Agenda - 1

## Vigyan Bhawan, Hall No. 4 (Date: 21.07.2015)

AGENDA ITEM-1 - Implementation of the conclusions/ recommendations of the 43<sup>rd</sup>, 44<sup>th</sup> and 45<sup>th</sup> Indian Labour Conference, particularly on Contract Labour, Minimum Wages and Scheme Workers and Tripartite Mechanism

## **CONCLUSIONS OF THE COMMITTEE**

The committee debated the recommendations of the 43rd, 44th and 45th Indian Labour Conference at length and expressed its concern over non-implementation of the conclusions, particularly on Contract Labour, Minimum Wages, scheme workers and Tripartism. It was therefore unanimously recommended that concrete measures should be undertaken to expeditiously implement the recommendations in letter and spirit. Periodic reviews should be undertaken by the stakeholders.

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(B.N. Rai) BMS CHAIRMAN (Shalini Prasad) Labour Commissioner, Govt. of UP VICE-CHAIRPERSON

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(Manish Gupta) Joint Secretary, MoL&E MEMBER SECRETARY

List of participants enclosed

## List of Participants

## WORKERS' SIDE

- 1. Shri Virjesh Upadhyay, General Secretary, BMS
  - 2. Shri P.C. Sharma, BMS
  - 3. Shri Santosh Kumar Ray, Secretary, AICCTU
  - 4. Shri Ashok Singh, National Vice President, INTUC
  - 5. Shri Mukesh Galav, Secretary, HMS
  - 6. Shri Shankar Dasgupta, Member, Sectt., AIUTUC, Odisha
  - 7. Dr. Deepak Jaiswal, President, NFITU
  - 8. Shri H. Mahadevan, AITUC
  - 9. Shri Tapan Sen, CITU
  - 10.Shri S.P. Tiwari, TUCC
  - 11.Shri M. Shanmugam, LPF
  - 12.Shri Shatrajeet Singh, UTUC

### **EMPLOYERS' SIDE**

- 1. Shri Jitendra Gupta, LUB
- V 2. Shri B.P. Pant, AIOE

## STATE GOVT. SIDE

- 1. Shri R. Ravi Bhusan Rao, Joint Commissioner of Labour, Andhra Pradesh
- 2. Shri T.R. Azad, Dy. Labour Commissioner, Himachal Pradesh
- 3. Shri K.R. Limboo, Jt. Labour Commissioner, Sikkim
- 4. Shri T. Chubayanger, Project Officer, Directorate of Labour, Nagaland
- 5. Shri H.K. Jawala, Commissioner of Labour, Maharashtra.

## **CENTRAL GOVT. SIDE**

- 1. Shri D.B. Singh, Director, Ministry of Steel
- 2. Shri M.K. Dhurva, RLC(C), MOLE

# Recommendations of Conference Committee on Social security for Organized, Unorganized and Migrant International Workers

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There was an in-principle agreement for coverage of all workers organized as well as unorganized under social security with support wage by Government, if required, for providing decent living conditions. The Committee recommended that:

- I. Mechanism for identification and registration of unorganized workers should be provided. Special drive should be launched for the said purpose and, if required, direct registration by the Government.
- II. Schemes for organized/unorganized workers should be made efficient.
- III. Budgetary provisions should be made for those unorganized workers who are not covered under any specific social security scheme.
- IV. The cost of registration of unorganized workers should be borne by the Central/State Government.
- V. There should be proper utilization of fund collected through building construction cess and administrative expenses should not be for what is not stipulated.
- VI. The Anganwadi/Asha/Mid-day meal and other such workers, the committee reiterated that they should be extended coverage under ESI/EPF.
- VII. As regards ESIC, the following recommendations were given:
  - a. ESIC to expand to cover all states/UTs. All districts where scheme is running at present should be covered fully.
  - b. The ESIC scheme to be expanded to unorganized sector by reducing the threshold from present 10. Self employed should be provided medical benefit, in phases.
  - c. The ESIC should directly run the health services in all the states. State should not be asked to bear the cost of Medical Expenses.
  - d. Medical facilities should be expanded at a fast pace; establishments of hospitals and dispensaries should be decided based on geographical necessity.
  - e. All construction workers should be covered under ESI.
  - f. ESI coverage for round the clock for medical benefit.
- VIII. As regards EPF, recommendations were:
  - a. Medical Scheme to EPS pensioners from the surplus Corpus of EDLI Scheme.

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- b. Extension of coverage by reducing threshold from 20 to 10.
- c. Coverage of both inter-state and international migrant workers under EPF Act.
- d. EPF pension should be enhanced and linked with price index.
- IX. Wages definition should be uniform for all labour laws.
- Х. There should be a mechanism so that employers can deposit social security contributions at single window.
- XI. For construction workers, there should be a single contribution from employer.
- Implementation of the decisions taken by 43rd, 44th and 45th ILC with XII. regard to Social Security.
- -XIII. Single Social Security Legislation encompassing all related laws.

However, on the point of optional schemes for ESI & EPF, the employee's representatives strongly opposed whereas the employers representatives were of the view that options should be available.

Sh Ravi Wig, ASSOCHAM, Chairman

m Sh Chandrasekharan, INTUC, Vice Chairman

Sh Deepak Kumar, AS (L&E), Member Secretary

Item XIII was deleted in the concluding wrap-up session In VIII (b), following line was added, after discussion - " Member of LUB opposed thes". (Sh Raver wig UNT

## Agenda Item No. 3- <u>Removal of Conditions on Payment Ceiling,</u> <u>Eligibility Limits, Decisions to pay Minimum Bonus</u> <u>without Linking to loss when the performance</u> <u>indicator satisfy grant of bonus</u>

The Conference Committee on Amendment of Bonus Act – Removal of Conditions on Payment Ceiling, Eligibility Limits, Decisions to pay Minimum Bonus without linking to loss when the performance indicator satisfy grant of bonus constituted to discuss the Agenda Item No. 3 of 46<sup>th</sup> Session of the Indian Labour Conference met under the Chairmanship of Captain Abhimanyu, Hon'ble Minster of Labour, Govt. of Haryana. Shri Om Prakash Mittal, General Secretary, Laghu Udyog Bharti (LUB) and Ms. Meenakshi Gupta and Mr. B.B. Mallick, Joint Secretary, MoLE respectively were the Vice-Chairman and Member Secretary of the Committee. The committee had the representation of all the stake-holders (Workers' Group, Employers' Group and State Government).

2. At the very outset, the Chairman of the committee welcomed all the representatives. He observed that the issue of bonus has been pending for long. He expressed the hope that all the partners would understand and appreciate the position of each other and give recommendations keeping in the view the larger national interest. The Vice-Chairman also welcomed all the members. Thereafter, the Member Secretary introduced the subject. The agenda has following 3 issues: –

- i. Removal of Calculation Ceiling;
- ii. Removal of Eligibility Limit; and
- iii. Decisions to pay Minimum Bonus without Linking to loss whenthe performance indicator satisfy grant of bonus.

3. It was mentioned that last revision in the limits (Calculation Ceiling – Rs.3500 and Eligibility Limit-Rs.10,000) was done in 2007 based on the recommendations of the  $41^{st}$  ILC.

4. The committee had very intense and detailed discussions on all the aspects of the Agenda Item No. 3.

# 5. The major conclusions emanating from the discussions in the committee are as follows:

- (i) The Trade Unions were of the view that all the ceilings under the Payment of Bonus Act, 1965 i.e. eligibility ceiling, calculation ceiling and maximum percent of bonus payable need to be removed. They further expressed that they would like to reiterate the stand taken by them in the Tripartite meeting held on 20 October, 2014.
- (ii) The Employers, representatives were of the view that total removal of various ceilings may lead to spurt in industrial relations issues. They observed that while making any change in the Payment of Bonus Act,1965 productivity of the workers and paying capacity of the

employers have to be taken into account. They further observed that they are not in favour of indexation of cost of living for the purpose of ceiling and bonus calculation. The term 'Employee' should be substituted by the term 'Workman' as defined under the Industrial Disputes Act. The present system of prescribing limits both for eligibility and calculation should be retained.

- (iii) The State Government representatives were of the view that minimum limit of bonus (8.33%) may continue. Regarding limits with regard to calculation and payment ceiling it was stated that they had no comments to offer. They further observed that distinction between Statutory bonus and Productivity linked bonus is quite relevant in this regard.
- (iv) The State Government representatives also suggested that the Central Government may consider notifying the limits for eligibility of bonus and calculation of bonus through an administrative process based on tripartite mechanism rather than legislative process every time. Appropriate amendment to the Payment of Bonus Act, 1965 may have to be carried out accordingly.

The discussion ended with the vote of thanks.

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(Captain Abhimadyu) Minister of Labour Govt. of Haryana Chairman

(Meenakshi Gupta) Joint Secretary MoL&E Member Secretary

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(Om Prakash Mittal) General Secretary Laghu Udyog Bharti Vice Chairman

(B.B. Mallick)

Joint Secretary MoL&E Member Secretary

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## Conference Committee - Hall No. 5

Agenda item No. 4 – Labour Laws Amendments proposed / done by Central or State Governments

## CONCLUSIONS OF THE COMMITTEE

- The Committee reiterates historical role of tripartite mechanism functioning in the country before any enactment / amendment of labour laws.
- Any labour law amendments / enactments should take into account three purposes namely:
  - (i). Rights and welfare of workers;
  - (ii). Sustainability of enterprises and job creation; and
  - (iii). Industrial peace.
- 3. The Labour Laws need to be relooked and updated in a time bound manner.
- 4. Committee recommends that the overall exercise of the labour law amendments should be discussed in the tripartite forum and the broad and specific proposals should also be discussed in tripartite meetings.

Sh. C. K. Sajinarayanan, BMS

#### Chairman

Sh. Ramanand, AIMO

Vice Chairman

Sh. Dheeraj Kumar, Joint Secretary, MoLE

**Member Secretary** 

# RECOMMENDATIONS OF COMMITTEE ON "EMPLOYMENT AND EMPLOYMENT GENERATION" OF 46<sup>TH</sup> INDIAN LABOUR CONFERENCE (ILC)

- The committee noted that the recommendations of 43<sup>rd</sup> to 45<sup>th</sup> ILC on Employment & Employability need to be fully implemented.
- Recognising the employment potential in micro and small industry, especially in rural areas, an effective single-window system be established to promote agro-based and micro & small industries with facility like concessional finance etc. A system for centralized marketing of products manufactured by these industries can also be developed.
- Enhance the outlays and threshold for public employment generation programmes in both rural and urban areas.
- 4. Fill up vacant posts in Central Government, State Governments and Public Sector Undertakings in a time bound manner.
- 5. Reiterate the necessity for publishing quarterly employment and unemployment data.
- 6. With Central and State Government moving to on-line systems for employment exchanges there is a need for capacity building of Employment Exchanges Officers for their revised roles under

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National Career Service (NCS). Need for integration of Central and State IT initiatives to avoid duplication.

- 7. Utilization of idle capacity in Vocational and Educational Institutions and closed/sick industry for demand responsive training.
- 8. Enhance and expand areas for Recognition of Prior Learning (RPL) with effective assessment.
- 9. Enhance number and improve quality of Assessors for Vocational Training and consider including ITI faculty for assessments.
- 10. To identify labour-intensive industries and new areas where jobs can be created like renewable energy and reusable resources etc. and providing employment linked training.
- 11. Evolve strategies for increasing female workforce participation in both public and private employment.

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