THIRTY FIFTH SESSION OF THE INDIAN LABOUR CONFERENCE

(NEW DELHI : APRIL 3-4, 1999)

AGENDA

MINISTRY OF LABOUR
GOVERNMENT OF INDIA
NEW DELHI
# THIRTY-FIFTH SESSION OF THE INDIAN LABOUR CONFERENCE

*(NEW DELHI: APRIL 3 - 4, 1999)*

## AGENDA

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THIRTY-FIFTH SESSION OF THE
INDIAN LABOUR CONFERENCE
(NEW DELHI)

AGENDA

ITEM 1: ACTION TAKEN ON THE CONCLUSIONS OF
34TH SESSION OF INDIAN LABOUR
CONFERENCE HELD ON 18-19 DECEMBER, 1997
AND ON PENDING CONCLUSIONS OF PREVIOUS
SESSIONS OF THE INDIAN LABOUR
CONFERENCE.

CONCLUSIONS

34TH SESSION OF I.L.C.

i) The ILC regretfully observes
the decline in observance of the
ethos and culture of tripartism both
at the Central and State levels and
adopted a Resolution to this effect.
The ILC further noted with
concern the absence of
participation of Ministers from
concerned Ministries/Deptts in the
ILC. It was decided that the next
meeting of the Standing Labour
Committee at the Central level
would devote itself to a full length
discussion on this subject.

ACTION TAKEN

* The observation of the
Conference has been brought to the
notice of concerned Ministers vide
letter dated 23.3.98.

* A copy of the Resolution and
conclusions of I.L.C. have been sent
to Labour Secretaries of all
States/U.Ts., with a request to hold
meetings of tripartite committees in
their respective States regularly
vide letter dated 6.2.98.

* The Labour Minister has also
requested Labour Ministers of all
State/U.Ts. on 31.7.98 to review the
position and to ensure regular meetings and follow up action for implementation of the recommendations of tripartite committees in their respective states.

* An item on "Tripartism in India" was discussed in the 35th Session of S.L.C. held on 6.2.1999.

The observations of the ILC have been communicated to the concerned Central Ministries and Departments.

ii) The ILC observes that there are a number of Issues like basic education, employment, industrial sickness, discharge of statutory dues of workers by industrial enterprises etc. which vitally affect the interests of the working class and their family members and yet the Ministry of Labour does not have any major say in the decision making process involving these vital areas which rests with other Ministries/Departments. The ILC recommends that there should be a much closer involvement of the Ministry of Labour in the decision making process obtaining in various Central Ministries/Departments on matters relating to the genuine interests and concerns of the working class.

iii) The ILC observes the decline in the status of the Ministry of Labour over the years in terms of adequacy of budgetary support for proper implementation of Central and Centrally sponsored Schemes as also assistance to the States/UT's

For the Ninth Five Year Plan, the allocation for the Ministry of Labour is of the order of Rs.792.12 crores (Rs.672 crores domestic budgetary support & Rs.120.12 crores Foreign Aid). The outlay for 1997-98 was Rs.192.10 crores and
for implementation of various plans and programmes, strengthening of the machinery of conciliation and labour law enforcement etc. by way of modernisation as also expansion according to norms and proper orientation and training of the functionaries and made a recommendation to this effect.

iv) The ILC recommends that such decline should be arrested and the Ministry of Labour should be restored to its proper status in terms of the areas as stated above. The various constraints inhibiting smooth functioning of the Ministry should be identified and correctives found to improve the effectiveness in its functioning.

v) The ILC observes that even though ten points listed in the Common Minimum Programme of the UF Government which are of interest and relevance to the Ministry of Labour were announced as early as June, 1996 and these were subjected to close monitoring and co-ordination, the pace and progress of implementation of these points have not been altogether satisfactory. It calls upon the Ministry of Labour to make sincere efforts in collaboration with other concerned Ministries/ Deptts. to carry these points to their logical conclusion without further delay and within a prescribed time frame.

for the year 1998-99 it was Rs.198.00 crores. The outlay for the year 1999.2000 is Rs.130 crores. The decline is primarily because of less requirement of funds on foreign aided projects and to the completion of World Bank Aided Vocational Project on 31.12.1998

-Noted-

The latest position with regard to the points in the CMP of United Front Govt. concerning Ministry of Labour is given in Annexure-I.
vi) The ILC observes that ministerial and official delegations from some of the Ministries are deputed abroad to participate in negotiations which have a vital bearing on labour. All such delegations should be tripartite with full involvement of Ministry of Labour and representatives of social partners with a view to doing justice to the genuine interests and concerns of labour.

vii) The ILC observes that over the last fifty years or so, a large number of labour laws have been enacted at the Central and State level. Several provisions of these laws have become either obsolete or redundant in the light of the fast and sweeping changes taking place. The ILC, therefore, recommends creation of an appropriate mechanism for review, simplification, and rationalisation of labour laws with a view to removing all irritants and stumbling blocks as also antiquated provisions which have lost their relevance. The mandate for the mechanism should be time bound and result oriented in its operation and should aim at suitable codification of labour laws.

The Labour Minister has requested the Minister for Commerce & Minister for Industry to ensure that the observations of I.L.C. are kept in mind while constituting delegations for deputation abroad to participate in negotiations which have a vital bearing on labour.

Labour Laws have been examined at various levels, as explained below:-


(ii) On the direction of the Cabinet Secretary and subsequently from Prime Minister who required that a review of all laws, regulations and procedures should be taken up in the Ministry and recommendations should be forwarded to the Commission for legal reforms under the administrative control of the
Ministry of Law, a Departmental Committee was set up which examined the important labour laws and gave its recommendations on the ID Act, Contract Labour (Regulation & Abolition) Act, Sales Promotion Employees Act, Payment of Bonus Act, Interstate Migrant Workmen (Regulation of Employment and Conditions of Service) Act etc. Separately the Ministry also examined a number of legislations like the Minimum Wages Act, 1948. Payment of Wages Act, 1936, Factories Act, Mines Act, the Beedi Workers Welfare Fund Cess Act, 1976 & the Child Labour (Prohibition & Abolition) Act, 1986 etc. Amendments to these legislations have been proposed and some of the proposals are at an advanced stage of consideration.

(iii) Finally, Government have decided to set up the National Commission on Labour which will also go into, among other things, the question of relevance of existing labour legislation in the context of globalisation etc. and suggest amendments, wherever necessary.

viii) The ILC observes that there is more than one factor which contributes to industrial sickness. It recommends that all efforts should be made to detect in time the incidence of industrial sickness and take preventive measures to arrest
such sickness. It, further observes that large number of proceedings involving sick industrial undertakings in the public and private sector are kept pending before the BIFR for years and most of these cases end up in liquidation and very few by way of revival. BIFR is a creature of SICA, 1985. The ILC observes that there are several provisions in SICA which adversely affect the interests of industry and labour. There is no provision in SICA, 1985 according primacy and centrality to workers' statutory dues. The ILC recommends that these should be identified and correctives provided. It recommends that the provisions of the SICA Amendment Bill or the new Bill which will replace SICA altogether should be finalised only after an in-depth tripartite discussion through the ILC.

ix) The ILC notes the strong feelings of some of the State Governments in regard to the difficulties which have arisen on account of interpretation of the latest judgement of the Supreme Court dated 6-12-96 in Air India Statutory Corporation of India Vs United Labour Union on the definition of the Appropriate Government. According to this interpretation the Central Government will be the Appropriate Government in respect of all Central Public Sector while amending SICA Bill. The Banking Division of Ministry of Finance has since circulated a draft Cabinet Note on proposals for amending SICA. As part of the comments on the Note, the Ministry of Labour have suggested measures in the interest of labour. Any further suggestions/recommendations on amendments of SICA made in tripartite forum like the ILC will be likewise emphasised to the Banking Division.

A Notification delegating powers of the Central Govt. as 'appropriate government' to the State Governments, has been issued on 3.7.98.
Undertakings under Section 2(1)(a) of the I.D. Act. It was felt that this interpretation has serious implications in terms of adequacy of the labour law enforcement machinery, law and order overtones etc. The ILC, therefore, observes that either a review petition should be filed before the Supreme Court or the powers of the Central Government as the Appropriate Government could be delegated to the State Government.

x) The ILC observes the serious consequences which have followed as a result of closure of large number of industrial, commercial and mining establishments under the orders of the Supreme Court on the ground that they were pollutant and their activities were prejudicial to protection and conservation of environment. This has created a serious dislocation for sizeable number of retrenched and displaced industrial workers many of whom happened to be inter state migrant workers. The ILC recommends that the implications of such orders should be closely studied and steps taken to provide legal and administrative relief and succour to the retrenched and displaced industrial workers. The ILC recommends that such measures need to be taken by involving workers and their representatives in environment policy planning at the stage of

A statement on the latest status regarding relocation of industries received from the Government of NCT of Delhi is enclosed as Annexure-II.
setting up of the enterprise as would prevent recurrence of such closure on grounds of environment incongruence.

xi) The ILC recommends that the scope and ambit of the Central Advisory Committee under Equal Remuneration Act, 1976 should be enlarged to advise the Government on measures for providing and expanding employment opportunities for women as also for reviewing steps taken for effective implementation of the Act. The Committee should be reconstituted and should hold its meeting within three months.

xii) The ILC recommends that the recommendations of the Fifth Pay Commission pertaining to welfare of women employees should be implemented.

xiii) The ILC observes that even though the Ex-Prime Minister of India had addressed demi-officially Chief Ministers of all State Governments/ U.T.s as early as November, 1996 with a clear direction that minimum wage in respect of scheduled employments should be fixed at Rs.35/-, and above and no State Government/employer of the scheduled

The Central Advisory Committee on Equal Remuneration has been reconstituted. The meeting of the Committee was held on 5.2.1999.

The matter was taken up with the Department of Personnel and Training. They have informed that recommendations relating to enhancement of maternity leave and grant of paternity leave and posting of husband and wife at the same station have been accepted and necessary orders issued.

The States/UT's where the Minimum rates of Wages are still below Rs.35/- per day in respect of any scheduled employments, have again been requested to implement this recommendation at an early date. Further, the Prime Minister again addressed a letter to all Chief Ministers informing them that the floor level rate may be revised to Rs.40/- per day and that in no
employments should pay minimum wages below Rs.35/-, this has not been implemented and up-to-date feedback on the status of fixation, review and revision of minimum wages was not forthcoming from all States/UTs. The ILC also notes with concern that minimum rates of wages in many States/UTs even now was below Rs.35/-. It, therefore, exhorts all State Governments to review and revise minimum rates of wages in respect of all scheduled employments and send accurate, authentic and up-to-date feedback on the prevailing rates of wages notified by them in respect of scheduled employments.

xiv) The ILC records its appreciation for the good work done by the officers of the CIRM for conducting inspections of EPZ Units at Kandla, Vizag, Calcutta, Chennai and Bombay and in reporting the prevailing conditions obtaining in those EPZ Units. This matter should be pursued further with the concerned State Governments.

xv) The ILC expresses its concern over the non-cooperation from the Government of Uttar Pradesh in regard to inspection of EPZ Unit at NOIDA.

scheduled employment, minimum wages be fixed below Rs.40/- per day.

Ministry of Labour issued instructions on 20.3.1998 to the Labour Departments of the concerned States Govts. to get the units located in Export Processing Zones inspected again during the current year and the respective RLCs were asked to forward the reports of inspections to the Ministry and to the CLC(C)'s office.

The brief on inspection reports of the EPZs, where inspections have been conducted for the year 1998 is given below:-

EPZ Noida:

Joint team of the Labour Deptt. of
U.P., ALC(Central), New Delhi and Joint Development Commissioner of NEPZ visited the NEPZ. There are about 70 factories in the NEPZ and about 60 of them were found working. Out of these 60 operational factories 48 were inspected by the teams from 21.9.98 to 24.9.98. All the establishments so inspected had been registered under Factories Act and these establishments were inspected under Factories Act, M.W.Act, P.W.Act and E.R.Act. The total No. of workers employed in these factories was 8085 including 1444 female employees. Out of these, 1148 workers names were not found on rolls. The inspecting team detected 970 cases of less payments. 10 Factories have got Certified Standing Orders. Wherever irregularities have been detected, the State Labour Deptt. has started necessary action.

EPZ Chennai:

Inspections were conducted by the Chief Inspector of Factories and Inspector of Factories, on various dates in respect of 16 Factories. All the 16 factories were registered under Factories Act and licences issued to them. All the factory workers were being paid wages for approved holidays. During the course of inspections, it was observed that in certain ready-made garment industries, some
workers are being paid overtime wages, for less no. of hours than entitled. The overtime wages are paid at double the normal rates of wages. Certain factories have obtained exemptions/permissions to engage workers beyond the normal working hours. A Creche is provided and maintained by the Export Promoters & Manufacturers Association within the area and utilised by the women workers on payment of subscription. Canteen facilities are available in some of the factories. In other factories, where violation in respect of provision of canteen was observed, show cause notice had been issued for non-provision of the rest room and dining room in the establishment. In other factories where the facilities are not provided/maintained, show cause notices have also been launched against them.

Regular inspections were carried out from 8.10.98 to 10.10.98 and during the course of such inspections, no workers' children were found engaged in any of the factories. However, some adolescents were found engaged in the production process and inspection reports were issued and it was found that the adolescents were in possession of valid certificates from Authorised Medical Practitioners. The workers were being paid monthly wages
before the 7th of every month.

Wherever inspections are conducted, inspection reports are being issued and on the basis of the compliance reports received from the occupiers, warning notices have been issued. In respect of the factories, where compliance reports have not been received, prosecutions have been launched.

EPZ Vishakhapatnam:

Assistant Labour Commissioner(C) & LEO(C) of Central Govt. together with Asstt. Commissioner of Labour, State Govt., Hyderabad visited the EPZ Vishakhapatnam on 10.10.98. They inspected 5 establishment, under C.L.(R&A) Act, M.W. Act and E.R. Act, covering 908 employees. One of the establishments had got its standing orders certified. And two of the five establishments so visited had not yet been operational. The State Labour Deptt. has initiated necessary action wherever irregularities have been detected.

EPZ Kandla:

ALC(C), Adipur alongwith the officers of the Gujarat State Labour Department inspected the industrial units in EPZ Kandla on 15 & 16 October, 1998. As per the report submitted by the ALC(C), there are 99 units in the EPZ and
the total number of workers employed in these units is 8,650. Almost all the units in the EPZ have been declared as Public Utility Service under the I.D. Act by the State Government.

It was observed during the inspection that many units especially the garment and plastic industries were not paying minimum wages to the workers. Some garment units have provided transport facility to their workers but the transportation charges of Rs.400/- to 500/- per month are deducted from the salaries of the workers. Though all the units are covered under IE (Standing Orders) Act, it was found that only two units were having certified Standing Orders. The offices of the State Labour Department have been regularly inspecting the units in the EPZ and are filing prosecutions in respect of non-compliance of the labour laws. An amount of Rs.2,47,143/- has been disbursed to 671 workers under the Minimum Wages Act during the preceding 12 months.

EPZ FALTA, Calcutta

Twenty one Industrial units in Sector-1 and Sector-2 at Falta EPZ are in existence. The statutory minimum wages are being enforced in the employments covered under the Minimum Wages Act. There
are employments in the EPZ for which neither the work/process is covered under the schedule nor the minimum wages are enforced through normal schedule of inspections regularly. Whenever less payment is detected the payment of minimum wages is enforced.

Almost in every industrial unit one day in a week is observed as a weekly holiday. The normal working hours of the workers are as per statutory provision i.e. eight hours a day and the spread over is 9-10 hours. This is also within the statutory permissible spread over in the industry.

A number of industrial establishments situated at EPZ are covered under IESO Act. But none is reported to have either submitted draft standing orders or got it certified by the certifying Officer so far.

As regard health, safety and welfare it is reported that Chief Inspector of Factories. Government of West Bengal is enforcing the statutory provision in this regard through their Inspectors.

State Labour Department, West Bengal, is enforcing the provisions of ID Act, M.W. Act, P.W. Act, ER Act, CL(R&A) Act, Child Labour
(Prohibition & Regulation) Act, 1986 and House Rent Allowance Act. The enforcement is done through normal schedule of inspections.

EPZ Cochin

The Industrial Units located in Export Processing Zones, Cochin were inspected by the State Labour Department from 13 to 18.5.98. There are 37 Industrial Units in the EPZ and the total Labour force employed in these units is 4990. The officers of the State Labour Department visited 7 units out of 37 during the period maintained above. The establishments were inspected under M.W. Act and Kerala Industrial Establishments (National and Festival) Holidays Act. In all the Units inspected cases of non-payment of minimum rates of wages were detected. However, the officers of the State Governments have not filed any case for non-payment. The violation have been brought to the notice of Government Commissioner (CEPZ) on 19.5.1998 and he has been requested for rectification of the irregularities noticed by the State Labour Inspectors.

EPZ Mumbai

The Santa Cruz Electronics Export Processing Zone (SEEPZ) was
inspected by a team of officers of the Labour Department, Government of Maharashtra on the 9th and 10th February, 1999. ALC(C), LEO(C) Mumbai and Trade Union Leaders were associated during the inspections. The team inspected 12 Industrial Units engaged in manufacture of electronic devices. The establishments have employed workmen regarding from 8 to 1,396. The establishment were inspected under the following enactments.

Minimum Wages Act, CL(R&A) Act, P.W. Act, Payment of Bonus Act, Payment of Gratuity Act, Maternity Benefit Act, I.E. (SO) Act and Maharashtra Workmen Minimum House Rent Allowance Act. During the Inspection it was found that six establishment were paying less than the minimum wages to the Workers. Irregularities pertaining to non-maintenance of registers were also detected in some other establishments. 8 establishments were found to have engaged Contract labour and irregularities including working without certificate of registration and licence were detected. It was found that except one establishment all other establishments have been implementing the provisions of P.W. Act. With respect to E.R. Act, Payment of Gratuity Act,
Maternity Benefit act and Maharashtra Workmen Horserent Allowance act it was found that the provision of these enactments have been implemented in all the establishments. Violation of the provisions of payment Bonus Act was detected in one establishment. All the establishments inspected except 3 were found to be violating the provisions of IE(SO) Act.

The Officers of the State Labour Department have initiated suitable action wherever cases of violation of the labour Laws have been detected. However no action is being contemplated in respect of violation under IE(SO) Act by the officers of the State Labour Department on the ground in absence of certified standing orders, the model standing orders are applicable to the units. The inspection team found that welfare amenities such as subsidised canteen, creches, drinking water, toilets, subsidised transport etc. have been provided for the workers working in the EPZ.

xvi) The ILC observes that the decision taken in the meeting of the SLC held on 19-9-97 in terms of the resolution adopted for taking over sizeable amount of family pension fund and employees pension fund money which is lying locked up in the Public Account of Government fetching thereby a very low rate of

The question of enhancement in the rate of interest on PF money locked up in the Public Account of Government was taken up with the Ministry of Finance. The proposal has not been agreed to. The matter has been taken up with the Ministry of Finance again.
interest and investing the same according to the approved pattern of investment for fetching a higher rate of return has not yet been implemented. The ILC recommends that this matter which vitally affects the interests of the working class should be taken up once again with the Ministry of Finance at the level of the Labour Minister and vigorously followed up thereafter.

xvii) The ILC recommends that District Child Labour Project Societies under the auspices of National Child Labour Projects should fully involve the representatives of trade unions wherever in existence in planning and implementation of these projects as also in their monitoring and evaluation.

The Chairpersons of all the Child Labour Project Societies have already been advised by Secretary (Labour) that Non-Governmental and voluntary organisations including trade unions should actively be associated in the running of the Child Labour Project. Copies of the D.O. Letters in this regard have already been sent to the respective State Governments. All major trade unions have already been addressed by Secretary (Labour) to visit the National Child Labour Projects from time to time so that the functioning of the NCLPs could be more effectively monitored and deficiencies rectified.

xviii) The ILC recommends that the Ministry of Labour should hold discussion with the Department of Public Enterprises and other concerned Ministries on the issue of variance in application of the revised DA formula in public sector

As recommended by the Indian Labour Conference, a meeting was held in the Ministry of Labour on 30.4.98 with the representatives of the Trade Unions, SCOPE and officials of the Department of Public Enterprises. The issues
enterprises, review the issue of non-payment of revised DA to sick public sector employees and the status of wage revision in CPSUs in consultation with SCOPE and workers' representatives.

regarding different D.A. rates being paid to different employees of Public Sector Enterprises and the finalisation of wage settlements under sixth round of discussions were discussed. It was pointed out that the wage settlements under sixth round will be finalised shortly, as the matter was before the Committee of Secretaries. A meeting of the Committee of Secretaries on this issue has since been held and the matter has been taken before the Cabinet. It was also decided that the trade union leaders would submit a paper highlighting the points raised by them, to the Department of Public Enterprises who would then call a meeting with the trade union leaders so that a policy on wages/DA could be formulated after taking into account the views of the working class. Accordingly the Deptt. Of Public Enterprises called a meeting of the trade union leaders who explained their views before the Wage Settlement Committee. Further action will be taken by the Wage Settlement Committee in this regard.

xix) The ILC noted the following operational constraints in the area of implementation of various plans and programmes by independent, autonomous and statutory bodies under the administrative control of the Ministry of Labour and made the following recommendations:
A number of Central Government Industrial Tribunal-cum-Labour Courts were going without Presiding Officers and supporting staff. The personnel conforming to the qualifications prescribed for appointment of Presiding Officers should be selected through advertisement and the vacancies filled up at the earliest. The help of the concerned High Courts should be taken in this regard.

Position of Vacancies in CGIT/Labour Courts is briefly as under:

(i) CGIT-cum-LABOUR COURT JAIPUR

The Presiding Officer of CGIT-cum-Labour Court, Jaipur Shri J.P. Sharma has joined on 1.5.1998.

(ii) CGIT-cum-Labour Court, No.1, Dhanbad

Appointment letter to Shri Saryu Prasad has been issued on 8.12.98. The Registrar of High Court of Patna has relieved him on 5.2.99 to report to the State Govt. In the Deptt. Of Personnel and Administrative Reforms, Patna for placing his services at the disposal of Govt. Of India, Ministry of Labour, CGIT Dhanbad No.1. His joining report is awaited.

(iii) CGIT-cum-Labour Court, No.1, Mumbai

Justice C.V. Goverdhan has joined on 23.7.98.

(iv) CGIT-cum-Labour Court, Bangalore

Justice R. Ramakrishna has joined on 3.9.98.
(v) CGIT-cum-Labour Court, Kanpur

The post of Presiding Officer fell vacant on 8.12.98. The proposal relating to appointment of Presiding Officer, CGIT-cum-Labour Court, Kanpur has been submitted to L.M. on 2.1.99.

(vi) CGIT-cum-Labour Court, Lucknow and Nagpur.

The CGIT-cum- Labour Court, Lucknow and Nagpur have been sanctioned on 15.9.98. The proposal for appointment of Presiding Officer, CGIT-cum-Labour Court has been submitted to L.M. on 2.1.99.

The proposal for appointment of Presiding Officer CGIT-cum-Labour Court, Nagpur has been submitted to L.M. on 15.2.99. The return of the file is awaited.

A statement showing the vacant posts of Presiding Officers and staff in CGIT-cum-Labour Court is at Annexure-III.

* There was need for a qualitative improvement in administration of all social security schemes. In regard to PF, the ILC recommends that the enforcement machinery for recovery of statutory dues of PF should be strengthened, programmes for orientation and Administration of Schemes under Employees’ Provident Funds & Miscellaneous Provision Acr, 1952.

(i) In order to bring about qualitative improvement and tone-up the administration of Schemes, close monitoring is done on month
sensitisation of the enforcement staff should be organised to make them subscriber member friendly, stringent and rigorous review of administration of EPF and MP Act at various levels should be undertaken to ensure that PF is deducted from the wages of the employees in time, its remittance to the PF Account of the subscriber members and all claim cases are settled within a maximum period of 30 days and that the annual statement of account of the subscriber members be issued within a period of 6 months from the close of the accounting year.

to month basis at Headquarters through the Central Action Plan Review.

(ii) Union Labour Minister who is also the Chairman of the Central Board of Trustees also reviewed the working and had interactive sessions with Regional provident Fund Commissioners on three occasions after the last meeting of the Indian Labour Conference:

21.10.1997
09.07.1998
23.02.1999

Union Labour Minister himself visited the Regional Offices of Karnataka and Maharashtra to assess and review the position.

(iii) At the beginning of the year, targets were fixed under the Key Area and the Performance there against reviewed every month at the level of the Central Provident Fund Commissioner through monthly reports. That apart, quarterly Central Action Plan Review Meetings with all the Regional Provident Fund Commissioners are also held. Six Regional Provident Commissioners' conferences were held after the last Indian Labour Conference meeting, the last conference being on 22/23.2.1999. The problems/ performance relating inter-alia to recovery of
arrears, settlement of Provident Fund and Pension claims, computerisation etc. were discussed.

(iv) Central Provident Fund Commissioner visited and reviewed functioning of all the 18 Regional Offices which were functioning at the beginning of 1998-99 and 24 Sub-Regional offices of the Provident Fund upto March, 1999. During his visits to the State Headquarter, Central Provident Commissioner also met Labour Secretaries and solicited their cooperation for recovery of Provident Fund dues.

(v) As a result, overall improvement in the performance could be achieved as may be seen from the following:

* The number of establishments covered increased 1 from 2.77 lakhs at the beginning of 1997-98 to 3.14 lakhs at the end of January, 1999.

* The number of members enrolled increased 1 from 2.02 crores at the beginning of 1997-98 to 2.24 crores at the end of January, 1999.

* Arrearers amounting to Rs.193.65 crores were recovered during the year ending 31st March, 1998, as result of stringent actions
as against Rs.105.23 crores recovered during the last year. The overall arrears were about 1% of the total contributions received.

* 29.74 lakh claims were settled during the year ending 31st March, 1998 as against 25.82 lakh claims settled during the preceding year.

* The number of pensioners rose from 1.69 lakhs (under the old Family Pension Scheme) to 5.27 lakhs as at the end of January, 1999 after the implementation of the Employees' Pension Scheme, 1995. These included 2.38 lakh Widow Pensioners, 0.85 lakh Children Pension and 0.01 lakh Orphans, disabled and nominees.

* 267.54 lakhs annual statement of accounts were issued to the members during 1998-99 (upto January, 1999) as against 165.67 lakhs annual statement of accounts issued during the corresponding period of last year.

(vi) During 1997-98, the Employees' Provident Fund Organisation disposed off 7731 revenue recovery certificates as against 4169 in the preceding year.

(vii) Recovery machinery has been reorganised and a system of better coordination between enforcement wing and recovery-wing introduced.
(viii) A system of displaying 10 biggest defaulters’ name on the Notice Board has been introduced and the cases involving default of Rs.10 lakh and above are being monitored by the Regional Provident Fund Commissioner. The cases involving a default of Rs. 5 to 10 lakhs and below Rs. 5.00 lakhs are being monitored by the Regional Provident Fund Commissioner (Recovery) and Assistant Provident Fund Commissioner (Recovery) respectively.

(ix) Special monthly return on recovery has been prescribed to monitor recovery of dues, at head Office.

(x) Instructions have also been issued to Regional Provident Fund Commissioners for taking action under Section 110 of Cr.P.C. against habitual defaulters. All the Chief Secretaries of the States were also requested in July, 1998 to issue suitable instructions to District Magistrates/Police authorities in this regard.

(xi) The Regional Provident Fund Commissioners have been directed to seek help of State Police as and when required.
IMPROVEMENT IN SERVICE TO MEMBERS

(i) Massive computerisation programme has been launched in the Employees’ Provident Fund Organisation for automosing/streamlining the work relating to maintenance of accounts. All the offices of the Organisation are provided with computer system for issue of Annual Statement of Accounts, Receipt and Payment Accounting, Grievances and issue of Pension Payment Orders. On line connectivity has been established in 58 offices through computer.

(ii) Work procedures/forms have been reviewed and simplified so as to make them simple and easily comprehensible. A system of depositing contributions through one challan instead of 5 challans prescribed earlier has been introduced.

(iii) More Provident Fund Officers have been opened and more powers have been delegated to the lower functionaries for expeditious statement of claims. There are at present 256 officers functioning in the country as under:

Regional Offices : 17

Sub-Regional/
Sub-Accounts : 73
Inspectorates/
Service Centres : 166

One Regional office at Shimla and four Sub-Regional Offices at Rohtak (Haryana), Bhopal, Ujjain (Madhya Pradesh), Lucknow (Uttar Pradesh), and three Sub-Accounts Offices at Peenya (Karnataka), Tambram (Tamil Nadu), Park Street, Calcutta (West Bengal) started functioning during April, 1998 - February, 1999. The Inspectorates/Service Centres included four in North Eastern Region and one each in Skkim and Pondicherry.

(iv) A time limit of 30 days has been fixed for settlement of claims received, complete in all respects. This is being monitored at the Regional as well as Head office level. As per available information about 85% claims were settled/disposed of within this period.

(v) Grievances redressal machinery and vigilance machinery have been reactivated. Computerised Public Grievance Handling System was introduced in the field formations envisaging speedy redressal of grievances. Instructions have been issued for issue of acknowledgements for all grievances received in the field
(vi) Lok Adalat were also being held in the field offices. 537 such public hearings were held upto January, 1999 wherein 6208 grievances were redressed on the spot.

(vii) A Cell has been set up at the Head Office of the Employees' Provident Fund Organisation so as to promote and encourage a positive, responsive and People Centred Administration. Similar Facilitation Centres have been set up in the Regional and Sub-Regional Offices.

(viii) Disbursement of Pension and Provident Fund benefits on the day of retirement of members in Public Sector Undertakings and model Private Sector Establishments introduced on an experimental basis. The arrangement made in 15 establishments spread over 6 States. 136 beneficiaries were paid benefits on the day of retirement during December, 1998 and January, 1999.

IMPORTANT AMENDMENTS/NOTIFICATIONS DURING SEPTEMBER, 1997 - FEBRUARY, 1999

* Employees’ Provident Funds & Miscellaneous Provisions Act, 1952 was amended in June, 1998
which removed the 3 years infancy period. As a result of this amendment, additional one million industrial employees will get benefit of the Act right from inception of a covered factory/establishment.

* Rate of Employers’ as well as Employees’ contribution was increased from 10% to 12% in respect of Employees’ employed in 172 (out of 177) types of industries covered under the Act resulting in enhanced Provident Fund benefits to the members.

* Employees’ Pension Scheme. 1995 amended in February, 1999 to provide for pension to dependant father or mother in respect of a deceased member having no eligible family member behind him and no nomination executed by him during his life time.

* Permanent and totally disabled children of the member made entitled w.e.f. February, 1999 to payment of monthly Children/Orphan Pension irrespective of age and number of children in the family.

* Pension increase (at 4%) to all pensioners granted by Government based on 1st years valuation of Employees’ Pension Fund, 1995.
* There should be a qualitative change in management of ESI hospitals and dispensaries by filling of all vacancies, by posting of Specialists, Medical Officers, Para Medical Staff, arranging their orientation and training to make them IP friendly, timely completion of buildings and timely commissioning of all hospitals and dispensaries, attention to proper maintenance of the hospital and dispensary buildings. Responsibility may be fixed in all cases of delay and acts of omission and commission.

ESI SCHEME

(i) An Action Taken Plan was drawn up to Modernise/upgrade the hospital and dispensary services being provided to the beneficiaries. This aimed at providing modern equipment for hospitals, development of waste management system, tie up arrangements for superspeciality care, cancer care, trauma care etc., Training and CME programmes. In response to the various proposals received from different states namely Uttar Pradesh, Haryana, Madhya Pradesh, Gujarat, Rajasthan, Andhra Pradesh, Kerala, Karnataka, Maharashtra, Tamil Nadu, West Bengal, Orissa, a number of equipments have been sanctioned involving a total cost of about Rs.14 crores. The States of Punjab, Assam, J&K, Himachal Pradesh, Bihar Goa, Pondicherry have been again asked to submit their Action Plans for necessary sanctions. In year 1999-2000, our Action Plan aims at upgrading the hospitals as per disease profile of the catchment areas.

(ii) A project implementation Plan for prevention and control of HIV/AIDS, amongst ESI beneficiaries has been submitted to NACO/World Bank for getting assistance of approximately Rs.54 crores to take up programmes aimed at targeted interventions,
development of STD clinics and Blood Bank, condom promotion, training and IEC activities.

(iii) In order to review the working of ESI Hospitals, the Central Government appointed a Committee under the Chairmanship of Shri Sathyam, retired Secretary, government of India in July, 1998. The Committee visited various health institutions throughout the country and had extensive deliberations with employers, employees, patients, staff and Government Officials. The Committee has submitted its report to the Chairman, ESI Corporation on 14th January, 1999.

The recommendations of the Sathyam Committee are to be considered by ESI Corporation in the special meeting to be convened shortly.

(iv) The second and third meeting of the Sub-Committee of the ESIC on ISM was held in August, 1998 and January, 1999 respectively. In order to develop ISM in ESI institutions, two part-time consultants of repute have been appointed (one in Ayurveda and Yoga and Preventive Oncology) at ESI Headquarters Office. To propagate Ayurveda and Yoga facilities development, 11 States have been identified in the first
phase i.e. Andhra Pradesh, Gujarat, Himachal Pradesh, Rajasthan, Maharashtra, Uttar Pradesh, and Orissa to start these facilities in the existing ESI institutions and to develop liaison with same ISM Directorates to have tie-ups. The issues related to providing services for panchkarma and Ksharsutra facilities in the year 1999-2000 are being taken up in the proposed Action Plan.

(v) The nodal Officers, appointed to inspect and monitor the medical schemes in their respective jurisdiction, have completed their first round. The status of functioning of the ESI Schemes, the deficiencies noticed and suggestions for improvement are being monitored by Headquarter office.

(vi) Vigilance Committees at Hospital level, with tripartite representation have been constituted and are functioning to monitor the day to day performance of individual hospitals.

(vii) In order to improve ESI hospitals/ dispensaries, Union Labour Minister on 17.5.98 addressed a letter to all chief Ministers of State Governments requesting them to fill up all the vacant medical and para-medical posts, arrange adequate supply of medicines, procure and maintain
medical equipments, strength the diagnostic facilities etc. As a follow up, the Chairman, ESIC has himself reviewed the Scheme at Bangalore, Hyderabad, Mumbai and Delhi.

(viii) To provide better medical care to beneficiaries and as per recommendations of Sathyam Committee, the ceiling on medical care expenditure has been raised from Rs.500.00 to Rs.600.00 with effect from 1.4.1999 in the recent meeting of the ESI Corporation held on 19.2.1999. Further a sum of Rs.50 (out of Rs.600.00) has been kept towards reimbursement of specially/superspeciality services, as a revolving fund with the Regional Office.

In May 1998, ESIC made an arrangement with AIIMS for providing superspeciality treatment to the ESI beneficiaries. An amount of Rs.20 lakhs was approved for deposit with AIIMS as revolving fund. The State Government have also been requested to make similar arrangements with reputed hospitals in their states.

(ix) DG, ESIC on 18th June 1998 wrote a letter to Labour Secretaries of the State Governments requesting them to have the functional evaluation of the existing ESI facilities in order to make them more cost effective and efficient.
(x) The position of outstanding ESI dues has been reviewed and the total arrears as on 30.9.98 are Rs.416.41 crores. Out of this pertaining to Central Public Undertakings is Rs.71.58 crores, State Public Sector Undertakings Rs.71.33 crores and factories/establishments in Private Sector Rs.273.50 crores. Out of the total arrears of Rs. 416.41 crores as on 30.9.1998, Rs. 232.83 crores is not recoverable for the time being because factories/establishments have gone into liquidation, recovery is barred by the accounts of the State Government/Central Government, factories registered with BIFR, stay granted by different courts, units closed and where about of the employers not known etc. However, recovery action is being taken by the Recovery Machinery of the Corporation in respect of recoverable amount of Rs.183.58. Recovery effected during the year 1997-98 was Rs.37.51 crores against the target of Rs. 36.5 crores and during the period from April, 98 to January, 99, Rs. 43.3 crores has been recovered by the Recovery Machinery against the target of Rs.51.3 crores fixed for the year 1998-99.

* There are a number of forms and registers under various labour laws which require simplification and rationalisation with a view to

A Committee was constituted in the Ministry to review Labour Laws. The Committee has given its report. CLC(C) has also given his
making them simple and intelligible. The ILC recommends that this exercise should be taken up in a time bound manner.

xx) The ILC observes that any closure of industrial, mining and other establishment causes severe dislocation to workers, unemployment, social tension and problems of law and order. It also adversely affects the interests of the State and social partners. The ILC recommends that all proposals for according permission by the appropriate government to closure of industrial, mining and other establishments should be handled in a discreet and circumspect manner with a humanitarian concern for protecting and safeguarding the interest of workers.

xxi) The ILC expresses its concern over exclusion of the Ministry of Labour from the GOM for revival of NTC mills and requests the Ministry to organise a tripartite meeting on implementation of the tripartite agreement on NTC mills which was arrived at in the Special Tripartite comments on the report. The matter is being processed further accordingly.

While examining proposals for closure of industrial establishments, the Ministry critically scrutinises the reasons given by the management for winding up operations. The views of the Unions on closure are gone through sympathetically and all possible attempts are made during discussions to ensure that workers' interests are fully protected. The Government also explores the possibility of revival of the company. Only if the establishment is not deemed fit for revival and the workers cannot be re-deployed in other operations of the establishment, permission is granted in a selected few cases for closure and retrenchment. Between January, 1998 to February, 1999, 7 applications were returned as non-maintainable and permission was not granted in respect of 5 applications.

A copy of the Minutes of the Special Tripartite Committee meeting on NTC mills held on 9.4.94 has been forwarded to Ministry of Textiles for taking necessary action on the decisions arrived at in this meeting. The concern of ILC over exclusion of Ministry of Labour from the GOM
Committee meeting three years ago.

xxii) The ILC observes that a number of private employment agencies are operating without any check and control. This is detrimental to the interests of working class. The ILC recommends that a suitable mechanism should be evolved to regulate the functioning of such private employment agencies with a view to preventing exploitation of workers in the hands of these agencies.

set up, for revival of NTC mills has also been conveyed. The recommendations of GOM on rehabilitation of NTC Mills are under consideration of Ministry of Textiles. No final decision has been taken on the rehabilitation package of these mills as yet.

Out of 32 States/UTs, the existence and functioning of private employment agencies have so far been confirmed by the states of West Bengal, Karnataka & Punjab. None of the States have so far reported exploitation. It is observed that private employment agencies are unevenly spread throughout the country and regulating their activities is a costly and difficult process. Even if undertaken, the ability of respective State Government to successfullly monitor all the activities of the private employment agencies is debatable.

The manpower exporting agencies and labour contractors are already covered under their respective legislations and individual cases of exploitation by private employment agencies, not falling in the above category, can be covered under the existing penal provisions. It is submitted that while DGE&T will continue its efforts to build up a database of private employment agencies, legislation to monitor the activities of private employment agencies may be premature. It is
the ILC recommends revival of centrally sponsored scheme for computerisation of employment exchanges which was in vogue till recently, and which has been discontinued.

also possible that with legislation, without proper implementation, private employment agencies hitherto catering to regular employment in larger establishments will tend to shift to unorganised sector, as well.

As per decision of the National Development Council, the Centrally Sponsored Scheme on Computerization of Employment Exchanges was discontinued and transferred to the State sector.

The proposal for revival of the Scheme was taken up with the Planning Commission which has not been agreed to. Accordingly, all State/UT Governments were requested to keep adequate provision of funds for computerisation of Employment Exchanges in their Plan proposals. DGE&T in the Ministry of Labour will support their proposals.

The Vocational Training in India comprises of two major schemes namely Craftsmen Training Scheme (CTS) and Apprenticeship Training Scheme (ATS). Both the schemes put together cater to only 10% of the school leavers.

Under CTS, the number of ITIs are only 4086 of which 2/3rd are managed and governed by private...
trade unions for qualitative implementation of craftsmen training and apprenticeship training with a view to improving standardisation in examination and certification, improving credibility of the training system and promoting better employability of the trainees.

bodies. However, all the ITIs whether Government or Private are governed by the similar norms and procedures prescribed by the tripartite body namely National Council for Vocational Training (NCVT). For the Apprenticeship Training Scheme (ATS) the Government is advised by Central Apprenticeship Council (CAC). Both the councils have proper representations from trade unions and employers. All the policy matters relating to standardization, norms, trade test and certifications are considered by these Councils. In order to check the mushrooming growth of private ITIs, State Directors have been advised not to allow indiscriminate proliferation of new ITIs. State Governments have been requested to take an assessment of demand and also consult employers' representatives before they decided to open new ITIs. A new initiative has also been taken in collaboration with C.I.I. for improving Industry-Institute interaction in a few existing ITIs in the Northern Region.

Efforts are being made to take corrective action and keep the vocational training demand oriented by way of introducing 10 new trades including 5 in multiskilling and deleting 14 trades which were obsolete. Besides, the syllabi of 33 trades have also been
The ILC feels that the existing definition of unorganised sector, unorganised work and unorganised labour, views work or employment in terms of normal employment relationship obtaining in developed & industrialised countries. Such a view is lopsided and creates an artificial barrier between organised & unorganised sectors and excludes large number of self employed workers or home workers from the purview of workers. The ILC recommends that such an approach needs to be removed. The incidence of large number of unorganised workers within the organised sector also needs to be kept in view.

The first National Commission on Labour (1966-69) defined unorganised labour as "those who have not been able to organise themselves in pursuit of common objectives on account of constraints like casual nature of employment, ignorance and illiteracy, small and scattered size of establishments and position of power enjoyed by employers because of the nature of industry etc.". The Second Labour Commission will also study & comment upon the Unorganised Labour.

All State Governments/Union Territories and the Departments dealing with the NGO's have been requested to act in this direction.
collectivities or organisations such as Trade Unions, NGOs, Cooperatives and associations.

xxviii) The ILC feels that we need a sea change in the attitude & approach of the functionaries at the lower echelons of bureaucracy to make them more positive, constructive, empathetic & sensitive towards organisation of the unorganised. The ILC recommends appropriate orientation & training for these functionaries.

xxix) The ILC feels that laws provide an important form of social protection. There are numerous such laws relevant for workers in the unorganised sector like beedi workers which are already in the statute book without much of implementation or enforcement on the ground. The ILC recommends that (a) the provisions of all such laws should be brought to the knowledge of such workers (b) trade unions should be involved in the process of enforcement of laws and in particular Minimum Wages Act, Inter-State Migrant Workmen Act & Contract Labour (Prohibition & Regulation) Act.

All State Governments/Union Territories and CLC(C) for the purpose of Central sector, have been requested to take initiative and work on the recommendations.

(a) The Ministry when called upon to submit material for publicity, suggested advertisement materials regarding major provisions of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act and also the newly enacted law for construction workers.

(b) One of the amendments to the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act under consideration pertains to permitting third party to file complaints against violation of the Act and another proposed amendment relates to permitting the workers to have a representative present at the time of disbursement of wages. Such amendments would essentially go a
long way in promoting the role of trade unions in the enforcement of the Act.

Further, the recommendation of the ILC has been communicated to all the State Governments/Union Territories to act for implementation.

At present, Identity Cards are issued to Beedi Workers under the provision of the Beedi Workers Welfare Fund Act, 1976. Even in Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, a provision of issuance of Identity Card to the beneficiaries of a welfare fund has been made and under the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act although, there is no provision for issue of Identity Card, contractors employing such workmen are under obligation to issue a Pass Book with a photograph, place of employment, etc.

However, the matter has been communicated to all State Governments and Union Territories to further examine the possibilities of extending the facilities to other workers in the unorganised sector.

xxx) The ILC recommends that along with changes in the definition of workers & unorganised sector, there should be a scheme of issue of identity cards in favour of all workers - be they in organised or unorganised sector to be issued in a phased manner by Government. This would improve the visibility of such workers and would also improve accountability in terms of labour law enforcement.

xxxii) The ILC feels that while Communicated to all State
involvement of NGOs in addition to Trade Unions in organisation of the unorganised is important, there is need for greater accountability as also need for more of openness and transparency in financial transactions of these bodies.

xxxii) The ILC observes with concern the large scale shrinkage of jobs in the organised sector and recommended that existing laws and institutional mechanism should instil and provide full protection to the workers in terms of conditions of their service and employment. Schemes of retraining, career counselling, redeployment and rehabilitation should be launched in a big way with involvement of Government, Employers, Trade Unions, NGOs etc.

Directorate General of Employment and Training (DGET) is one of the 13 nodal agencies for implementing a scheme of retraining, career counselling, redeployment and rehabilitation under National Renewal Fund (NRF) administered by Department of Industrial Development (DOID) Ministry of Industry. After launching of the revised scheme from June, 1995 onwards, about 11,300 rationalised workers have also been trained under the aegis of DGET which is implemented through a network of Government ITIs, NGOs and the institutes under public sector undertakings. About 2900 trained workers have also been deployed in wage/self employment. Expenditure to the tune of Rs.5.46 crore has also been incurred during the last three years and a training target of 3000 workers with budget of 1.25 crore has been allotted for the current Financial year 1998-99.

xxxiii) The ILC observes with concern the emergence of the spectre of neo-protectionism and non-tariff barrier associated with

The Government is fully aware of the design of certain countries to link the issues of human concerns like the Child Labour etc. with the
issues of genuine human concern like bonded labour, child labour and contract labour and recommends that we need to totally delink issues of genuine humanitarian and societal concern like bonded labour and child labour from trade concerns.

xxxiv) The ILC recommends that State Governments/UTs could emulate the example set by Kerala and few other State Governments which have set up welfare funds meant for numerous categories and sub categories of unorganised labour. These welfare funds would go a long way in meeting some of the barest minimum welfare needs like allotment of house sites, construction of houses, provision of drinking water, provision of medical aid and scholarship for the children of workers. The scope and ambit of such welfare funds should be progressively enlarged.

xxxv) The ILC expresses its concern for the increasing plight and predicament of migrant workers covering inter district, inter state and inter country migration. It recommends that provisions of existing laws need to be stringently and rigorously enforced and that workmen's compensation in the event of accidents causing injury resulting in death or disablement at the destination point should be trade. Every effort is being made at all levels including the highest level to project the correct picture at International level and take other steps to protect the commercial interests of the country in this regard.

Building & Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 enacted for benefit of second largest category of unorganised workers namely construction workers enshrines the concept of welfare fund and seeks to create welfare fund at State level.

The Govt. are also considering similar proposal for constituting welfare funds for the agricultural workers.

The Govt. have taken up an exercise to amend the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act to make it more effective and enforceable. State Govts. are being requested to implement the existing provisions of the Act. A proforma has also been circulated to all the State Governments/UTs to send information to monitor the implementation of various
disbursed as expeditiously as possible.

xxxvi) The ILC takes cognisance of the special problems of the small scale and tiny sector of industries who are suppliers and vendors to the large scale sector and urged Government to extend a special protection to this sector in the light of the recommendations of Abid Hussain Committee on SSIs.

provisions of the Act.

The expert committee on small enterprises under the chairmanship of Abid Hussain, recommended to start training/retraining programmes for technicians in both industry and service sector with active participation from Industry Associations, State Governments and Companies. The recommendations have been accepted and the Ministry of Industry is to constitute a special inter-ministerial task force which will review the training programmes being implemented by SIDO, NSIC so as to make them more useful for the SSI units. DGE&T has requested Department of SSI, Ministry of Industry to intimate regarding setting up of task force so that a member can be nominated for the same.

32ND SESSION OF I.L.C.

3. The proposal for the enactment of law for giving protection to agricultural workers should be presented for tripartite consultation in the SLC.

A Note was sent to the Cabinet Secretariat on 26.2.97 to consider the proposal of this Ministry regarding a Central Legislation for Agricultural workers. Cabinet directed that fresh consultations may be held with the State Governments on the proposed Bill. A Group of Ministers was also constituted in this regard.

The Minister of State for Labour
had addressed the Chief Ministers of the States on 7.4.97 to send their views on the Agricultural Workers (Employment, Conditions of Service and Welfare Measures) Bill, 1997. Secretary (Labour), Govt. of India reminded the Chief Secretaries of all State Govts./UTs apart from personally contacting them to expedite the views of the State Govts.

The matter was considered in the State Labour Ministers' Conference held on 8.7.97.

A Note for consideration of the Group of Ministers along with the draft Bill and the summary of views/comments of the State Governments was sent to the Cabinet Secretariat on 11.7.97 for being placed before the Group of Ministers.

The meeting of the Group scheduled for 23.7.97 and 28.7.97 could not be held. The Group has since been wound up.

The salient features of the Agriculture Workers Bill have been forwarded to the central organisations of employers and workers for their views/comments.

The proposal for enactment of a law is being given a fresh look.
33RD SESSION OF I.L.C.

1. The Conference noted that different wage ceilings exist for various benefits under different labour laws. Ministry of Labour should prepare a draft statement on wage ceilings and place it before the next Session of the Standing Labour Committee.

Wage ceiling under different labour laws are indicated in the statement at Annexure-IV. However, it may be pointed out that it will not be desirable to have the same wage ceiling under all labour legislation. For instance, Government has abolished the wage ceiling in the case of Gratuity Act. Similarly Government proposes to abolish the wage ceiling under the Payment of Wages Act. The Government is aware of the need to continuously monitor the question of wage ceilings under different labour legislations and to revise them wherever considered necessary. The question will also be placed before the Second National Commission on Labour.

2. The Conference noted that a large section of the employees of the Public Sector Undertakings and Central Government have resorted to strike/served strike notice on the issue of wage ceilings fixed for payment of Productivity Linked Bonus and urged the Government to remove these wage ceilings as well as under the provisions of the Act. However, the employers' group urged a total review of the Bonus Act.

(i) As regards the employees of the Central Government, the Government have since decided to give Ex-gratia payment to all group 'C', 'D' and non-gazetted Group 'B' employees.

(ii) As regards the payment of Productivity Linked Bonus, the different Departments are framing schemes within the guidelines laid down by the Fifth Central Pay Commission on the subject.

(iii) Regarding the employees covered under the Payment of Bonus Act, the matter is under
3. The Conference noted its concern over the delay in implementation of the Turn Around Plan for revival of sick mills of NTC even after its approval by the Cabinet. Therefore, Labour Ministry should convene a meeting of Union Ministries of Labour, Finance and Textiles and Trade Unions and the concerned State Governments to expedite a decision in the matter. In the meantime, Ministry of Textiles should take steps to pay wages in time and bonus before Diwali, 1996.

4. As decided at the 31st Session of the ILC, immediate steps should be taken by the Ministry of Labour to constitute a Bipartite Committee with a view to frame a comprehensive industrial relations law who will submit their report in 3 months time. The Bipartite Committee should consider proposal to amend the Trade Unions Act, 1926 and the question of recognition of trade unions through secret ballots on a priority basis and submit its recommendations within a month.

consideration in the Ministry of Labour. Views from the trade unions, employers, State Govts. and Central Ministries have already been received and the matter is being processed further.

- A Group of Ministers (GOM) consisting of Minister of Industry, Minister of Finance and Minister of Textiles met on 13th September, 1997, to consider the revised Turn Around Plan for NTC.

- The GOM recommended that the Ministry of Textiles should prepare a paper for the Cabinet, outlining the options available for financing the Turn Around Plan.

- The Ministry of Textiles have released funds to NTC Ltd. for payment of salaries and wages upto August, 1997 and bonus.

Amendments to the ID Act, 1947

Comments on the Agenda for the 33rd Session of the ILC have been received from 7 Central Trade Union Organisations. The suggestions on certain non-controversial items have been examined and the Draft Cabinet Note on Amendments to the ID Act is being finalised.

Scheme of Employees Participation in Management
As far as Workers Participation in Management is concerned, the Workers Group wanted the Ministry of Labour to come to an immediate decision. However, the Employers representatives reiterated their stand that workers participation is not feasible through legislation. Employers' views will be considered by the Labour Ministry before finalising the Bill.

The Members of the Tripartite Committee have sent their comments on strength and weaknesses of 1983 Scheme of Employees Participation in Management. The Employers' side would like to have a Voluntary Scheme while the Trade Unions prefer a Statutory Scheme. The matter was also discussed further in the Ministry. It was decided that the Trade Unions be requested to clearly indicate the mode of representation of workers representatives at the shop floor and enterprise levels. The suggestions of 3 CTUOs have been received. A Note for the consideration of the Standing Committee on Labour and Welfare will be finalised as soon as we receive the suggestions from the other CTUOs who are members of the Tripartite Committee.

5. For workers, the ceiling fixed for payment of gratuity under the Payment of Gratuity Act, 1972 is Rs.1 lakh whereas it has been raised to Rs.2.5 lakh in the case of Central Govt. employees. The disparity should be removed by raising the ceiling of gratuity to Rs.2.5 lakh for workers.

The Payment of Gratuity (Amendment) Bill 1997 has since been passed by the Parliament. It has become an Act after getting assent of the President on 22.6.98. The gratuity ceiling has gone up from Rs. 1.00 lakh to Rs.3.50 lakh w.e.f. 24.9.97.
ANNEXURE-I
(ITEM No.V OF THE 34TH SESSION OF ILC)

STATEMENT SHOWING LATEST POSITION OF ACTION TAKEN ON THE ITEMS OF COMMON MINIMUM PROGRAMME CONCERNING MINISTRY OF LABOUR

<table>
<thead>
<tr>
<th>S.NO.</th>
<th>ITEM</th>
<th>ACTION TAKEN</th>
</tr>
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<tbody>
<tr>
<td>1.</td>
<td>Eradication of Child Labour in all occupations and industries.</td>
<td>Amendments to the Child Labour (Prohibition &amp; Regulation) Act, 1986 are under finalisation in consultation with the Central Ministries/Deptts. etc.</td>
</tr>
<tr>
<td>2.</td>
<td>Making a comprehensive law in respect of agricultural workers guaranteeing them minimum wages and fair conditions of work, Group Insurance and other rights.</td>
<td>The matter for enacting a legislation for regulating the conditions of employment and welfare measures of landless agricultural workers is under consideration of the Ministry and no final decision has yet been taken.</td>
</tr>
<tr>
<td>3.</td>
<td>Participation of workers in the management of Public Sector Enterprises.</td>
<td>Views/Comments of various members of Tripartite Committee on Employees Participation in Management have been received. These issues have been processed and a note will be forwarded to Department related Parliamentary Standing Committee on Labour &amp; Welfare.</td>
</tr>
<tr>
<td>4.</td>
<td>Retraining and redeployment of employees of Public Sector</td>
<td>A part-time training programme for rationalised industrial workers</td>
</tr>
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Enterprises which are withdrawn from the non-core sector. (retrenched / declared surplus / voluntary retired after 24.7.1991) under the National Renewal Fund (NRF), financed by Ministry of Industry, was taken up for implementation by Directorate General of Employment and Training (DGE&T) w.e.f June 1995. DGE&T, in the Ministry of Labour, has been selected as one of the Nodal Agencies by Department of Industrial Development (DOID), Ministry of Industry for counselling and execution of retraining and redeployment of rationalise workers. NRF is administered by the Ministry of Industry under the aegis of a High Level Empowered Authority. Under the Scheme, part-time evening classes for rationalised workers are conducted in the Industrial Training Institutes/Centres (ITIs/ITCs) and in some Public Sector Undertakings/Non-Government Organisations (PSUs/NGOs). 64 such institutes have been covered in 9 States, namely Andhra Pradesh, Gujarat, Haryana, Karnataka, Kerala, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal. The training can be imparted in any trade available under Craftsman/Apprenticeship Training Scheme or any other area for which wages/self-employment opportunities are available. Some of the most popular trades where the training courses upto six months duration have been conducted are Fitter, Machinist,
Electrician, Mechanic (Radio & TV), Mechanic (Ref. & AC), Computer, Cutting and Tailoring, Plumber, Driver, etc. About 10,3000 workers have been trained so far and of these about 2400 workers have been deployed in self-wage-employment. During the year 1997-98, there was a target to train about 2000 workers. The expenditure to the tune of Rs.5.00 Crores had been kept under the scheme for 1997-98. Rationalised. Workers upto maximum of 55 years of age who are eligible for undergoing the training under the scheme, are paid stipend at the rate of Rs.40/- per working day (which has been recently revised to Rs.60/-per working day) for the full duration of the course which are upto six months duration. The various norms of expenditure have also been fixed by DOID and the maximum limit of expenditure per worker per course is Rs.9000/-.

In the last Indian Labour Conference held in 1996, the Ministry of Labour had constituted a Bipartite Committee to formulate proposal for a comprehensive industrial relation Bill and to consider the issue of recognition of Trade Unions through Secret Ballot. The subject was, however, not discussed in the Bipartite Committee which has since been wound up as no consensus among its members could be arrived.
6. Strengthening of the laws made for labour in the unorganised sector and if necessary, enactment of new laws to protect the interests of unorganised workers particularly in the construction and beedi rolling industries.


The matter regarding Secret Ballot has been considered. It was found that since the procedure for holding Secret Ballot is expensive and has to be conducted by CIRM (Central Industrial Relations Machinery) which does not have requisite staff support, "Check Off" system for recognition of Trade Unions with mutual consent of employers and Trade Unions is more preferable. The procedure is also less expensive as compared to the procedure of "SECRET BALLOT".

(i) Two Acts viz., the Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Building and other Construction Workers Welfare Cess Act, 1996 have been brought on the Statute Book w.e.f. 20.8.1996. The Main Act inter-alia provides for creation of a welfare fund at the State levels to be financed by contribution made by beneficiaries, levy of cess on all construction workers at rates between 1 to 2% of the construction cost incurred by an employer and non-mandatory grants/loans by the State/Central Governments. The fund is to be used for giving financial assistance to the families of beneficiaries in case of accident, old age pension, housing loans, payment of insurance premia, children's education, medical and maternity benefits etc. The Act also
provides for certain other welfare amenities like temporary accommodation at or near work sites, creches, canteen, first-aid, washing facilities etc. The Draft Rules under the Cess Act have since been finalised and the Draft Rules formulated under the main Act are being finalised in consultation with the Legislative Department. Meanwhile, draft notification appointing Registering Officers, Appellate Officers, Inspectors and Director General of Inspections have been issued.

(ii) In order to increase the corpus of the Beedi Workers Welfare Fund, the Beedi Workers Welfare Cess Act, 1976 has been amended and the rate of the cess has been enhanced from 50 paisa per thousand manufactured beedies to Re. One per thousand beedies.

As regards enforcement of labour legislation, special attention is paid to the enforcement of labour laws in unorganised sector. Information giving the Industrial Disputes received (including B.F.), the Industrial Disputes settled without formal conciliation, Number of disputes settled, number of Disputes ended in failure etc. and position of strikes and lockouts in the year 1997(P) is given in Appendix-I.

Information on the working of various
8. Imparting technical & vocational skills in order to encourage self employment.

Labour Laws wise containing number of Inspections carried out, irregularities detected, prosecution launched, convictions obtained and claim cases filed during the year 1997 is given in Appendix-II.

Information regarding inspections made during the crash programmes of inspections of small establishments in the Central Sphere 1997(P) showing the number of irregularities detected, etc. is given in Appendix-III.

DGE&T has been implementing a World Bank assisted Vocational Training Project since 1989. The project is primarily aimed at improving the Vocational Training in India particularly in Government Industrial Training Institutes (ITIs). The project comprises of a number of schemes, one of which is related to self-employment. The target population for this scheme is those who have completed a regular training programme in ITIs. Under this scheme, 36 ITIs in 11 States have started these programmes and 1754 persons have so far been trained under the scheme till December, 1997.

For encouraging the trainees of ITIs as well as the trade apprentices under Apprenticeship Training Scheme for taking self-employment, an element of Entrepreneurship is included in the course curriculum of the subject
9. Policies for making India's interests and rights in international organisations.

"Social Studies" which is common to all the trainees under both the schemes viz., Craftsmen Training Scheme and Apprenticeship Training Scheme.

The students of these schemes are exposed to the need and scope for self-employment with special reference of self-employment schemes, sources of assistance in Central and State Government, characteristics of successful entrepreneur as a part of their curriculum, etc.

Ministry of Labour is concerned only with ILO. As a Member of the ILO, representatives of Ministry of Labour attend the meetings and the Ministry takes necessary action in consultation with other concerned Ministries like the Ministry of External Affairs and the Ministry of Commerce and Permanent Mission of India, Geneva. It is because of the efforts of this Ministry that India has been able to effectively block the efforts of the developed countries to link the labour standards to trade.

The Ministry of Labour has from time to time written to Ministry of Finance regarding revamping of BIFR and amendment of SICA so that workers' interests are adequately protected. The Ministry has also forwarded comments of HMS, BMS, CITU and INTUC as also the Textile Labour Association on amendment of Sick
Industrial Companies Act, 1985 (SICA) for necessary action by the Ministry of Finance.
### APPENDIX-I

**INDUSTRIAL DISPUTES SETTLED ETC. DURING 1997(P)**

<table>
<thead>
<tr>
<th>No. of IDs B/F from previous year</th>
<th>No. of IDs Received during the year</th>
<th>No. of IDs held pending at the end of the year</th>
<th>Total No. of IDs disposed on account of intervention</th>
<th>No. of IDs otherwise disposed off</th>
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### THREATENED STRIKES & LOCKOUTS DURING 1997(P)

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<th>No. of cases averted</th>
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<th>LOCKOUTS</th>
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<table>
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<th>No. of cases averted</th>
<th>STRIKES</th>
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**Note:** The table above summarizes the number of industrial disputes, strikes, and lockouts during the year 1997(P). The data includes the number of cases received, intervened, and averted, along with the number of IDs held pending at the end of the year and those disposed off otherwise.
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