the country.
- System mainly caters to the organised sector of economy especially, the medium and large scale industries, but not to the small and un-organised sector.
- No follow up action is taken either by industries or by training institutes regarding post employment of trainees.
- In many states SCVTs & SACs have been more or less non functional and in some cases even non existent for a considerable length of time which has led to the inadequate monitoring & hence deterioration in the quality of training.
- Coverage of more trades having self employment potential.

Providing of Vice-Principal post at ITI's so that Principal is relieved from routine administrative work and is enable to pay adequate attention to training matters.

5.7 In view of the above, there is a need to restructure and strengthen the management system of NVTs as follows:

A. FORMATION OF ALL INDIA COUNCIL OF VOCATIONAL TRAINING (AICVT):

In December, 1994, various State Training Directorates were requested to send their comments on the proposal for setting up of an All India Council for Vocational Training (AICVT) by an Act of Parliament, on similar lines to that of All India Council of Technical Education (AICTE) as this would help in promoting and regulating Vocational Training in the Country. Comments from some of the States have been received and majority of them have favoured the idea of formation of AICVT replacing NCVT. The proposal is again being put up to NCVT scheduled to be held shortly. The AICVT is proposed to be a statutory body which would advise DGE&T on policy matters relating to Vocational Training and re-orient/strengthen NVTs management system.

B. RESTRUCTURING THE FUNCTIONS OF THREE DGE&T INSTITUTES AND TRADE TESTING SYSTEM

- (i) The activities of CSTARI, Calcutta, a Nodal Institute in the field of research and policy advice, central information and documentation services, and executive staff training, would be restructured to meet the requirements of NVTs.
- (ii) The role of CIMI, Madras would be enlarged to cover all training schemes, as far as development of curricula & instructional media is concerned. Development of Question Bank will also be undertaken by CIMI, Madras.
- (iii) Setting up of a new Nodal Institute for Instructor training to develop and disseminate training norms, curricula & instructional material relating to instructors training.
- (iv) Establishment of a statutory Trade Testing and Certification Board to strengthen and modernise the existing system at DGE&T (HQ) and Trade Testing Centres in the field.

5.8 All the above mentioned three nodal institutes are proposed to be autonomous ones so as to ensure functional flexibility and demand oriented service delivery and thereby strengthening the NVTs.

SUMMARY POINTS FOR DELIBERATIONS:

5.9 The Indian Labour Conference may kindly consider the following issues as have been stated above:

- (i) Formation of a statutory All India Council for Vocational Training (AICVT) on similar lines as All India Council for Technical Education (AICTE) or on the pattern of CSIR/ICAR-a comparative statement of the patterns of structure of these organisations will be supplied at the time of the meeting.
- (ii) Restructuring the functions of two DGE&T Institutes, namely, CSTARI Calcutta & CIMI, Madras as autonomous organisations.
- (iii) Setting up of a Nodal Institute for Instructors Training as an autonomous body.
- (iv) Establishment of a statutory Trade Testing and Certification Board.

ITEM 6 : RESTRUCTURING OF EMPLOYMENT EXCHANGES

6.1 The Directorate General of Resettlement and Employment - now known as Directorate General of Employment & Training (DGE&T) in the Union Ministry of Labour was created in July, 1945 with the objective of training and resettlement of exservicemen. After Independence, the scope of its function was widened to include training and resettlement of displaced persons. The Government of India threw open the Employment Service to all employment seekers in early 1948 in response to ever increasing public demand. This resulted in enormous increase in its workload. As the organisation had been hurriedly set up to tackle the emergent problem of resettlement of released war service personnel and displaced persons, it was required to be restructured to function as an effective machinery for placement and training of the job-seekers. As a result, this Service has undergone several organisational changes from time to time. At present development of these programmes at the national level, particularly in the area of evolving uniform policies, laying down of common standards and procedures, training of officers and evaluation of the programmes is the responsibility of the Central Government (DGE&T). The day-to-day administration of the Employment Exchanges on the other hand, rest with the respective State Governments/Union Territory Administrations.

6.2 The Employment Service has functioned all through these years within the conceptual frame work of the ILO Convention No.88 on Organisation of Employment Service (1945). This service has gradually expanded and at the end of December, 1994 there was a network of 891 Employment Exchanges including University Employment Information and Guidance Bureaux (UEI&GBx). Till December, 1994 about 367 lakh job-seekers were awaiting job assistance from the Employment Exchanges.

6.3 Its present functions cover registration and placement of job-seekers, providing vocational and occupational information, collection and dissemination of Employment Market Information (EMI). In order to provide quick and better service both to job-seekers and employers, the computerisation of Employment Exchanges was initiated through a Centrally Sponsored scheme in 1986-87 by the DGE&T and with effect from 1992-93, the scheme was transferred to the State Governments in view of the decision taken by the National Development Council.

6.4 In the recent past, there has been a considerable debate over the relevance of the Employment Service as it is functioning today as an effective instrument of public service in the field of employment in the context of prevailing and emerging labour market scenario. The Employment service is thus now at cross roads trying to carve out useful role for itself in the changed environment. Now that the emerging economic scenario indicates that we have to live with the vast unorganised labour market, it is felt that the Employment Service must accept its enhanced role and pay greater attention to gathering and dissemination of comprehensive labour market information, employment promotion and vocational guidance and shifting away from the excessive emphasis on registration and placement activity in the organised sector only. It would be relevant, if the Employment Service makes its contribution to planning and employment management by providing

reliable data-base on the labour market process and skill needs by assuming the role of co-ordinating promotional activities by various agencies. This can be achieved more effectively if the Employment Exchanges are made nodal/specific agency for all self employment promotion schemes and are also considered for renaming as Employment Promotion Centres or something similar to be in tune with the new role.

6.5 The Employment Market Information (EMI) programme covering the organised sector of the economy was initiated more than 30 years ago. Initially it covered all public sector establishments and non-agricultural establishments in the private sector employing 25 or more persons i.e., establishments coming within the purview of the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959. Since March, 1966, non-agricultural establishments in the private sector employing 10 to 24 persons (except establishments in metropolitan areas of Bombay and Calcutta) are also being covered on a voluntary basis. The EMI programme suffers from criticism of lack of comprehensiveness of the Employers Register and inadequate coverage. The Central Government has formulated a Centrally sponsored scheme to provide staff to the EMI Units depending on the size of the Employers' Register so that the EMI programme could be made more comprehensive. The EMI programme presently is also inadequate with regard to unorganised sector and its relationship with the formal sector. This aspect could also be one of the major areas for studies. The pace of computerisation of Employment Exchanges is expected to help in quick release of data in the years to come.

6.6 Vocational guidance has become one of the most important ingredients of the Employment Service in the present economic scenario. During the past 40 years, the vocational guidance component of the Employment Service has not expanded substantially as at present out of 891 Employment Exchanges, the Vocational Guidance Units are functioning in only 314 Employment Exchanges. Even the existing Units are not properly equipped to provide effective and meaningful vocational guidance as these Units are still using the age old method of providing guidance. This part of the Service needs to be taken care of by providing trained manpower to render effective guidance, particularly when there is a long queue of registered job-seekers with the Employment Exchanges to seek job assistance. The strength of Vocational Guidance Units need to be linked and determined on the basis of Live Register. In the present age of modernisation, it is necessary to exploit the usage of audio-visual aids to provide meaningful vocational guidance to the job-seekers. Usage of such aids can also help to provide direct guidance to candidates on self-employment ventures as well.

SUMMARY POINTS FOR DELIBERATION

6.7 In the light of what has been stated above, the Indian Labour Conference may kindly consider the following points:-

- i) Renaming the Employment Exchanges as Employment Promotion Centres or something in tune with its new role.

- ii) To consider Employment Exchanges as nodal/specific agency for all self-employment Promotion Schemes.
- iii) To bring qualitative improvement in the Employment Market Information data to make it more useful for the planners.
- iv) Usage of audio-visual aids to render vocational guidance.

ITEM 7 : DISCUSSION ON THE PARTICIPATION OF WORKERS' IN
MANAGEMENT BILL, 1990

7.1 In accordance with the 1975 amendment of the Constitution under the Chapter on Directive Principles of State Policy, successive schemes for Workers' Participation in Management were introduced and taken up for implementation. Keeping in view the shortcomings of the various schemes implemented from time to time and also the experience gained in this regard Government decided to give legislative cover to the concept. Accordingly, the participation of Workers in Management Bill, 1990 was drawn up and introduced in the Rajya Sabha in May, 1990. This evoked a large number of notices for amendment of various provisions of the Bill, which has not yet been taken up for consideration by the Rajya Sabha. In 1994, the Bill was remitted to the Parliamentary Standing Committee on Labour and Welfare for examination and report. Following a preliminary hearing the Parliamentary Standing Committee has suggested that Government may review the Bill keeping in view the need for incorporating necessary amendments in the context of the changing socio-economic scenario of the country.

7.2 It is, therefore, proposed that the provisions of the Bill, alongwith the notices for amendment received from the Members of Parliament, may be examined by the Indian Labour Conference and the Government's position with reference to the Bill formulated on the basis of the tripartite examination and review. A copy each of (i) background note on the Participation of Workers in Management Bill, 1990 (ii) the Bill as introduced in the Rajya Sabha and (iii) The consolidated list of Notices of amendment given by the Members of Parliament is enclosed.

7.3 The Indian Labour Conference is requested to consider the matter and offer their valuable suggestions.

BACKGROUND NOTE ON THE PARTICIPATION OF WORKERS IN MANAGEMENT BILL, 1990

1. The rationale of labour participation in management lies not only in the support it gives for raising productivity and promoting industrial peace but also in creating a sense of involvement of the workers in the enterprise. In 1975 the Constitution was amended and Article 43A was inserted in the Directive Principles of State Policy. This Article provided that "the State shall take steps by suitable legislation or in any other way to secure the participation of workers in the management of undertakings, establishments or other organisations engaged in the industry."

2. Scheme of Workers' Participation in Management (1975)

In accordance with the 1975 amendment in the Constitution, the scheme of Workers' Participation in Management in manufacturing and mining industries was formulated in 1975. The Scheme was meant for implementation at shop and plant levels and covered only those manufacturing and mining units which employed 500 or more workers. The Scheme was required to be implemented in both public and private sectors as well as in departmentally run units. Shop and Plant levels were assigned specific functions relating to production and productivity, management of waste, reduction of absenteeism, safety, maximising machine and manpower utilisation etc.

The scheme did not lay down norms for the nomination of representatives to the participative councils. This made for considerable confusion. It was left to the management to work out an acceptable formula for representation to the councils. Providing for flexibility in the nomination of representatives seemed to make matters more difficult, except where a single union was the dominant union and interested in such bipartite functioning.

3. Scheme of Workers' Participation in Management (1977)

Two years later, commercial and service organisations with 100 or more employees were brought within the purview of a participative scheme, broadly similar to the 1975 scheme. It was applicable to institutions like Hospitals, P&T, Railways and State Electricity Boards. While both the 1975 and 1977 schemes generated considerable enthusiasm initially, with a large number of organisations constituting such forums, after 1979 there was a sharp decline. Various problems surfaced. Apart from the perennial controversy about the criteria for determining representation to the participative forums, the exclusion of grievance redressal, the restriction to consideration of only work-related issues, the inadequate sharing of information, the lack of a supportive participative culture, the indifference of management, the involvement of second rung union officialdom etc. contributed in different ways to the ineffective functioning of any forums and their subsequent closure.

4. Comprehensive scheme for Employees' Participation (1983)

In December, 1983, following a review of the progress of participative schemes in industry, a new scheme was prepared and notified.

This scheme was applicable to all central public sector enterprises, except those specifically exempted. It envisaged constitution of bipartite forums at shop and plant levels. In enterprises considered suitable, it was also to be implemented at the Board level. The mode of representation of workers' representatives was to be determined by consultation with the concerned unions, and parity in representation between the management and unions continued to be the norm.

The scheme brought within the ambit of the councils a wider spread of work-related issues. At the plant level, the council could discuss issues relating to personnel, welfare, environment and community development, plant operations and functioning, and also take up financial matters relating to profit and loss statements, balance sheets, operating costs, plant financial performance, labour and managerial costs etc.

5. The Participation of Workers in Management Bill, 1990

Keeping in view the shortcomings of the various schemes implemented from time to time and also the experience gained in this regard, the Government decided to review the concept of workers' participation in its entirety and to evolve a fresh approach to make workers' participation in management more effective and meaningful. A stage had been reached when some kind of a legislative back-up was thought to be necessary to make further progress in the matter.

The Participation of Workers in Management Bill was, therefore, drawn up and introduced in the Rajya Sabha on May 30, 1990.

6. A copy of the Bill is attached as Annexure I.

7. The main features of the proposed Bill are as follows :

- (i) The law will determine the basic framework and structure of workers' participation while the details will be specified in one or more schemes to be framed by the Central Government under the law.
- (ii) The law will cover all the industrial establishments or undertakings as defined under the Industrial Disputes Act, 1947. However, the Central Government will have the power to notify the classes of industrial establishments to which the Act will apply with reference to the date specified in the notification. Different dates may be appointed for different provisions of the Act and for different classes of industrial establishments.

- (iii) The Bill envisages representation of workmen in forums at the levels of shop floor, establishment and in the Board of Management and also of other workers in the Board of Management.

A worker means any person employed in any industrial establishment to do any manual, unskilled, skilled, technical, operational, clerical, supervisory, managerial or administrative work for hire or reward.

A workman means any worker but does not include any such worker -

- (a) who is employed mainly in a managerial or administrative capacity, or
- (b) who, being employed in a supervisory or administrative capacity, draws wages exceeding rupees one thousand six hundred per mensem or exercises, either by the nature of the duties attached to the office or by reason of the powers vested in him, functions mainly of a managerial nature.
- (iv) The Bill provides for formulation of one or more schemes to be framed by the Central Government for giving effect to the provisions of the law which will include, among others, the manner of representation of workmen at all the three levels and of other workers at the Board level, nomination of representatives of employers on the shop floor and establishment level councils, procedure to be followed in the discharge of the functions of the Councils, etc.
- (v) The Central Government will be responsible for enforcing the law in all cases where the Central Government is the appropriate Government under the I.D. Act, 1947 and also in enterprises where the Central Government holds 51% or more of the paid up share capital. In the remaining cases, the responsibility for enforcement will be that of the State Government.
- (vi) Workers' Participation in management is envisaged at three levels - the shop floor level, the industrial establishments level (popularly known as plant level) and the Board of Management level.
- (vii) At the shop floor level and the industrial establishment level, bipartite councils are to be constituted by the employers with equal number of workmen's representatives and employers' representatives.
- (viii) The persons to represent the workmen in the councils at the shop floor and at the plant level shall be elected by and from among the workmen of

the industrial establishment by secret ballot or nominated by the registered trade unions in accordance with the scheme.

- (ix) The subject matters to be discussed at shop floor level and industrial establishment level have been specified in the schedules.
- (x) At the board of Management level, the persons representing workmen shall constitute 13% and the persons representing other workers shall constitute 12% of the total strength of the Board of Management.
- (xi) The persons to represent the workmen on the Board of Management shall be elected by and from among the workers of the industrial establishment or establishments by secret ballot or nominated by the registered trade unions in accordance with the provisions of the scheme.
- (xii) The persons to represent the other workers on the Board shall be elected by and from among the other workers of the industrial establishment or establishments by secret ballot in accordance with the scheme.
- (xiii) Contravention of any provision of the Bill or the scheme made thereunder would entail punishment with imprisonment for a term which may extend to two years or with fine which may extend to twenty thousand rupees, or with both. The proposed law also provides for the appointment of inspectors by the appropriate Government for the purpose of this Act.
- (xiv) The Bill further provides that a Monitoring Committee comprising equal number of members representing the appropriate Government, the workers and the employers may be constituted by the appropriate Government to review and advise them upon matters which arise out of the administration of this Act, any scheme or any rules made thereunder.
- (xv) The appropriate Government will also make rules to carry out the provisions of the proposed legislation.

8. The Bill could not come up for detailed consideration in the Rajya Sabha. Notices for amendment to the Bill were, however, received from several members of the Rajya Sabha. These notices have been consolidated and attached as Annexure II.

Bill No. XXVIII of 1990

THE PARTICIPATION OF WORKERS IN MANAGEMENT BILL, 1990

▲

BILL

to make provisions for the participation of workers in the management of undertakings, establishments or other organisations engaged in any industry and to provide for matters connected therewith or incidental thereto.

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

1. (1) This Act may be called the Participation of Workers in Management Act, 1990.

Short title,
extent
and
commen-
cement.

5 (2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, after giving not less than three months' notice of its intention so to do, by notification, appoint and different dates may be appointed for different provisions of this Act and for different classes of industrial 10 establishments.

2. In this Act, unless the context otherwise requires,—

Defini-
tions.

(a) "appropriate Government" means,—

(i) in relation to an industrial establishment—

(1) in respect of which the appropriate Government under the Industrial Disputes Act, 1947, is the Central Government,

(2) carried on by a company in which not less than fifty-one per cent of the paid-up share capital is held by the Central Government,

(3) owned by a body corporate having industrial establishments in more than one State, 5
the Central Government, and

(ii) in relation to any other industrial establishment, the Government of the State in which that other establishment is situate;

(b) "Board of Management", by whatever name called, means 10
a body which is entitled to exercise all or any of such powers and to do all or any of such acts and things as the body corporate is authorised, by law under which it is incorporated, to exercise and do in relation to the industrial establishment or establishments owned by it; 15

(c) "Council" means a Shop Floor Council or an Establishment Council constituted under section 4;

(d) "notification" means a notification published in the Official Gazette;

(e) "other worker" means a worker other than a workman; 20

(f) "prescribed" means prescribed by rules made by the appropriate Government;

(g) "Scheme" means a scheme framed under section 3;

(h) "shop floor" means a unit of an industrial establishment where any activity severable from other activities is carried out at 25
a single place or contiguous places;

(i) "worker" means any person employed in any industrial establishment to do any manual, unskilled, skilled, technical, operational, clerical, supervisory, managerial or administrative work for hire or reward, whether the terms of employment be express or 30
implied, but does not include any such person—

(i) who is subject to the Air Force Act, 1950, or the Army 45 of 1950.
Act, 1950, or the Navy Act, 1957; or 46 of 1950.
62 of 1957.

(ii) who is employed in the police service or as an officer 35
or other employee of a prison;

(j) "workman" means any worker but does not include any such worker—

(i) who is employed mainly in a managerial or administrative capacity, or

(ii) who, being employed in a supervisory or administrative 40
capacity, draws wages exceeding rupees one thousand six hundred per mensem or exercises, either by the nature of the duties attached to the office or by reason of the powers vested in him, functions mainly of a managerial nature;

(k) words and expressions used but not defined in this Act and defined in the Industrial Disputes Act, 1947 shall have the meanings respectively assigned to them in that Act.

3. The Central Government may, by notification, frame one or more schemes for giving effect to the provisions of this Act.

Participation of workers in Management Schemes, Constitution of Councils.

4. (1) There shall be constituted in every industrial establishment one or more Councils at the shop floor level and a Council at the establishment level in accordance with the provisions of the Scheme.

(2) Notwithstanding anything contained in sub-section (1), Councils at the shop floor level shall not be constituted in an industrial establishment having only one shop floor.

(3) Each Council at the shop floor level (hereinafter in this Act referred to as the "Shop Floor Council") and Council at the establishment level (hereinafter in this Act referred to as the "Establishment Council") shall consist of equal number of persons to represent the employer and the workmen.

(4) The appropriate Government shall, in consultation with the employer and after taking into account the following factors, namely:—

- (a) total number of workmen in the shop floor or industrial establishment;
- (b) total number of representatives of the employer including the other workers in the shop floor or establishment;
- (c) the number of levels of authority in the shop floor or establishment;
- (d) the number of shop floors in an establishment; and
- (e) such other factors as may be specified in the Scheme,

determine the number of persons who shall represent the employer and the workmen in a Council.

(5) The persons to represent the employer shall be nominated by the employer in such manner as may be specified in the Scheme.

(6) The persons to represent the workmen shall be elected by, and from amongst, the workmen of the industrial establishment, by secret ballot or nominated by the registered Trade Unions, in accordance with the Scheme;

Provided that a person representing the workmen shall cease to be a member of the Council when he ceases to be a workman in that industrial establishment and the vacancy so caused shall be filled in such manner as may be specified in the Scheme.

(7) The Chairperson of each Shop Floor Council and Establishment Council shall be chosen by, and from amongst, the members thereof.

(8) The term of office of the members of each Council shall be three years from the date of the constitution of the Council.

(9) The procedure to be followed in the discharge of their functions by and the manner of filling vacancies amongst, the Chairpersons and other members of the Councils shall be such as may be specified in the Scheme.

(10) The Shop Floor Councils and Establishment Council shall meet 5
as and when necessary but not less than four meetings of a Council shall be held every year.

(11) Every Council shall conduct its business in such manner as may be specified in the Scheme:

Provided that in a case where a matter under consideration is beyond 10
the jurisdiction of—

(a) a Shop Floor Council, the said matter shall be referred to the Establishment Council;

(b) an Establishment Council in relation to a body corporate, the said matter shall be referred to the Board of Management: 15

Provided further that in a case where the representatives of the employer and the representatives of workmen fail to agree on any matter, such matter shall be referred to the employer for decision.

Powers
and
functions
of
Councils.

5. (1) A Shop Floor Council shall exercise such powers and perform such functions as it may deem necessary in relation to the matters specified in Schedule I. 20

(2) An Establishment Council shall exercise such powers and perform such functions as it may deem necessary in relation to the matters specified in Schedule II:

Provided that where no Shop Floor Council is constituted, the Establishment Council shall exercise such powers and perform such functions as it may deem necessary in relation to the matters specified in Schedule I also. 25

Board of
Management.

6. (1) Notwithstanding anything contained in any other law for the time being in force, the Board of Management of every body corporate owning an industrial establishment or establishments shall include persons to represent workmen and other workers employed in that establishment or those establishments and the persons representing workmen shall constitute thirteen per cent. and the persons representing other workers shall constitute twelve per cent. of the total strength of such Board of Management: 30 35

Provided that in case of a fraction of a number, such number shall be rounded off to the nearest whole number and, for this purpose, where such fraction is one-half or more, it shall be increased by a whole number and if such fraction is less than one-half, it shall be ignored: 40

Provided further that where the total strength of the Board of Management is not sufficient for giving representation to any workman, the Board of Management shall include at least one such person. 45

(2) The persons to represent the other workers shall be elected by, and from amongst, the other workers of the industrial establishment or establishments, by secret ballot, in accordance with the Scheme.

(3) The persons to represent the workmen shall be elected by, and from amongst, the workmen of the industrial establishment or establishments, by secret ballot, or nominated by the registered Trade Unions, in accordance with the Scheme.

5 (4) The term of office of the representatives of the workers shall be three years from the constitution of the Board of Management:

Provided that a person representing the workmen or, as the case may be, other workers shall cease to be a representative on the Board of Management when he ceases to be a workman or other worker in an industrial establishment owned by the body corporate and the vacancy
10 so caused shall be filled in such manner as may be specified in the Scheme.

(5) For the removal of doubts, it is hereby declared that every representative of the workers shall exercise all the powers and discharge all the functions of a member of the Board of Management and shall be
15 entitled to vote.

(6) The Board of Management shall review the functioning of each Shop Floor Council and the Establishment Council of the industrial establishment or establishments concerned.

7. If any person contravenes any of the provisions of this Act or the
20 Scheme made thereunder, he shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twenty thousand rupees, or with both. Penalty.

8. (1) If the person committing an offence under this Act is a company, every person who, at the time the offence was committed, was
25 in charge of, and was responsible to, the company for the conduct of business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly. Offences by companies.

Provided that nothing contained in this sub-section shall render any
30 such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is
35 proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary, or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and
40 punished accordingly.

Explanation.—For the purposes of this section,—

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm.

Cognizance
of offences.

9. No court shall take cognizance of any offence punishable under this Act save on a complaint made by or under the authority of the appropriate Government.

Inspectors.

10. (1) The appropriate Government may, by notification, appoint such persons as it thinks fit, to be Inspectors for the purposes of this Act and may define the limits within which they shall exercise their jurisdiction. 5

(2) An Inspector appointed under sub-section (1) may, for the purpose of ascertaining whether any of the provisions of this Act has been complied with,— 10

(a) require an employer to furnish such information as he may consider necessary;

(b) enter any establishment or any premises connected therewith at any reasonable time and with such assistance, if any, as he thinks fit, and require any one found in charge thereof to produce before him for examination any books, registers and other documents relating to the employment of persons; 15

(c) examine with respect to any matter relevant to any of the purposes aforesaid, the employer, his agent or servant or any other person found in charge of the establishment or any premises connected therewith or any person whom the Inspector has reasonable cause to believe to be or to have been a worker in the establishment, 20

(d) make copies of, or take extracts from any book, register or other document maintained in relation to the establishment;

(e) exercise such other powers as may be prescribed. 25

(3) Every Inspector shall be deemed to be a public servant within the meaning of the Indian Penal Code. 45 of 1860.

(4) Any person required to produce any account, book, register or other document or to give information by an Inspector under sub-section (1) shall be legally bound to do so. 30

Monitoring
Commit-
tees.

11. (1) The appropriate Government may constitute a Monitoring Committee to review and advise the said Government upon matters arising out of the administration of this Act, any Scheme or any rules made thereunder.

(2) The members of the Monitoring Committee shall be appointed by the appropriate Government and shall be of such number and chosen in such manner as may be prescribed: 35

Provided that the Monitoring Committee shall include an equal number of members representing—

(i) the appropriate Government, 40

(ii) the workers, and

(iii) the employers

(3) The Chairperson of the Monitoring Committee shall be one of the members appointed to represent the appropriate Government, nominated in this behalf by the appropriate Government.

(4) The appropriate Government shall publish, by notification, the names of the members of the Monitoring Committee.

12. The appropriate Government may, by order in writing, exempt, subject to such conditions and restrictions as it may think fit to impose, any employer or class of employers from all or any of the provisions of this Act.

Power to exempt.

10 13. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law.

Effect of provisions of the Act inconsistent with other laws.

14. (1) The appropriate Government may, by notification, make rules to carry out the provisions of this Act.

Power of appropriate Government to make rules.

(2) Without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely:—

(i) the powers which an Inspector may exercise under clause (e) of sub-section (2) of section 10;

(ii) the number of the members of the Monitoring Committee and the manner in which they shall be chosen under sub-section (2) of section 11;

(iii) any other matter which has to be, or may be, prescribed under this Act.

15. (1) Every rule and every Scheme made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or the Scheme, or both Houses agree that the rule or the Scheme should not be made, the rule or the Scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or Scheme.

Laying of rules and Schemes.

(2) Every rule made by the State Government under this Act shall be laid, as soon as may be after it is made, before each House of the State Legislature, where it consists of two Houses, or where such Legislature consists of one House, before that House.

16. Section 3 of the Industrial Disputes Act, 1947 shall be omitted.

Amendment of Act 14 of 1947.

SCHEDULE I

(See section 5)

1. Production facilities.
2. Storage facilities in a shop.
3. Material economy.
4. Operational problems.
5. Wastage control.
6. Hazards and safety problems.
7. Quality improvement.
8. Cleanliness.
9. Monthly targets and production schedules.
10. Cost reduction programmes.
11. Formulation and implementation of work system.
12. Design group working.
13. Welfare measures related particularly to the shop

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SCHEDULE II

(See section 5)

Operational areas

1. Evolution of productivity schemes taking into account the local conditions.
2. Planning, implementation, fulfilment and review of monthly targets and schedules.
3. Material supply and its shortfall.
4. Storage and inventories.
5. House keeping.
6. Improvements in productivity in general and in critical areas in particular.
7. Encouragement to and consideration of suggestions.
8. Quality and technological improvements.
9. Machine utilisation knowledge and development of new products.
10. Operational performance figures.
11. Matters not resolved at the shop-level or concerning more than one shop.
12. Review of the working of the shop-level bodies.

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Economic and financial areas

1. Profit and loss statement and balance-sheet.
2. Review of operating expenses, financial results and cost of sales.
3. Plant performance in financial terms, labour and managerial costs, market conditions, etc.

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Personnel matter

1. Absenteeism.
2. Special problems of women workers.
3. Initiation and supervision of workers' training programmes.
4. Administration of social security schemes.

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Welfare areas

1. Operational details.
2. Implementation of welfare schemes, medical benefits and transport facilities.
3. Safety measures.
4. Sports and games.
5. Housing.
6. Township administration, canteen, etc.
7. Control of gambling, drinking and indebtedness.

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Environmental areas

1. Extension activities and community development projects.
2. Pollution control.

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STATEMENT OF OBJECTS AND REASONS

Article 43A of the Constitution requires the State to take steps, by suitable legislation or in any other way, to secure the participation of workers in the management of undertakings, establishments or other organisations engaged in any industry. So far, all the schemes pertaining to participation of workers in management have been non-statutory. At present, there is no central law on the subject. The non-statutory schemes have not been able to provide an effective frame-work for a meaningful participation of workers in management at all levels.

2. This Bill, *inter alia*, intends to—

(i) provide for specific and meaningful participation of workers in management at shop floor level, establishment level and board of management level in industrial establishments;

(ii) provide for formulation of one or more schemes to specify detailed *criteria*, such as, the manner of representation of workmen on the shop floor and establishment level councils, and of workmen and other workers on the Board of Management nomination of representatives of the employers on the shop floor and establishment level councils, procedure to be followed in the discharge of the functions by a council, the manner of filling the vacancies amongst the chair-persons and members in respect of shop floor and industrial establishment councils and conducting their business, etc;

(iii) provide for the principle of secret ballot for determining the representation of workmen on the shop floor and establishment level councils and of workmen and other workers on the Board of Management.

(iv) provide for rules to specify the power which an Inspector may exercise, the number of members of the Monitoring Committee and the manner in which they shall be chosen, etc.

3. The Bill seeks to achieve the above objects.

NEW DELHI;
The 25th May, 1990.

RAM VILAS PASWAN.

FINANCIAL MEMORANDUM

Under the Participation of Workers in Management Bill, 1990, the Central Government is the appropriate Government for the administration of its provisions in relation to an industrial establishment in respect of which the appropriate Government under the Industrial Disputes Act, 1947 is the Central Government. The Central Government is also the appropriate Government in relation to an industrial establishment carried on by a company in which not less than fifty-one per cent. of the paid up share capital is held by the Central Government and in relation to an industrial establishment owned by a body corporate having industrial establishments in more than one State. For other establishments, the State Government in which such other establishments are situated is the appropriate Government. Clause 10(1) providing for appointment of Inspectors and clause 11 providing for constitution of Monitoring Committee involve expenditure on the part of the Central Government as the appropriate Government.

2. The Participation of Workers in Management Bill, 1990 is an enabling legislation and is to be applied at all the three levels, that is, shop floor level, industrial establishment level and board of management level. The Central Government is the appropriate Government in respect of large number of industrial establishments as defined in the Industrial Disputes Act, 1947. Hence, for the present, it is proposed to appoint the existing officers of Central Industrial Relations Machinery as Inspectors under the Act. Therefore, no additional expenditure is proposed to be incurred under this item.

3. The Monitoring Committee may meet once in a year or at any other suitable interval as may be specified and may undertake tours to different parts of the country to review and advise the State Governments upon matters arising out of the administration of this Act, any Scheme or any rules made thereunder. It is not possible at this stage to quantify the recurring expenditure likely to be incurred in connection with the meetings of the Committee. A token provision of Rs. 5.00 lakhs for the financial year 1990-91 has been made.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 3 empowers the Central Government to frame one or more schemes by notification for giving effect to the provisions of this Act. Since a scheme will have to specify, among other matters, the manner of representation of workmen on the shop floor and industrial establishment level councils and of workmen and other workers on the Board of Management, nomination of the representatives of the employers on the shop floor and industrial establishment level councils and also will lay down the procedure to be followed in the discharge of the functions of the members at all levels and the manners of filling vacancies among chairpersons and members, the framing of a scheme will, therefore, require consultation with and advice of the relevant Ministries or Departments of the Central Government, State Governments and Union territories. It would, therefore, be convenient to delegate these powers to the Central Government.

2. Clause 12 empowers the appropriate Government to make rules, by notification, to carry out the various provisions of this Act on matters relating to the powers of Inspectors, manner in which the members of the Monitoring Committee will be chosen and any other matter which may be prescribed under the Act. Since the rules to be made under this clause would be of a very detailed nature and would be made after thorough examination, it would be convenient to delegate this power to the appropriate Government.

3. The matters in respect of which the rules may be made under clause 13 are essentially matters of details and procedure. The delegation of legislative powers is thus of a normal character.

ANNEXURE

EXTRACT FROM THE INDUSTRIAL DISPUTES ACT, 1947

(14 OF 1947)

* * * * *

CHAPTER II

AUTHORITIES UNDER THIS ACT

3. (1) In the case of any industrial establishment in which one hundred or more workmen are employed or have been employed on any day in the preceding twelve months, the appropriate Government may by general or special order require the employer to constitute in the prescribed manner a Works Committee consisting of representatives of employers and workmen engaged in the establishment so however that the number of representatives of workmen on the Committee shall not be less than the number of representatives of the employer. The representatives of the workmen shall be chosen in the prescribed manner from among the workmen engaged in the establishment and in consultation with their trade union, if any, registered under the Indian Trade Unions Act, 1926.

Works Committee.

(2) It shall be the duty of the Works Committee to promote measures for securing and preserving amity and good relations between the employer and workmen and, to that end, to comment upon matters of their common interest or concern and endeavour to compose any material difference of opinion in respect of such matters.

* * * * *

RAJYA SABHA

BILL

to make provisions for the participation of workers in the management of undertakings, establishments or other organisations engaged in any industry and to provide for matters connected therewith or incidental thereto.

RAJYA SABHA
NOTICE OF AMENDMENTS

THE PARTICIPATION OF WORKERS IN MANAGEMENT BILL, 1990
(As introduced in the Rajya Sabha)

(To be moved at a sitting of the Rajya Sabha)

(CLAUSE - I)

BY PROF. CHANDER P. THAKUR :

1. That at page 1, line 3, for the word "workers" the word "employees" be substituted.

BY SHRI AJIT P.K. JOGI :

2. That at page 1, line 3 for the word "workers" the words "workers and employees" be substituted.

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN :

3. That at page 1, for lines 6 to 10, the following be substituted, namely:

"(3) it shall come into force on such date as the Central Government may, by notification, appoint."

BY DR. JINENDRA KUMAR JAIN :

4. That at page 1, for lines 6 to 10, the following be substituted, namely

"(3) It shall come into force at once".

BY SHRI AJIT P.K. JOGI :

5. That at page 1, for lines 6 to 10, the following be substituted, namely:-

"(3) It shall be deemed to have come into force on the 1st day of August, 1990".

BY SHRI V. NARAYANASAMY :

6. That at page 1, for lines 6 to 10, the following be substituted namely:-

"(3) It shall come into force on the date of notification issued by the Central Government for all industrial establishments".

BY SHRI SANTOSH BAGRODIA

7. That at page 1, for lines 6 to 10, the following be substituted, namely:-

"(3) It shall come into force after one year from the date of notification issued by the Central Government for all industrial establishments."

BY SHRI SURESH PACHOURI :

8. That at page 1, for lines 6 to 10, the words "It shall come into force with immediate effect" be substituted.

BY SHRI SANTOSH BAGRODIA :

9. That at page 1, line 7, for the words "three months" the words "one year" be substituted.

CLAUSE - 2

BY SHRI VIREN J. SHAH :

10. That at page 2, lines 12 to 15, for the words "the body corporate is authorised, by law under which it is incorporated, to exercise and do in relation to the industrial establishment owned by it" the words "may be delegated by Board of Directors" be substituted.

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN :

11. That at page 2, lines 20 to 22, be deleted.

BY SHRI. S. MADHAVAN :

12. That at page 2, lines 41-42, the words "draws wages exceed in rupees one thousand six hundred per mensem or" be deleted.

13. That at page 3, after line 3, the following be inserted, namely:-

"(1) industrial establishment means an industry involving manufacturing activities in which one thousand or more workers are employed."

BY SHRI SANTOSH BAGRODIA :

14. That at page 3, after line 3, the following be inserted, namely:-

"(1) industrial establishment means an industry involving manufacturing activities in which one thousand or more workers are employed."

15. That at page 2, lines 10 to 15 be deleted.

16. That at page 2, for lines 24-26 the following be substituted, namely:-

"(h) 'Shop floor' means a floor or floors of an industrial establishment where any activity or activities of similar nature severable from other activities of that industrial establishment are carried out at a single place or contiguous places."

Explanation No.1 : The services rendered by auxilliary departments exclusively to any production department will be deemed as one shop floor relating to that production department only.

Explanation No.2 : Any clarification given by the officer appointed by the appropriate Government shall be final to decide as to whether certain activities will be deemed under one shop floor or not."

BY SHRI SANTOSH BAGRODIA
SHRI SURESH PACHOURI :

17. That at page 2, lines 41-42 for the words "one thousand six hundred" the words "two thousand five hundred" be substituted.

CLAUSE - 3

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN :

18. That at page 3, lines 4-5, for the words "one or more schemes" the words "a scheme" be substituted.

BY SHRI VIREN J. SHAH :

19. That at page 3, line 5, after the words "this Act" the words "in consultation with the organisations of workers and employers" be inserted.

BY SHRI N.E. BALARAM
SHRI GURUDAS DAS GUPTA
SHRI CHATURANAN MISHRA :

20. That at page 3, line 4, after the word "may" the words "after consultation with Central Trade Unions" be inserted.

BY SHRI SANTOSH BAGRODIA :

21. That at page 3, line 5, after the words "this Act" the words "in consultation with the organisations of workers and employees" be inserted.

CLAUSE - 4

BY PROF. CHANDRESH P. THAKUR :

22. That at page 3, line 6, for the words "Industrial establishment" the word "organisation" be substituted.

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN

23. That at page 3, line 18, after the word "employer" the words "and the workers" be inserted.

BY SHRI V. NARAYANSAMY :

24. That at page 4, line 18, for the words "to the employer for decision" the words "to the Joint Committee comprising of employer and workmen representative for decision" be substituted.

BY SHRI VIREN J. SHAH
SHRI S. MADHAVAN

25. That at page 3, line 33, the words "or nominated by the registered Trade Unions" be deleted.

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN

26. That at page 3, line 36, for the words "ceases to be a workman" the words "retires or resigns from service" be substituted.

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN

27. That at page 3, after line 38, the following provisions shall be inserted, namely:-

"provided further that the representative of the executive shall be proportion to their strength among the workers;

provided also that a suspended, discharged, terminated or dismissed workers whose case is in dispute will be treated as worker for the purpose of this Act."

28. That at page 3, line 40, after the word "thereof" the words "in such manner that workers and employers representatives shall be elected by rotation" be inserted.

29. That at page 4, lines 16 to 18 be deleted.

BY SHRI SANTOSH BAGRODIA :

30. That at page 3, line 33 the words "or nominated by the registered Trade Unions" be deleted.

BY SHRI SURESH PACHOURI :

31. That at page 4 line 6 for the word "four" the word "two" be substituted.

32. That at page 4 line 6 for the word "four" the word "twelve" be substituted.

33. That at page 4, lines 6-7 for the word "four meetings of a Council" the words "one meeting of a council shall be held in every quarter of a year" be substituted.

34. That at page 3, line 7, for the words "one or more Councils at the shop floor level" the words "one Council at one shop floor level" be substituted.

35. That at page 3, line 11, after the words "shop floor" the words "and an industrial establishment having maximum 4 shop floors may be exempted to constitute shop floor level Councils provided permission to this effect is obtained in writing from the appropriate Government who is satisfied that the Council at establishment level shall be enough to do the work of shop floor level also" be inserted.

BY SHRI SURESH PACHOURI :

36. That at page 4, line 18, for the words "such matter shall be referred to the employer for decision" the words "such matter shall be referred to Monitoring Committee" be substituted.

37. That at page 3, after line 33, the words "or nominated by the registered Trade Unions" be deleted.

BY SHRI SURESH PACHOURI :

38. That at page 3, after line 38, the following proviso be inserted, namely :-

"provided further that one seat in the Council shall be reserved for a lady workman"

39. That page 3, after line 38, the following proviso be inserted, namely :-

"provided further that to represent the workmen, it is mandatory to be a member of some registered trade unions and only such trade unions shall represent the workmen, the membership of which is not less than twenty percent of the total strength of workmen and that if any person after having been elected as representative of workman, is removed from service, he can represent workmen, if he so desires, after he ceases to be a workman."

BY SHRI SANTOSH BAGRODIA :

40. That at page 3, line 40 for the words "the member thereof" the words "the member nominated by the employer" be substituted.

BY SHRI SURESH PACHOURI :

41. That at page 3, lines 41-42, for the words "three years" the words "five years" be substituted.

BY SHRI SANTOSH BAGRODIA :

42. That at page 3, line 42, after the words "the Council" the words "unless and until 3/4 members of the existing Council resign voluntarily and demand the reconstitution of any particular Council" be substituted.

BY SHRI CHATURANAN MISHRA :

43. That at page 3 and 4, lines 35 to 38 and 10 to 18 respectively be deleted.

CLAUSE - 6

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN :

44. That at page 4, line 32, the words "workmen and other" be deleted.

45. That at page 4, line 33, for the word "workmen" the word "workers" be substituted.

46. That at page 4, line 34, for the word "thirteen" the word "fifty" be substituted.

47. That at page 4, lines 34-35, for the words "other workers" the word "executives" be substituted.

BY SHRIMATI SUSHMA SWARAJ :

48. That at page 4, -

(i) line 34, for the words "thirteen per cent." the words "twenty six percent" be substituted.

(ii) line 35, for the words "twelve per cent" the words "twenty four per cent" be substituted.

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN :

49. That at page 4, line 35, for the words "twelve per cent" the words "proportionate to the strength in the establishment" be substituted.

50. That at page 4, line 42, for the word "workman" the word "worker" be substituted.

51. That at page 4, after line 43, the following proviso be inserted, namely :

"Provided also that on the Board of Management an office bearer of a union shall be treated as a worker."

52. That at page 4, lines 44-45, for the words "other workers" wherever they occur, the word "executives" be substituted.

53. That at page 5, for line 1 to 4, the following be substituted, namely :

"(3)(a) wherever the trade unions and functioning of executive associations in an industrial establishment/undertaking the persons to represent the workers shall be nominated by registered trade unions/ executive associations in proportion to their strength reflected through secret ballot.

(b) Wherever the trade unions/officers Associations are not functioning in an industrial establishment or establishments, the workers shall be elected by and from amongst the workers in the establishment by secret ballot."

BY SHRI VIREN J. SHAH
SHRI S. MADHAVAN
SHRI V. NARAYANASAMY :

54. That at page 5, line 3, the words "or nominated by the registered Trade Unions" be deleted.

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN :

55. That at page 5, lines 7-8, for the words "the workmen or, as the case may be, other workers" the words "the worker or as the case may be, the executive" be substituted.

56. That at page 5, line 9, for the words "ceases to be a workman or other worker" the words "resigns or retires from his service or ceases to be a member of the union/officer association, as the case may be" substituted.

BY SHRI N.E. BALARAM
SHRI GURUDAS DAS GUPTA
SHRI CHATURANAN MISHRA :

57. That at page 4, line 34, for the words "thirteen percent." the words "twenty percent." be substituted.

58. That at page 5, line 6, for the words "three years" the words "two years" be substituted.

BY SHRI SANTOSH BAGRODIA :

59. That at page 5, line 3, the words "or nominated by the registered Trade Unions" be deleted.

60. That at pages 4-5, clause 6 be deleted.

61. That at page 5, line 3, the words "or nominated by the registered Trade Unions" be deleted.

BY SHRI SURESH PACHOURI :

62. That at page 5, after line 4, the following proviso be inserted, namely :

"provided that to represent the workmen, it is mandatory to be a member of some registered trade unions and only such trade unions shall represent the workmen the membership of which is not less than twenty percent of the total strength of workmen and that if any person, after having been elected as representatives of workmen, is removed from the service can represent workmen, if he so desires, even after he ceases to be a workman."

63. That at page 5 after line 4, the following proviso be inserted, namely :

"provided that one seat in the Board of Management shall be reserved for a lay workman."

64. That at page 5, line 6, for the words "three years" the words "five years" be substituted.

BY SHRI SANTOSH BAGRODIA :

65. That at page 4, line 36, after the words "Board of Management" the words "excluding the representatives of workmen and other workers" be inserted.

BY SHRI CHATURANAN MISHRA :

66. That at page 5, for lines 1 to 4, the following be substituted namely :

"(3) Wherever the trade unions/organisations of employees exist in an industrial establishment/undertakings, the person to represent the workers shall be nominated by the Trade Unions/other employees organisations in proportion to their strength reflected through secret ballot within their respective quota."

CLAUSE - 7

BY SHRI VIREN J. SHAH :

67. That at page 5, line 20, after the words "made thereunder" the words "wilfully or with malafide intent" be inserted.

BY SHRIMATI SUSHMA SWARAJ :

68. That at page 5, lines 21-22, the words "or with fine which may extend to twenty thousand rupees, or with both" be deleted.

BY SHRI SANTOSH BAGRODIA :

69. That at page 5, line 20, after the words "made thereunder" the words "wilfully or with malafide intent be inserted.

CLAUSE - 8

BY SHRI VIREN J. SHAH :

70. That at page 5 - (i) after line 28, the following proviso be inserted namely :

"provided that where a separate official/director has been authorised to discharge matters relevant for purposes of this Act, only such person shall be deemed to be guilty of the offence.

(ii) Line 29, after the word "Provided" the word "further" be inserted.

BY SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN :

71. That at page 5, line 44, after the word "partner" the words "or a proprietor" be inserted.

CLAUSE - 9

BY SHRI S. MADHAVAN

72. That at page 6, line 3, after the words "appropriate Government" the words "or by the elected representatives of the workers under this Act" be inserted.

CLAUSE - 10

BY SHRI VIREN J. SHAH :

73. That at page 6, line 8, after the word "may" the words "on prior authorisation of a superior officer of not less than the rank of Labour Commissioner" be inserted.

BY SHRI SANTOSH BAGRODIA :

74. That at page 6, line 8, after the word "may" the words "or prior authorisation of a superior officer of not less than the rank of Labour Commissioner" be inserted.

75. That at page 6, lines 28 to 30, be deleted.

CLAUSE - 11

BY SHRI SURESH PACHOURI :

76. That at page 7, after line 5, the following be inserted, namely :

"(5) the annual report of Monitoring Committee shall be laid as soon as possible by the appropriate Government before each House of Parliament or State legislature, as the case may be, where it consists of two Houses or where such legislature consists of one House, before that House however the said report shall essentially be required to be laid before the expiry of ensuing financial year".

CLAUSE - 12

BY SHRI S.S. AHLUWALIA
SHRI SUKOMAL SEN
SHRI SUNIL BASU RAY
SHRI MOHAMMED AMIN
PROF. CHANDRESH P. THAKUR
SHRI V. NARAYANASAMY

77. That at page 7, clause 12 be deleted.

CLAUSE - 15

BY SHRI SANTOSH BAGRODIA

78. That at page 7, line 24, the words "as soon as may be after it is made" be deleted.

79. That at page 7, lines 25-28, the words "while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the Session immediately following the session or the successive sessions aforesaid" be deleted.

80. That at page 7, line 31, the word "thereafter" be deleted.

81. That at page 7, lines 32-34, the words "so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or scheme" be deleted.

82. That at page 7, line 38, after the words "that House" the words "if house or houses, as the case may be, agree in making any modification in the rule or agree that the rule should not be made, the rule shall be of effect only in such modified form or be of no effect as the case may be" be inserted.

83. That at page 9, lines 1 to 5, be deleted.

SCHEDULE - II

BY SHRI VIREN J. SHAH :

84. That at page 9, lines 1 to 5 be deleted.

BY PROF. CHANDRESH P. THAKUR :

85. That at page 9, after line 5, the following be inserted, namely :

"4. Wages, salaries and other benefits of employees".

BY DR. JINENDRA KUMAR JAIN :

86. That the Bill to make provisions for the participation of workers in the management of undertakings, establishments or other organisations engaged in any industry and to provide for matters connected therewith or incidental thereto, be referred to a Select Committee of the Rajya Sabha consisting of the following members (names to be given at the time of moving the motion) with instructions to report by the last day of the next Session of the Rajya Sabha.

BY SHRI S.S. AHLUWALIA :

87. That the Bill to make provisions for the participation of workers in the management of undertakings, establishments or other organisations engaged in any industry and to provide for matters connected therewith or incidental thereto, be referred to a Joint Committee of the Houses consisting of 30 members; 10 members from this House (names to be given at the time of moving the motion) and 20 members from the Lok Sabha;

That in order to constitute a meeting from the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

That in other respects, the Rules of Procedure of this House relating to Select Committees shall apply with such variations and modifications as the Chairman may make;

That the Committee shall make a report to this House by the end of the 157th Session of the Rajya Sabha and

That this House recommends to the Lok Sabha that the Lok Sabha do join in the said Committee and communicate to this House the names of members to be appointed by the Lok Sabha to the Joint Committee.

BY SHRI KAPIL VERMA :

88. That the Bill to make provisions for the participation of workers in the management of undertakings, establishments or other organisations engaged in any industry and to provide for matters connected therewith or incidental thereto, be referred to a Joint Committee of the House consisting of 30 members; 10 members from this House (names to be given at the time of moving the motion) and 20 members from the Lok Sabha;

That in order to constitute a meeting of the Joint

Committee, the quorum shall be one-third of the total number of members of the Joint Committee;

That in other respects, the Rules of Procedure of this House relating to Select Committee shall apply with such variation and modifications as the Chairman may make;

That the Committee shall make a report to this House by the first day of the next Session, and

That this House recommends to the Lok Sabha that the Lok Sabha do join in the said Committee and communicate to this House the names of members to be appointed by the Lok Sabha to the Joint Committee.

BY SHRI AJIT P.K. JOGI :

89. That the Bill to make provisions for the participation of workers in the management of undertakings, establishments or other organisations engaged in any industry and to provide for matters connected therewith or incidental thereto, be referred to a Joint Committee of the Houses consisting of 30 members; 10 members from this House (names to be given at the time of moving the motion) and 20 members from the Lok Sabha;

That in order to constitute a meeting of the Joint Committee, the quorum shall be one-third of the total number of members of the Joint Committee;

That in other respects, the Rules of Procedure of this House relating to Select Committees shall apply with such variations and modifications as the Chairman may make;

That the Committee shall make a report to this House by the first day of the next Session; and

That this House recommends to the Lok Sabha that the Lok Sabha do join in the said Committee and communicate to this House the names of members to be appointed by the Lok Sabha to the Joint Committee.