

# INTRODUCTION

## *Objectives of the Ministry*

The Ministry of Labour and Employment is responsible for laying down policies in respect of labour matters including industrial relations, co-operation between labour and management, settlement of labour disputes, regulation of wages and other conditions of work and safety, women labour and child labour, labour welfare, social security etc. besides, development and administration of employment service and training of craftsmen on national basis.

The implementation of the policies in regard to the above matter is the responsibility of the State Governments subject to control and direction of the Central Govt. except in the case of labour employed in Railways, Mines, Oilfields, Banking and Insurance Companies having branches in more than one State, major Ports and Central Government Undertakings where the Central Government retains the responsibilities in labour matters including employment and training and tenders technical advice as and when necessary.

## *Functions*

To Promote harmonious relations between labour and management and to regulate wages and other conditions of work in the central sphere.

To ensure speedy implementation of labour law awards, agreements, Code of Discipline etc. for improving industrial relations, with regard to units in which central Government is the appropriate Government.

To conduct evaluatory studies of implementation of labour laws, industrial relations, personnel policies and practices etc., in Public Sector Undertakings.

To regulate working conditions and safety in mines and factories.

To prepare ground work for the formulation of National Wage Policy and maintain data on wages, all allowances and other related matters.

To collect and publish statistics to conduct enquiries, surveys and research studies on various labour subjects.

To conduct programmes relating to employment potential of scheduled caste and scheduled tribe candidates through Coaching-cum-Guidance Centres.

To provide amenities to workers employed in the mining industry and beedi manufacturing.

To assist in rehabilitation of bonded labour.

To provide welfare measures for certain sections of the unorganised labour.

To undertake training, education, research and consultancy service in the field of industrial relations and labour in general.

To educate all sections of workers for their intelligent participation in social and economic development of the nation.

To monitor the running of social security schemes viz Employees Provident Fund Organisation and Employees State Insurance Corporation.

Policy framework for National Employment Service, Implementation of National Vocational Training Programme.

### ***Organisational set up***

The objectives are sought to be achieved by the main Ministry through its attached and subordinate offices and autonomous bodies. The important offices and organisations under the Ministry are listed below :-

1. Directorate General of Employment and Training.
2. Organisation of the Chief Labour Commissioner (Central).
3. Directorate General of Factory Advice Service and Labour Institute.
4. Directorate General of Mines Safety.
5. Directorate General of Labour Bureau.
6. Central Government Industrial Tribunals.
7. Offices of Labour Welfare Commissioners.
8. Employees' Provident Fund Organisation.
9. Employees' State Insurance Corporation
10. Central Board for Workers Education.
11. V.V. Giri National Labour Institute.
12. Board of Arbitration (JCM)

# CHAPTER I

## List of Major Programmes/schemes implemented by the Ministry, its Mandate, Goals & policy

### RESEARCH AND STATISTICS

Labour Bureau, an attached office of Ministry of Labour & Employment, has made significant contribution in the field of collection, compilation and dissemination of statistics on different aspects of labour as well as in compilation & maintenance of Consumer Price Index (CPI) Numbers for different categories of workers. It also carries out studies and surveys on labour related matters.

The Bureau also renders necessary assistance to a number of Central Agencies as well as to the States for conducting training programmes on (i) Labour Statistics and (ii) CPI Numbers at State/District/Unit levels. In addition, it brings out a number of regular and ad-hoc publications.

The important plan and non-plan activities of Labour Bureau, inter-alia, include: -

1. Compilation and maintenance of the Consumer Price Index Numbers for a) Industrial Workers; b) Rural Labourers and (c) Agricultural Labourers; Retail Price Indices for selected essential commodities in urban areas; and Wage Rate Indices.
2. Review of the implementation of the various labour laws enacted for the protection and welfare of working class by collecting returns as prescribed under the Statutes as also on voluntary basis and presenting them in an analytical form on regular basis.
3. Conducting surveys and empirical studies on regular/ad-hoc basis with a view to study various aspects of working and/or living conditions of workers in rural/agricultural sectors and other segments of workers engaged in organised and unorganised sectors.
4. To impart training with a view to improve the response and quality of Labour Statistics.
5. Dissemination of Labour statistics by bringing out regular publications such as, Indian Labour Journal (Monthly), Indian Labour Statistics (Annual), Indian Labour Year Book (Annual), Pocket Book of Labour Statistics (Annual) and Reviews of various labour enactments (Annual) as well as other ad-hoc publications/survey reports.

**Details of Plan activities of Labour Bureau are given below:-**

**Labour Bureau undertakes the following activities under its plan scheme-  
“Labour & Employment Statistical System”.**

**(I) CONSUMER PRICE INDICES:**

**Labour Bureau compiles and maintains the following series of Consumer Price Index Numbers (CPI) every month.**

- a) Consumer Price Index Numbers for Industrial Workers (Base 2001=100) in respect of 78 selected Industrial centres and at All-India level.
- b) Consumer Price Index Numbers for Rural and Agricultural labourers (Base 1986-87=100) in respect of 20 States and at All-India level.

**CPI-IW:**

The Consumer Price Index Numbers for Industrial Workers which measure the rate of change in prices of fixed basket of goods & services consumed by the working class population overtime are being compiled and maintained by the Labour Bureau since its inception in October, 1946. The Consumer Price Index Number for Industrial Workers are being put to numerous uses, such as:-

- i) Revision of wages and determination of variable Dearness Allowance to lakhs of Workers/Employees in the Govt. and Corporate Sector
- ii) Revision of Minimum Wages of workers in the Un-organised Sector.
- iii) Measuring inflationary trend in the country.
- iv) For policy formulation by the Govt.
- v) For analytical purposes by the researcher.

These Index Numbers are being compiled on scientific lines by following the standard methodology approved by the Technical Advisory Committee on Statistics of Prices and Cost of Living ( TAC on SPCL).

The current series of Consumer Price Index Numbers for Industrial Workers on base

2001=100 is being compiled on the basis of the results of the Working Class Family Income and Expenditure Survey conducted at 78 selected industrial centres during the year 1999-2000. These surveys were conducted in order to update and replace the previous series of Consumer Price Index Numbers for Industrial Workers on base 1982=100. Seven sectors of employment viz., Factory, Mines, Plantation, Railways, Motor Transport undertaking, Electricity generating & distribution establishments and Ports & Docks were covered in the survey. The present series of Consumer Price Index Numbers for Industrial Workers on base 2001=100 has been released w.e.f. January, 2006 index. These indices are compiled and released regularly on monthly basis (centre wise as well as All India) on the last working day of the succeeding month.

### **CPI-AL/RL:**

CPI Numbers for Agricultural and Rural Labourers on base 1986-87=100 are compiled on monthly basis for 20 States and at All-India level and released on 20<sup>th</sup> day of the succeeding month. The indices are released through press note and monthly index letter. Besides, these indices are also published in the 'Indian Labour Journal', a monthly publication of the Labour Bureau and uploaded on Labour Bureau's website every month.

### **RETAIL PRICE INDICES:**

On the basis of price data collected for compilation of Consumer Price Index Numbers for Industrial Workers on base 2001=100, Labour Bureau compiles monthly Retail Price Indices for 31 selected commodities in urban areas for 78 selected centres every month. These indices are supplied to the Department of Civil Supplies, Government of India every month for monitoring the prices of these commodities so as to take timely remedial action to check/regulate the prices of these essential items.

### **RURAL LABOUR ENQUIRY**

Rural labour Enquiry (including CPI-AL/RL envisages three activities viz. i) compilation and publication of RLE reports based on quinquennial data collected by NSSO on different socio-economic aspects of rural labour households, ii) Compilation and release of CPI Numbers for agricultural and rural labourers on base 1986-87=100 and iii) compilation and publication of wage rate data in respect of 18 agricultural and non-agricultural occupations for 20 States and at All-India level.

It has been the endeavour of the Government of India to alleviate poverty particularly

in the rural areas by formulating and implementing various targets oriented anti-poverty rural development programmes. Thus, the need for adequate data for formulating such action programmes was greatly felt. With this end in view, Rural Labour Enquiry (RLE) is intended to collect and analyse data on quinquennial basis on various socio-economic aspects viz., Employment & Unemployment, Consumption Expenditure, Indebtedness and Wages & Earnings of rural and agricultural labourers. The RLE is also aimed at throwing up data on household consumption expenditure of the rural/agricultural labourers for drawing weighting diagrams for updation of the series of Consumer Price Index Numbers for Agricultural and Rural Labourers. The first Agricultural Labour Enquiry was conducted in 1950-51 followed by the second in 1956-57. The scope of the subsequent enquiries was enlarged to cover all the rural labour households. Hence, the third enquiry in the series known as the first Rural Labour Enquiry (RLE) was conducted in 1963-65 followed by the second in 1974-75. The third, fourth, fifth, sixth, seventh, eighth and ninth Rural Labour Enquiries were conducted during 1977-78, 1983, 1987-88, 1993-94, 1999-2000, 2004-2005 and 2009-10 respectively. With the integration of field work of RLE with the general Employment & Unemployment Survey of NSSO in 1977-78 with a view to narrowing down the gap between two successive rounds of the Enquiry, all subsequent enquiries are being conducted quinquennially to provide continuous data in the form of time series. The data pertaining to Agricultural and Rural Labour Households collected under each of the quinquennial surveys conducted by the NSSO are processed by the Labour Bureau and reports on different aspects of Agricultural/Rural Labour Households viz., Indebtedness, Consumption Expenditure, Wages & Earnings, Employment & Unemployment and General Characteristics of Rural Labour Households are brought out by the Bureau regularly for each round of the NSSO.

The main objectives of RLE are:

- (i) To provide upto date serial data for building up of reliable estimates of important socio-economic characteristics of Rural Labour in general and Agricultural Labour in particular. The data collected under the enquiries pertain to demographic structure, extent of employment & unemployment, wages and earnings, household consumption expenditure and indebtedness, etc.
- (ii) To provide data on consumption expenditure for the purpose of derivation of weighting diagram for updating the series of CPI Numbers separately for Agricultural and Rural Labourers which serve as a guiding factor in the fixation and revision of minimum wages in the scheduled employments in Rural areas under the Minimum Wages Act, 1948.
- (iii) To collect, compile and publish wage rate data in respect of 18 agricultural and non-agricultural occupations. These data are of immense use for drawing up appropriate

policies and programmes for conducting cost studies and for estimating the National/ State income.

## **(II) SURVEYS AND STUDIES**

### **OCCUPATIONAL WAGE SURVEY:**

The aim of Occupational Wage Survey (OWS) is to provide occupation wise data on employment, wage rates and earnings of industrial workers in selected industries, studying inter-industry and intra-industry wage differentials.

Besides generating statistics on occupation wise employment and wage rate, component wise data on earnings are also generated through this survey. The data on employment and wage rate, inter-alia, serve as the base for compilation of Wage Rate Index Numbers. So far, five rounds of OWS have been conducted in 1958-59, 1963-65, 1974-79, 1985-92 and 1993-99. Reports in respect of all the industries covered during these rounds of OWS have been released.

The 6<sup>th</sup> round of OWS was taken up in 2002 and 56 selected industries are proposed to be covered during this round under different sectors (45 Manufacturing, 4 Mining, 3 Plantations and 4 Service Sectors).

### **SOCIO-ECONOMIC SURVEYS OF DIFFERENT SEGMENTS OF LABOUR (SESDSL)**

Under SESDSL Component four studies namely (i) Surveys on Socio-economic Conditions of Women Workers in Industries, (ii) Survey of Working and Living Conditions of Workers engaged in Unorganised Sector industries/employments, (iii) Survey of Working and Living Conditions of Labour belonging to Scheduled Castes/Scheduled Tribes Communities and (iv) All India studies on the Evaluation of the Implementation of the Minimum Wages Act, 1948 are conducted.

#### **(i) Survey of Working and Living Conditions of Workers belonging to Scheduled Castes and Scheduled Tribes Communities in Urban Areas.**

The Working Group on Labour Statistics (Fourth Plan) in its meeting held in February, 1964 recommended collection of data on certain aspects of Working and Living Conditions of Labour belonging to the Scheduled Castes and Scheduled Tribes Communities with a view

to assess ways and means to be adopted for their welfare and improving their lot. The Planning Commission had also observed that paucity of such data had been causing great difficulty in planning and formulating effective measures for ameliorating their conditions. The National Commission on Labour (1969) too had emphasized the importance and need for collection of data concerning the Scheduled Castes and the Scheduled Tribes Labour.

In pursuance of the above recommendations, the Ministry of Labour entrusted this work to Labour Bureau for the conduct of the following two studies:

- a) Working and Living Conditions of the Scheduled Castes Workers engaged in four unclean occupations: i) Sweeping and Scavenging, ii) Flaying and Tanning iii) Bone-crushing and iv) Shoe-making in Urban Areas. For these surveys, Ministry of Labour and Employment has constituted an Inter-Departmental Direction Committee to guide, examine and approve all technical details of the two studies. The surveys relating to Scheduled Castes Workers have so far been conducted in 9 centres (Agra, Sholapur, Madras, Patna, Indore, Ghaziabad, Asansol, Jalandhar and Jaipur) and reports thereon have been released.
- b) Socio-economic Conditions of the Scheduled Tribes Labour in Industrial Cities.

Socio-economic studies of Scheduled Tribes labour have been conducted at nine Centres viz. Rourkela, Ranchi, Surat, Bailadila, Nagpur, Belgaum, Barbil, S.T. belt of Gujarat State comprising Valsad, Vapi, Navsari and Sachin and KBK belt of Orissa State. The reports for all the centres have been released.

**ii) Survey of Working and Living Conditions of Workers engaged in the unorganised sector of Industries/Employment.**

National commission on labour (1969) recommended the conduct of detailed technical surveys into the working and living conditions of unorganised workers. Accepting the recommendations, the work was assigned to Labour Bureau to conduct detailed surveys on the working and living conditions of workers engaged in the Unorganised Sector of Industries/employments for amelioration of their conditions. Labour Bureau initiated action for conducting these surveys in the year 1977-78. So far, 31 such surveys have been conducted and reports in respect of all the surveys have been released.

Latest survey in unorganised sector was conducted in leather industry including Footwear and other Art works.



**(iii) Socio-economic Conditions of Women Workers in Industry.**

The activity, “Socio-Economic Conditions of Women Workers in Industry” was taken up in the year 1975 as a part of the research programme of the Bureau. It aims at collecting data on Women Workers with a view to study their working and living conditions and Welfare facilities available to them vis-a-vis the labour laws. Earlier, the survey covered women workers employed in organised sector viz Mines, Plantations and Factories covered under the respective Acts only. Later on, the scope was however, enlarged to unorganised sector employing a large number of women workers. After covering the industries of the organised sector, viz Mines, Plantations and Manufacturing industries in the first instance, Surveys were conducted in unorganised sector viz. Building and Construction, Khadi and Handloom industries, (Haryana, U.P., Delhi, Jammu and Kashmir, Tamil Nadu, Karnataka, Bihar and Gujarat) Beedi Making, Readymade Garments, Agarbatti, Lime and Cashewnut Processing Industry. So far 21 surveys of women workers have been conducted in various sector of employment and all the reports have been released. The last survey was conducted in Plantation industry during the year 2008.

**(iv) All India Survey on the Evaluation of the Minimum Wages Act, 1948.**

The activity aims at evaluating the extent to which the Minimum Wages Act, 1948 has been implemented in various scheduled Employments in different parts of the country. So far, 12 evaluation studies have been conducted in the employment of Agriculture in 11 States viz. Gujarat, Bihar, Karnataka, Rajasthan, Andhra Pradesh, Districts of Eastern Uttar Pradesh, Orissa, Kerala, Madhya Pradesh, Uttar Pradesh except Eastern Districts Meghalaya and West Bengal. The studies have also been conducted in ‘Bauxite Mines’, and ‘Building and Construction’ in the Central Sphere; Beedi Making Establishments in 6 States viz. Uttar Pradesh, Maharashtra, Andhra Pradesh, Madhya Pradesh, Chhatisgarh and Karnataka and Building and Construction Establishments in 4 States viz. Delhi, Madhya Pradesh, Tamil Nadu and Maharashtra in the State sphere and Stone Breaking & Stone Crushing Industry in Karnataka & Gujarat.

**(v) Quarterly Quick Employment Surveys on “Effect of Slowdown on Employment in India”.**

The Government of India has issued a specific directive to the Labour Bureau to conduct quarterly “Quick Employment Surveys” on continuous basis till the situation improves, to assess the impact of economic slow-down on employment in India on the selected sectors. These surveys are being conducted in eight selected sectors of the economy supposed to be

badly affected by the slowdown. Labour Bureau has so far conducted fifteen such “Quick Quarterly Employment Surveys”. The reports all these surveys have been released and are available on the official website of Labour Bureau ([www.labourbureau.nic.in](http://www.labourbureau.nic.in)). The field work of 16<sup>th</sup> Quick Employment Survey is in progress. The brief summary of the Quarterly Quick Employment Survey is as follow:

The first quarterly quick employment survey was conducted in the month of Jan, 2009 to assess the impact of global slowdown on employment in India during the period Oct.-Dec., 2008. The field work was done during the first three weeks of January, 2009 and the report was released in the last week of Jan, 2009. Based on the report, 4.91 lakh jobs were lost in the selected sectors during the quarter Oct-Dec, 08.

The second quarterly quick employment survey was conducted in the month of April, 2009 to assess the employment situation during (Jan-March, 2009). The report was released in the month of May, 2009. Based on the findings of the survey, 2.76 lakh jobs were increased during the quarter Jan-March, 2009 over December, 2008.

The third quarterly quick employment survey to assess the employment situation for the period April-June, 2009 was conducted in the month of July, 2009. The report of the survey was released in the same month. Based on the survey results, employment during the quarter had declined by 1.31 lakh as compared to March, 2009.

The fourth quick quarterly employment survey to assess the impact of economic slowdown on employment in India for the quarter July-Sep, 2009 was launched in the month of October, 2009. The report of the survey was released in the month of Nov, 2009. Based on the findings of the survey, the employment in the selected sectors increased by 4.97 lakh in September, 2009 as compared to June, 2009.

The fifth quarterly quick survey for the period Oct-Dec, 2009 was launched in the third week of January, 2010. The field work was completed in the month of Feb, 2010 and there on report released. At overall level, employment had increased by 6.38 lakh in Dec. 2009 over Sept. 2009.

The sixth quarterly quick employment survey for the period Jan., March 2010 was conducted in the month of April 2010. Employment in the selected sectors increased by 0.61 lakh during the quarter ending March 2010 over Dec., 2009.

The seventh quarterly quick employment survey was conducted in the month of Sept. 2010 for the period April – June, 2010. At overall level of the sectors combined, employment increased by 1.62 lakh during the quarter ending June, 2010 over March, 2010.

The eighth quarterly quick employment survey for the period July – Sept. 2010 was conducted in the month of Oct., 2010. At overall level of the sectors combined, the employment increased by 4.35 lakh during Sept., 2010 over June, 2010.

The ninth quarterly quick employment survey for the reference period October-December, 2010 was conducted during the month of January, 2011. At overall level of the sectors combined, the employment increased by 2.07 lakh during the quarter Oct.-Dec,2010.

The tenth quarterly quick employment survey for the reference period January-March, 2011 was conducted during the month of April & May, 2011. At overall level of the sectors combined, employment increased by 1.74 lakh during the quarter January,2011 over March, 2011.

The eleventh quarterly quick employment survey for the reference period April-June, 2011 was conducted in the month of July, 2011. At overall level of the sectors combined, the employment increased by 2.15 lakh during the quarter April-June, 2011.

The twelfth quarterly quick employment survey was conducted during the month of October, 2011 covering the period of July-September, 2011. At the overall level, employment increased by 3.15 lakh during the quarter.

The thirteenth survey for the period October-December, 2011 was conducted in the month of January, 2012. At overall level of the sectors combined, employment increased by 2.26 lakh during the period.

The fourteenth survey for the period January-March, 2012 was conducted in the month of April, 2012. At overall level of the sectors combined, the employment increased by 0.80 lakh during the period.

The fifteenth survey for the period April-June, 2012 was conducted in the month of July, 2012. At overall level of the sector combined, the employment increased by 0.73 lakh during the period.

#### **(vi) Employment & Unemployment Survey**

Labour Bureau launched its first Nation-wide Employment and Unemployment survey from April, 2010 to assess the Employment-Unemployment scenario in the country. The survey was conducted in 300 districts spread across 28 States/UT. About 46,000 household schedules were surveyed during the survey. The data processing and generation of final tables was done by DOEACC society. The report was released by the Ministry in Nov., 2010.

A brief on the survey and its results are as follows:

- Survey has been conducted in 300 districts across 28 States/UTs of the country.
- A total of 45,859 household schedules had been canvassed during the survey, out of which 24,653 were in rural areas and 21,206 were in urban areas.

- The survey was conducted during the period 01-04-2010 to 15-08-2010.
- The survey results are based on the data collected for the fixed reference period 2009-10 (April, 2009 to March, 2010).
- In the 28 States/UTs surveyed, there are 238 million households, of which 172 million are rural and 66 million are urban.
- The household size is estimated at 5.0 at the overall level, while it is 5.1 in the rural sector and 4.7 in the urban sector.
- The sex ratio (no of females per 1000 males) is estimated at 917 for the rural and urban sectors combined, with 915 in the rural areas and 924 in the urban areas.
- The worker population ratio is estimated at 325 persons per 1000 population persons at the overall level.
- The labour force participation rate is estimated to be 359 persons per 1000 persons in the labour force at the overall level.
- The unemployment rate is estimated to be 94 persons per 1000 persons in the labour force, which implies that as per the usual principal status, 9.4 per cent of the labour force is unemployed at the overall level.
- Within the employed population, self employment is the dominant category. Out of 1000 persons employed, 439 persons are self employed at the overall level.
- Among the self employed, 572 persons out of 1000 persons are employed in agriculture, forestry & fisheries group at the overall level.
- The survey results reveal that out of 1000 employed persons, 455 persons are employed in agriculture, forestry and fisheries group at the overall level.

The Second Employment-Unemployment Survey(EUS) was conducted by Labour Bureau for the fixed reference period of agriculture year 2010-11 (July 2010-June 2011). In this survey all the districts in the 35 States/UTs of the country were covered. The sample size in the second EUS was about 1.28 lakh household schedules. The report of the second Employment-Unemployment Survey (EUS) was released in July 2012.

A brief on the survey and its results are as follows :

- The survey has been conducted in all the districts across 35 States/UTs of the country.
- A total of 1,28,298 households schedules has been covered, during the survey out of which 81,430 are in the rural areas and 46,868 are in the urban areas.

- A fixed reference period of the Agriculture Year 2010-11 i.e. July, 2010 to June, 2011 is used to derive the estimates based on usual status approach. For current weekly and current daily status approach, the week comprising of seven days preceding the date of the survey is taken as the reference period.
- All the labour force related tables are generated statewide/gender-wise/sector-wise/social-group wise and for the age group 15 years and above.
- Based on the survey results, 50.8 per cent or majority of the households are found to be having self employment as the major source of income under agricultural and non-agricultural activities.
- The Worker Population Ratio (WPR) is estimated to be 50.8 per cent at All-India level under the Usual Principal Status (UPS) approach.
- The female WPR is estimated to be 23.6 per cent at All India Level under the UPS approach as compared to the male WPR of 75.1 per cent.
- The Unemployment rate is estimated to be 3.8 per cent at All India level under the UPS approach.
- In rural areas, Unemployment rate is 3.4 per cent whereas in urban areas, the same is 5.0 per cent under the UPS approach.
- At All India level, 48.6 % persons are estimated to be self-employed under the Usual Principal Status Approach followed by 19.7 % persons under wage / salary earners and rest 31.7 % persons under casual labourers category.

The field work of the Third Employment-Unemployment Survey has been launched in October 2012 and is in progress. In the on-going survey, all the districts in the 35 States/UTs of the country are being covered. The sample size in the third EUS is 1.35 lakh household schedules. The report is proposed to be released in July / August, 2013.

### **ANNUAL SURVEY OF INDUSTRIES-EXTENSION TO SAMPLE SECTOR (FACTORIES)**

The Annual Survey of Industries (ASI) is being conducted statutorily under the Collection of Statistics Act, 1953 and the Rules framed there under in the year 1959. The Scheme has been in operation since 1961. Under the Scheme, data is being collected by NSSO and Labour Bureau is disseminating data collected under Labour Part i.e., Part-II and Block E of Part I of ASI schedule. It includes data on Absenteeism, Labour Turnover, Labour Employment, Mandays scheduled to work, Mandays worked and various components of Labour Cost. All establishments registered under Section 2 m(i) and 2m(ii) of Factories Act, 1948 and Bidi & Cigar Workers (conditions of employment) Act, 1966 are covered under

ASI. From 1976-77 round of ASI, data is collected under two components viz. (i) Census Sector (ii) Sample Sector.

At present, out of the total establishments mentioned above, units employing 100 or more workers and units located in selected less industrialized States/U.T.s are covered under Census Sector. All the remaining units, which are not covered under Census Sector, are covered under the Sample Sector.

The main objectives of ASI are to:-

- a) To build data base on Employment, Absenteeism, Labour turnover, Earnings and Labour Cost in Factory Sector.
- b) To disseminate information and analyse various components of Labour Cost such as Wage/Salary, Bonus, Social Security and Staff Welfare in this sector.
- c) To provide comprehensive, factual and systematic data on different aspect of Labour for future planning and policy/formulation.

### **(III) MODERNISATION OF MACHINE TABULATION UNIT**

#### **Objectives/Scope**

Its objective is to computerize all activities of Labour Bureau to ensure expeditious dissemination of data with the minimum possible time lag. All the on-going components would be taken up for computerisation in phased manner. There has always been a demand for timely and expeditious release of data. The Computer Unit strives to achieve this aim through designing user friendly software in respect of different components of the plan & non-plan schemes, tabulation of voluminous data, training to officers and staff members in the use of computers and constant efforts to update the hardware, software etc. Further, the Computer Unit has also undertaken the implementation of 12 point E-Governance Agenda finalised by the High Powered Committee of the Govt. of India. Computer Unit is also maintaining the Website of Labour Bureau, which is being updated regularly .

### **(IV) IMPROVEMENT IN LABOUR & EMPLOYMENT STATISTICAL SYSTEM (NEW COMPONENT)**

#### **(a) Objectives**

The activity aims to enhance the relevance of work being done by the Bureau and to increase the capacity of the organisation to meet the challenges of liberalised and globalised

economy. It involves updation of the base years of CPI-IW, CPI-AL/RL and creation of infrastructural facilities.

**(b) Corresponding Outcomes**

- i) Updating the Base of Consumer Price Index Numbers for Industrial Workers from 2001=100 to a recent year as decided by the TAC.
- ii) Updating the base of Consumer Price Index Numbers for Agricultural and Rural Labour from 1986-87=100 to a recent year as decided by the TAC.
- iii) Creation of Infrastructural Facilities – Office Building etc.

A Proposal for base updation of CPI (IW) from 2001=100 to a recent period to be carried out in three years time period, was submitted for the consideration of the Ministry. The Standing Finance Committee has approved the proposal and recruitment process has been initiated.

**THE MAJOR NON-PLAN ACTIVITIES OF LABOUR BUREAU**

**LABOUR STATISTICS**

At present Labour Bureau is collecting information from the state authorities under different Labour Acts on statutory/voluntary basis. The data is obtained under the following Labour Acts.

- i) The Factories Act, 1948
- ii) The Payment of Wages Act, 1936
- iii) The Trade Unions Act, 1926
- iv) The Minimum Wages Act, 1948
- v) The Workmen's Compensation Act, 1923
- vi) The Motor Transport Workers Act, 1961
- vii) The Maternity Benefits Act, 1961
- viii) The Industrial Employment (Standing Orders) Act, 1946
- ix) The Plantations Labour Act, 1951 and
- x) The Shops and Commercial Establishments Acts
- xi) The Industrial Disputes Act.

The information collected and disseminated mainly relates to Employment, Wages, Hours of Work, Industrial Disputes, Closures, Retrenchments and Layoffs, Man-days Lost, Production Loss, Membership of Trade Unions, Minimum Wages fixed and revised in respect of scheduled employments, Occupational Injuries (Fatal and Non-fatal) & occupational diseases, Compensation to the Workers under the Workmen's Compensation Act, benefits under the Maternity Benefits Act, Political and General Funds of registered trade unions by source and pattern of its utilization, provision of welfare facilities like crèche, canteen, drinking water, rest rooms, leave and holidays, safety measures, inspections and convictions etc. Collected data is disseminated in the form of annual/biennial reviews/reports.

## **WAGES**

Wages Section is responsible for compilation and analysis of Statistics collected under the Payment of Wages Act, 1936 and the Minimum Wages Act, 1948. Data are presented in various publications of Labour Bureau, viz., Indian Labour Journal, Indian Labour Year Book, Indian Labour Statistics, Pocket Book of Labour Statistics, Besides, the following activities are also undertaken:-

### **(A) THE PAYMENT OF WAGES ACT, 1936**

Per Capita Daily Earnings, Per Capita Annual Earnings and Gross wages are compiled on the basis of Annual Returns received from various States/U. Ts.

### **(B) THE MINIMUM WAGES ACT, 1948**

The Annual Report on the working of Minimum Wages Act, 1948 is published on the basis of Annual Reports>Returns received from various States/U. Ts

### **(C) MISCELLANEOUS**

Earnings of Cotton Textile workers are compiled for 9 selected Centres every month and sent to ILJ Section for publication.

## **WAGE RATE INDEX**

The Central Technical Advisory Council on Statistics, in its meeting held in December, 1961 recommended that the State Statistical Agencies should explore the possibility of bringing out up-to-date data on wage rates on the basis of data thrown up by Occupational Wage Survey conducted by Labour Bureau and construct Wage Rate Indices at annual intervals in respect of industries covered under the Occupational Wage Survey. The National commission on Labour (1969) also stressed the need for similar indices. Though, the Central Statistical Organisation advised the State Governments to compile such indices but review of the progress made in 1967 revealed that none of the state, except West Bengal, made any progress in this regard. Keeping in view the pressing requirements for serial data on wage rates and indices,



Department of Labour and Employment desired that the work relating to the construction of Wage Rate Indices may be taken up by Labour Bureau. Finally, the activity was entrusted to Labour Bureau in 1968 at the recommendations of Central Technical Advisory Council on statistics, Labour Bureau took up the compilation of Wage Rate Index Numbers for workers in Twelve Manufacturing industries with effect from 1969 with 1963-65=100 as base. Nine more industries viz., three Plantations, four Mining and two Manufacturing industries were added to the list of industries for the compilation of these Index numbers from 1976, thereby increasing the total number to 21 industries, comprising of 14 Manufacturing, 4 Mining and 3 Plantation industries. Since then, Wage Rate Indices and Absolute Wage Rates are being compiled on continuous basis in respect of 21 selected industries for which wage rate information is being collected regularly for each year from the selected establishments throughout India. The main objectives of the activity are given below:

- i) To compile maintain and release Industry/Stratum-wise Absolute Wage Rate and Wage Rate Indices for selected Industries over a period of time.
- ii) To study Industry-wise disparity in Absolute/Real Wage Rate in selected Industries at different places of their concentration (Stratum)

## **RESEARCH**

The research section is entrusted with the job of bringing out two publications viz., the Digest of Indian Labour Research and Statistical Profile on Women Labour. While the Digest contains an annotated bibliography of the research work done in the field of Labour in Indian Universities, Central and State Govt. Organisations, Research Institutes and by individual researchers, the Statistical Profile on Women Labour provides comprehensive data on important aspects of Women Labour in India at one place.

The importance of the Research work on Labour does not need to be emphasized as the findings thrown up by these studies are helpful to the Govt. in realistic planning and policy formulation.

## **2. INDUSTRIAL RELATIONS**

### **NON PLAN**

#### **A.) CENTRAL INDUSTRIAL RELATIONS MACHINERY (CIRM)**

Chief Labour Commissioner(C) organization also known as the Central Industrial Relations Machinery (CIRM) is an attached office of the Ministry of Labour & Employment. The CIRM is headed by the Chief Labour Commissioner (Central). It has been entrusted with the task of maintaining Industrial Relations, enforcement of Labour Laws in Central Sphere, verification of Trade Union Membership in central sphere for the purpose of recognition under the code of

discipline and verification of membership of various unions in Banks for the purpose of nomination of workers' Directors on the Board of Directors of the Banks under the Scheme formulated under the Banking Companies (Acquisition of Undertakings) Act for grant of representation of the Central Organization of workers.

Functions of CIRM:

- Prevention and settlement of Industrial Disputes in the Central Sphere.
- Enforcement of Labour Laws and Rules made thereunder in Central Sphere.
- Implementation of awards.
- Quasi-Judicial functions.
- Verification of the membership of the Trade Unions.
- Welfare.
- Other Miscellaneous functions.

## **Prevention and settlement of Industrial Disputes**

The CIRM ensures harmonious industrial relations in the Central Sphere establishments through:

- Monitoring of industrial relations in central sphere.
- Intervention, mediation and conciliation in Industrial Disputes in order to bring about settlement of disputes.
- Intervention in situations of threatened strikes and lockouts with a view to avert the strikes and lockouts.
- Implementation of settlements and awards.
- Enforcement of other provisions in Industrial Disputes.

During the year 2011-12, the CIRM intervened in 747 threatened strikes and its conciliatory efforts succeeded in averting 731 strikes, which represent a success rate of 97.9%, during 2012-13 (upto Sept 2012) the CIRM intervened 296 threatened strikes and succeeded in averting 269 strikes, which represent a success rate of 90.9% The Machinery handled the Industrial Disputes and brought about 6029 settlements during the year 2011-12 and 3348 settlements during 2012-13 (upto Dec, 2012).

## **Enforcement of Labour Laws and Rules:**

Another important function of CIRM is enforcement of Labour Laws in the establishments for which Central Government is the Appropriate Government. There are 1.5 lakhs establishments in the Central Sphere. The Inspecting Officers of CIRM inspect these establishments under different Labour Laws to secure benefits of the beneficial legislation to workers. During 2011-12, 38792 inspections were carried out, 12293 cases of prosecution were filed under all the Labour Laws and 4287 claim cases were filed under Minimum Wages Act. 3348 industrial disputes disposed off. 450 cases were disposed off during 2011-12 and 167 claim cases disposed off during 2012-13.(upto Sept, 2012) under Gratuity Act

### **No. of Inspections under various Labour Laws:**

year	No. of Inspections	No. of irregularities		No. of prosecutions	No. of convictions
		Detected	* Rectified launched		
2011-12	38792	322793	331656	14300	12293
2012-13 (upto Dec, 2012)	19632	155356	155963	5758	4560

\* including brought forward from the previous year

### **Implementation of awards:**

The officers of CIRM implement Awards issued by the Central Government Tribunal-cum-Labour Courts (CGITs). During the year 2011-12, 2416 awards received (including brought forward from the previous year). Out of these 566 were implemented, Implementation of 975 Awards were stayed by High Courts & Implementation of remaining awards were pending due to other reasons. Difficulty in implementing the awards are experienced as employers obtain stay order from High Courts on Implementations. During 2012-13(up to Sep, 2012) 2197 awards have been received (including brought forward from the previous year). Out of these 311 have been implemented, Implementation of 943 awards are in progress, Implementation of 943 Awards have been stayed by the High Courts and Implementation of 943 Awards are pending due to other reasons.

## Quasi-Judicial functions

The CIRM officers from the level of ALC(C) up to the level of CLC(C) also perform certain Quasi-Judicial Functions. Achievements during 2011-12 and during 2012-13 (up to Sept, 2012) are given below:

(₹ in lakhs)					
S.No	Nature of Quasi - Judicial Work	Period	Total No. of Cases/ Applications/Claims	Cases/Application/ Claims disposed off	Amount awarded
1	Gratuity Applications under the Payment of Gratuity Act, 1972	2011 -2012	791	450	651.17
		2012 – 2013*	605	167	321.93
2	Claim Applications by RLCs(C) under M.W. Act, 1948	2011 – 2012	7821	3083	1164.84
		2012 – 2013*	5936	1165	698.44
3	Cases under Sec, 50 of BOCW Act,	2011 – 2012	6023	806	10.78
		2012 – 2013*	5679	234	5.62

\* ( up to 30.09.2011)

## Verification of the membership of Central Trade Unions

The general verification of membership of Trade Unions affiliated to Central Trade Union Organization (CTUOs) is an important exercise which is undertaken by the CLC(C) organization. The purpose of general verification is to give representation to CTUOs in the International and National Conference, Committees etc.

The last three General Verification were conducted with the date of reckoning 31.12.1980, 31.12.1989 and 31.12.2002 and the results of the Verification were published by the Ministry of Labour in 1985, Dec, 1986 and Jan, 2008 respectively.

The process of fresh General Verification of Trade Unions affiliated to Central Trade Unions has been initiated as per the directives of the Ministry of Labour & Employment.

## Welfare

The Dy. CLC(C) in the office of CLC(C), New Delhi supervises the functioning of Assistant Labour Welfare Commissioners Dy. Labour Welfare commissioners Labour Welfare commissioners who look after the welfare work of the employees of Ministry of Defence, CPWD, Security Presses, Mints, Ordnance Factories, Telecom Factories and Hospitals etc.

**Machinery for better conciliation, preventive Mediation, effective enforcement of Labour Laws, construction of combined office complex for CLC(C) and RLC(C), New Delhi and Providing training to CLS Officers.**

This scheme is related to opening of offices in remote areas for better conciliation service, better supervision and enforcement of Labour and to provide in house training on regular basis to the officers of CLS and LEOs with a view to enhance their skills and knowledge in various areas of their functioning and effective discharge of their duties.

**Objective:**

- To augment machinery for investigation, mediation and Conciliation Service in industrial disputes to meet the increasing intake.
- Strengthening the enforcement machinery which was considered quite inadequate considering the number of establishments falling in the central sphere.
- To have better and close supervision over the enforcement work.
- The objective of the scheme is to update infrastructure facilities to provide computers, fax and photo copiers to the offices set up in the remote areas so that they could render conciliation service and enforcement of Labour Laws effectively.
- to provide in house training on regular basis to the officers of CLS and LEOs

Under this scheme, it was proposed to construct office accommodation, residential complexes for the field offices. It was also proposed to provide combined office complex for CLC(C) office and RLC(C), New Delhi. Further it is proposed to provide Computers, Xerox machines and other office equipments to field offices. The computers and other office equipments are being provided to field offices in a phased manner depending upon the allocation of funds.

The officers are posted in the following three streams:

- Central Industrial Relations Machinery
- DGLW's organization
- Welfare Officers under Factories Act in Industrial establishments under the control of Central Government.

The officers of Central Labour Service are required to perform diverse functions as per the responsibilities entrusted to each stream. Since the officers of CLS are posted from one stream to another, a need is felt to provide effective training which would also include practical on the job training in order to equip them with skills, knowledge and aptitude to enable them to perform their functions efficiently and effectively in each of the stream.

## **B. (i) The Participation of Workers in Management**

### **(i) The Trade Unions (Amendment) Act, 2001.**

The Trade Unions Act, 1926 provides for registration of Trade Unions and in certain respects to define the law relating to registered Trade Unions. It confers legal and corporate status on registered trade unions. The Act also defines the rights and liabilities of trade unions and also provides immunity to the office bearers and members of the trade unions from Section 120 B of the IPC in respect of any agreement made between the members for purpose of further any such object of the trade union as is specified that trade unions also have immunity from civil suits in respect of any act done in contemplations or furtherance of a trade disputes. A trade union under this Act is also authorized to constitute a separate fund for political purpose. The Act is administered by the concerned State Governments through registrars appointed by them. The Trade Unions Act, 1926 has been amended last and enforced w.e.f. 9.1.2002. The objective of these amendments, in brief, is to ensure orderly growth of trade unions and reduce multiplicity of trade unions and promote internal democracy and industrial peace.

### **(ii). The Industrial Disputes (Amendment) Act, 2010.**

The Industrial Disputes Act, 1947 provides for investigation and settlement of industrial disputes. The main objectives of the Act are: promotion of measures for securing and preserving amity and good relations between the employer and workmen; investigation and settlement of industrial disputes by way of conciliation and adjudication. The Act provides statutory protection to the workman in case of illegal lay-off, lock-outs and retrenchment. It also regulates the strike in public utility service or otherwise. The Act also provides for action against management/unions in case of unfair labour practices as defined in the Act. The Industrial Disputes Act, 1947 has been amended vide Industrial Disputes (Amendment) Act, 2010 and enforced w.e.f. 15.9.2010 and now Labour Courts and Industrial Tribunals have been given power to take action for non-implementation of their awards. In the amended Act, Constitution of Grievance Settlement Machinery has also been made mandatory to create peaceful industrial relations in the establishments.

**(iii). The Plantations Labour (Amendment) Act, 2010.**

The Plantations Labour Act, 1951 is a Central Act. The Act is in operation since 1954. The Act is enforced by the respective States. The Plantations Labour Act, 1951 regulates conditions of employment including working hours and provides for mechanism for safety, health and welfare of plantation labour.

The Chief Inspectors under the Act, on the basis of rules framed by the respective State Governments, ensure implementation of welfare measures relating to medical facilities, educational facility, housing facilities, drinking water facility, sanitation and conservancy, etc. for plantation labourers. The Plantations Labour Act, 1951 has been amended vide the Plantations Labour (Amendment) Act, 2010 and enforced w.e.f. 7.6.2010. In this amendment, all workers drawing wages up to Rs.10,000/- have been covered and gender bias is also removed for the benefit of female workers. Special provisions of safety have been incorporated for plantation workers in the amendment. State Governments have been empowered to frame their rules and implement the same without prior permission from the Government of India.

**(iv). The Participation of Workers in Management Bill, 1990**

The Participation of Workers in Management Bill, 1990 was introduced in the Rajya Sabha on 30.5.1990. The main object of the Bill is to provide for specific and meaningful participation of workers in management at Shop floor level, Establishments level and Board of Management level in industrial establishments. The Participation of Workers in Management Bill, 1990 is under redrafting to reflect changes in economic and social parameters, since 1990. It has been decided to discuss the Bill further with social partners in tripartite fora before it is finalised. Ministry of Labour and Employment has requested the VV Giri National Labour Institute to conduct study in this regard and submit a report.

**(v) Tripartite Industrial Committee on Plantation Industry**

The Tripartite Industrial Committee on Plantation Industry was initially constituted on 18.9.1998 and last reconstituted on 3.2.2012 to discuss the problems of Plantation Industry and to find solutions. With the induction of Minister of State for Labour & Employment, the Committee is being reconstituted to function under the Chairmanship of MOS(L&E).

**(vi) Industrial Tripartite Committee on Road Transport Industry**

The Industrial Tripartite Committee on Road Transport Industry was initially constituted

on 5.1.2004 and last reconstituted on 25.5.2012. The main function of the Committee is to study and discuss the problems of the Road Transport industry and to find solutions. With the induction of Minister of State for Labour & Employment, the Committee is being reconstituted to function under the Chairmanship of MOS(L&E).

### **C. Wage Board for Working Journalists and Other News-Paper Employees**

Although the new Wage Boards one for Working Journalists and other for Non-Journalists Newspaper Employees under Section 9 and 13 C respectively of the Working Journalists and Non-Journalists Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 has been constituted vide notifications dated 24.05.2007. Its started functioning from office of EPFO Complex, Dwarka, New Delhi only in November, 2007 The delay was due to time taken in locating office accommodation, appointment of staff and residential accommodation for the Chairman etc.

The Wage Boards had several meetings, issued Questionnaire to all concerned, visited some states and held discussion with State Government officials, Newspaper Establishment and Employees Unions. The Government, in consultation with the Wage Boards for working journalists and non-journalist newspaper employees, has notified the grant of interim rates of wages to journalists and other newspaper employees and new agency employees at the rate of 30% of the basic wage with effect from 8<sup>th</sup> January, 2008 vide notification S.O. No. 2524 (E) and S.O. No. 2525(E) dated 24<sup>th</sup> October, 2008.

The Government appointed Justice G. R. Majithia, retired Judge of High Court of Bombay as common Chairman of the two Wage Boards, one for Working Journalists and the other for Non-Journalists Newspaper Employees in place of Justice K. Narayana Kurup who resigned w.e.f. 31.07.2008, Justice Majithia had assumed charge on 04.03.2009.

As the Wage Boards for Working Journalists and Non-Journalists Newspaper Employees could not submit their Reports within stipulated time i.e. 23<sup>rd</sup> May, 2010, the Government extended the tenure of the Wage Board for Working Journalists and Non-Journalists Newspaper Employees under the Chairmanship of Justice Gurbax Rai Majithia, up to the 31<sup>st</sup> December, 2010, so as to finalize the recommendations of the Wage Boards on or before 31<sup>st</sup> December, 2010, without any further extension of time vide notifications S.O. 1304 (E) and S.O.1305 (E) dated 2<sup>nd</sup> June, 2010.

The Wage Boards submitted their final Report to the Government on 31.12.2010.



The Cabinet in its meeting held on 25<sup>th</sup> October, 2011 approved the proposal to accept the recommendations of the Wage Boards for Working Journalists and Non-Journalist Newspaper Employees of Newspaper Establishments and News Agencies, as contained in this Ministry's Cabinet Note dated 7<sup>th</sup> October, 2011.

The recommendations of the Majithia Wage Boards had been accepted by the Government and notified in the Official Gazette vide S.O. No. 2532 (E) dated 11.11.2011 subject to the outcome of the WP (C) No. 246 of 2011 in the matter of ABP Pvt. Ltd. vs UOI & Others. The recommendations have been uploaded in the Ministry's web-site and are in public domain.

Since the primary responsibility for implementation of the recommendations lies with the State Governments / UTs, a copy of the notifications was forwarded to all the State Governments / UTs. In order to monitor the implementation of the notification, a Central Level Monitoring Committee has been set up under the Chairmanship of Principal Labour & Employment Adviser. The first meeting of the Central Level Monitoring Committee was held on 24/9/2012 at Hyderabad covering the 7 Southern States / UTs

## **D. Payment of Bonus Act, 1965**

- The Payment of Bonus Act, 1965 provides for payment of bonus to persons employed in certain establishment on the basis of profits/production/ or productivity and for matters connected therewith. The Payment of Bonus Act, 1965 is applicable to every factory and establishment employing 20 or more persons.
- The minimum bonus of 8.33% is payable by every industry and establishment under section 10 of the Act. The minimum bonus including productivity link bonus that can be paid in any accounting year shall not exceed 20% of the salary/wage of an employee under the Section 31 A of the Act.

At present, employees drawing salary or wage not exceeding Rs.10,000/- per month in any industry to do any skilled or unskilled, manual, supervisory, managerial, administrative, technical or clerical work for hire or reward are eligible for payment of Bonus. The eligibility limit and calculation ceiling under clause 13 of Section 2 and Section 12 of the Act respectively were last revised in the year 2007 and made effective from 1<sup>st</sup> April, 2006 from Rs.3,500/- to Rs. 10,000/- per month and from Rs. 2,500/- to Rs. 3,500/- per month.

## **E. MINIMUM WAGES**

### **Minimum Wages Act, 1948**

1. **Object :** The object of Minimum Wages Act, 1948 is to provide for fixation/revision of minimum wages in employments in unorganized sector in which the workers due to illiteracy being not well organized and having no effective bargaining power are vulnerable to exploitation.

2. **Appropriate Government :** Under the Minimum Wages Act, both the State and Central Government are 'appropriate Government' for the scheduled employments under their respective jurisdictions.

3. **Fixation :** The following 5 norms were recommended by the Indian Labour Conference, in its session held in 1957, which are generally taken as the basis for fixation of minimum rates of wages:-

- (a) Three consumption units for one earner;
- (b) Minimum food requirement of 2700 calories per average Indian adult;
- (c) Clothing requirements of 72 yards per annum per family;
- (d) Rent corresponding to the minimum area provided for under Government's Industrial Housing Scheme;
- (e) Fuel, lighting and other 'miscellaneous' items of expenditure to constitute 20% of the total minimum wages.

The appropriate Governments also take into account factors like cost of living, paying capacity, productivity and local conditions influencing the wage rates while fixing the minimum wage.

4. **Revision :** As regards the frequency of wage revision, the Minimum Wages Act, 1948 stipulates that review/revision of minimum wages in the scheduled employments should be undertaken at intervals not exceeding five years. The National Commission on Labour (1969) recommended that this period should be reduced to two years. At the 31<sup>st</sup> Session of the Labour Ministers' Conference held in July, 1980, it was concluded that minimum rates of wages may be reviewed and revised, if necessary, within a period of not exceeding two years or on rise of 50 points in the Consumer Price Index Number, whichever is earlier.

5. **Applicability in Central Sphere :** The Central Government is the appropriate government in relation to any scheduled employment carried on by or under the authority of the Central

Government or a Railway administration, or in relation to a mine, oil field or major port, or any corporation established by a Central Act. About 10 lakh workers are estimatedly employed in approximately 25,000 establishments covered under the Act in the Central Sphere.

6. **Minimum rates of wages including VDA :** The Central Government has made a provision of Variable Dearness Allowance (VDA) linked to Consumer Price Index in all the 45 scheduled employments under its sphere. The component of Variable Dearness Allowance is revised twice a year effective April and October based on the increase in the Consumer Price Index. Twenty-four States/Union Territories have already adopted VDA as a component of minimum wage.

A statement indicating the minimum rates of wages for scheduled employments in the Central Sphere as on 01.10.2012 is at Annexure– I.

7. **Applicability in State Sphere :** The State Governments are the appropriate Government for the scheduled employments under their jurisdictions. **The number of scheduled employments in the State Sphere is 1679.** A statement indicating the range of minimum rates of wages to unskilled workers in the State Sphere is at Annexure – II.

The Central Government has been taking up with the State Governments from time to time the issue relating to minimum wages through letters and discussions in various fora . Based on the recommendations of the National Commission on Rural Labour, the State Governments have also been advised to:-

Introduce V.D.A. linked to Consumer Price Index, alongwith the Minimum Wages. So far, 24 State Governments/Union Territory Administrations have been made VDA as a component of minimum wage.

Revise the minimum wages every two years, unless there is a provision of Variable Dearness Allowance linked to Consumer Price Index; and Strengthen the enforcement machinery.

8. The Central Government also keeps a close watch on implementation of the Minimum Wages Act in various States and Union Territories. The State Governments have been advised from time to time to take various measures to improve the effectiveness of the implementation of the Minimum Wages Act. The steps recommended include the utilization of services of the officers of other Departments like Revenue, Agricultural, Cooperation etc., to increase the number of inspectors and to disseminate statutory provisions relating to minimum wages through media like radio, press etc. amongst the workers.

## 9. **National Floor Level Minimum Wage (NFLMW)**

In order to have a uniform wage structure and to reduce the disparity in minimum wages across the country, a concept of National Floor Level Minimum Wage was mooted on the basis of the recommendations of the National Commission on Rural Labour (NCRL) in 1991. Keeping in view the recommendation of NCRL and based on the norms suggested by the Working Group and its acceptance by the Central Advisory Board subsequently in its meeting held on 19.12.2003, the National Floor Level Minimum Wage was revised upwards to Rs.66/- per day with effect from 1.02.2004. On the basis of increase in the Consumer Price Index, the Central Government has revised the National Floor Level Minimum Wages from Rs. 66/- to Rs.80/-, to Rs.100/- and to Rs. 115 per day with effect from 1.9.2007, 1.11.2009 and 1.4.2011 respectively.

It is, however, clarified that the National Floor Level Minimum Wage, is a non-statutory measure to ensure upward revision of minimum wages in different States/UT's. Thus, the State Governments are requested to fix/ revise minimum wages such that in none of the scheduled employments, the minimum wage is less than National Floor Level Minimum Wage. There is an amendment proposal to make NFLMW statutory for all employments.

### **The Payment of Wages Act, 1936**

1.43 The Payment of Wages Act, 1936, which is a labour friendly Legislation, ensures primarily timely payment of wages and that no unauthorized deductions are made from the wages of the workers. In exercise of the powers conferred by sub-section (6) of Section 1 of the Act, the Central Government, on the basis of figures of the Consumer Expenditure Survey published by National Sample Survey Organization, has enhanced the wage ceiling from Rs. 6500/- to Rs. 10,000/- per month w.e.f. 08.08.2007. Recently the wage ceiling has been enhanced to Rs. 18,000/- w.e.f. 11.09.2012

### **The Payment of Wages (Nomination) Rules, 2009**

1.44 In pursuance of the recommendation of the Special Task Force set up by the Ministry of Women and Child Development on complete legal equality to women, the Central Government has notified the Payment of Wages (Nomination) Rules, 2009, vide notification GSR No 822 (E) dated the 29<sup>th</sup> June, 2009 defining the procedure for nomination and restricting the nomination by workers to his family members as far as applicable in exercise of powers conferred by sub-section (5) of section 26 of the Payment of Wages Act, 1936.

### **3. WORKING CONDITIONS AND SAFETY**

#### **A. Factories and Docks**

The Directorate General Factory Advice Service and Labour Institutes (DGFASLI), consists of the Head Quarters (Factory Advice Service Division, Dock Safety Division, Construction Safety Division and Awards Cell), the Central Labour Institute (CLI) at Mumbai, the four Regional Labour Institutes at Kolkata, Chennai, Kanpur and Faridabad and the Dock Safety Inspectorates in 11 Major Ports of India. The Inspectorate at the port of Ennore is in the process of being set up.

As a technical organisation under the Ministry of Labour & Employment Govt. of India, DGFASLI advises the Central/State Governments, trade unions, employers and others in matters concerning safety, health, productivity and working conditions in factories and ports, carries out support research activities for updating the Factories Act, 1948, Dock Workers (Safety, Health and Welfare) Act, 1986, and the Rules. It also enforces the Dock Workers' (Safety, Health and Welfare) Act, 1986 and the Regulations 1990 framed there under in major ports; Liaises with International bodies like the International Labour Organisation (ILO) in implementing the projects and advises the Central Government on ratification of International Instruments on Safety and Health etc.

#### **B. Mines**

The Mines Act, 1952 and the Regulation and Rules made thereunder constitute the statutory base for regulating safety, health, welfare and working conditions of persons employed in mines throughout India. The Directorate General of Mines Safety has been entrusted with the function of enforcing the provisions of the Mines Act, 1952 and the Rules & Regulations framed thereunder, including the Mines Rules, the Mines Rescue Rules and the Mines vocational Training Rules in respect of all Mines and the Creche Rules in respect of Non-Coal Mines.

Director General of Mines Safety (DGMS) is the Head of this Organisation who is also the Chief Inspector of Mines under the Mines Act, 1952. The Officers of the Directorate are appointed as Regional Inspectors/Inspectors of Mines under the Mines Act, 1952. They have also been given certain responsibilities under allied legislations like the Coal Mines (Conservation and Development) Act, 1974, the Land Acquisition (Mines) Act, 1985, the Factories Act, 1948 and the Manufacture, Storage and import of Hazardous Chemical Rules, 1989 besides the Indian Electricity Act, 2003 and the Central Electricity Authority (Measures relating to Safety and Electricity

Supply) Regulations, 2010 framed thereunder. The Inspectors conduct/undertake regular Inspections of Mines, besides inquiring into all fatal accidents and some of the serious accidents depending upon the nature of the accident and the gravity of the situation. These inquiries serve the dual purpose of indentifying the cause and circumstances leading to accidents including responsibilities for the accidents and formulating remedial measures to prevent recurrence of similar accidents in future.

### **Current functions of DGMS broadly include:**

1. Inspection of mines
2. Inquiries/Investigation into
  - (a) Accidents
  - (b) Dangerous occurrences – emergency response
  - (c) Complaints & other matters
3. (a) Grants of
  - i. Statutory permission, exemptions & relaxations-pre-view of project reports & mining plans
  - ii. Approval of Mines safety equipment, material & appliances
- (b) Interactions for development of safety equipment, material and safe work practices through workshop etc.
- (c) Development of Safety Legislation and Standards
- (d) Safety Information Dissemination
4. Conduct of examination for grant of competency certificates.
5. Safety promotional initiatives including:
  - (a) **Organisation of :**
    - Conference on safety in mines
    - National Safety awards
    - Safety weeks & Campaigns
  - (b) **Promoting:**

- Safety education and awareness programmes
- Workers participation in safety management through-
  - Workmens inspector
  - Safety committee
  - Tripartite Committees & Safety Boards

The various activities to carry out the functions of DGMS include:

**A. Non-Plan**

1. DGMS Non-plan (Main)
2. Examination

**B. Plan Schmes**

1. Mine Accident Analysis and Modernization of Information Database (MAMID)
2. Strengthening of Infrastructure Facilities and Core Functions of DGMS (SOCFOD)
3. e-DGMS (New Plan scheme under 12<sup>th</sup> Plan)

**4. LABOUR WELFARE SCHEMES**

Government of India attaches high priority to the welfare of workers in unorganized sector, particularly those engaged in beedi, certain specified mines and cinema industry. Welfare Funds have been established under following enactments.

- (a) The Mica Mines Labour Welfare Fund Act, 1946;
- (b) The Limestone & Dolomite Mines Labour Welfare Fund Act, 1972;
- (c) The Iron Ore, Manganese Ore and Chrome Ore Mines Labour Welfare Fund Act, 1976;
- (d) The Beedi Workers Welfare Fund Act, 1976;
- (e) The Cine Workers Welfare Fund Act, 1981.

2. Levy of cess on consumption or export of minerals, manufactured beedis and production of feature films finances these Funds. The welfare measures financed out of these Funds relate to the provision of medical facilities, housing, supply of drinking water, support to education of

dependants of beneficiaries, recreation of workers etc. While most of the activities are administered directly by the concerned Welfare Commissioners, subsidies/grant-in-aid are also provided to the State Governments, local authorities and managements for implementation of certain welfare schemes as per approved pattern. Under the procedure, all receipts of cess are credited to the Consolidated Fund of India and are booked under Major Head of Account 0037-Customs or 0038-Excise. Thereafter, on receipt of intimation, the Budget & Accounts Section of the Ministry of Labour issues sanction for transfer of this cess to the respective Welfare Funds under Major Head 8229 Public Account - per contra debit to Major Head 2230 - Transfer to Reserve Fund for which Funds are provided in Demand for Grants of the Ministry of Labour.

## **5. SOCIAL SECURITY**

### **A. Employees' State Insurance Scheme :**

The Employees' State Insurance Act, 1948 applies to all non-seasonal factories employing 10 or more persons. The provision of the Act are being extended area-wise by stages. The Act contains an enabling provision under which the "appropriate government" is empowered to extend the provisions of the Act to other classes of establishment – industrial, commercial, agricultural or other-wise. Under these provisions, several State Governments have extended the provisions of the Act to shops, hotels, restaurants, cinemas including preview theatres, road motor transport undertakings, newspaper establishments, educational and medical institutions employing 10/20 or more employees. Nineteen State Government have reduced the threshold of coverage of shops and other establishments to 10 or more persons. Employees of factories and establishments covered under Act drawing monthly wages upto Rs.15000/- p.m. and Rs.25,000/- p.m for physically challenged employees are covered under the Scheme. To encourage employers to engage physically challenged persons, Govt. of India fully bears the employers' contribution for 3 years. As on 31.3.2012, the scheme applied to 5.80 lakhs employers employing 1.71 crore insured persons at 807 centres.

The Scheme provides medical care, cash benefits to the insured person during the contingencies such as sickness, maternity, employment injury and dependant benefit to the dependants of insured persons in case of death due to employment injury besides payment of funeral expenses of an Insured Person. The medical care including hospitalization facilities is also provided to members of the family of the Insured Persons.

The Employees' State Insurance Scheme is financed by the employers' and employees' contribution. The rate of employers' share of contribution is 4.75% of the wages of the employees while the employees' share of contribution is 1.75% of their wages. The employees drawing wages upto Rs.100/- per day (w.e.f. 01/07/2011) are exempted from payment of



their share of contribution. The expenditure on medical care is shared between the Employees' State Insurance Corporation and the State Governments in the ratio of 7 : 1. The Corporation does not receive any financial assistance from the Central Government.

During the year 2011-2012 an additional 9,20,854 employees were covered and the scheme was also extended to 60 new geographical areas. As per the phased programme of implementation, it is proposed to cover about 2.16 lakh employees during 2012-2013.

The Income & Expenditure for the Corporation under various Major Heads and budgeted outlay for the year 2013-2014 are as under :

Sl. No.	Head of Account	Actuals 2011-2012	Actuals 4/2012 to 9/2012	(**) Provisional Budget Estimates 2013-2014
	<b>REVENUE RECEIPTS</b>		<b>(Rupees in Lakhs)</b>	
1.	Contribution Employers' & Employees' share	707011.19	395709.01	850000.00
2.	Interest	118802.36	1224.16	150566.00
3.	Compensation	0.00	(*)	0.00
4.	Rent, Rates & Taxes	6064.30	158.02	7015.00
5.	State Govts. Share towards medical benefit initially incurred by the Corporation	2000.00	0.00	2000.00
6.	Fees, Fines & Forfeiture	2542.71	965.70	1500.00
7.	Miscellaneous	2934.53	1878.03	3000.00
8.	<b>TOTAL REVENUE RECEIPT</b>	<b>839355.09</b>	<b>401934.92</b>	<b>1014081.00</b>
9.	<b>EXPENDITURE</b>			
	<b>BENEFITS</b>			
10.	Medical Benefits	268962.11	146013.44	495045.00
11.	Cash Benefits	(***)68185.04	(***)30810.43	(***)80900.00
12.	Other Benefits	320.79	100.51	578.00
13.	<b>Total Benefits</b>	<b>337467.94</b>	<b>176924.38</b>	<b>576523.00</b>
14.	Administrative Expenditure	64706.48	44872.15	104075.00
15.	a) Depreciation	9099.57	(*)	11000.00
16.	b) Repairs & Maintenance	7313.73	(*)	11120.00
17.	c) Municipal Taxes	511.93	(*)	700.00
18.	<b>CONTINGENCY RESERVE FUND</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
19.	Capital Construction Fund	7070.11	(*)	8500.00
20.	<b>TOTAL EXPENDITURE ON REVENUE ACCOUNT</b>	<b>426169.76</b>	<b>(*)</b>	<b>711918.00</b>
21.	<b>NET EXCESS OF INCOME OVER EXPENDITURE</b>	<b>413185.33</b>	<b>(*)</b>	<b>302163.00</b>

(\*) Actual is available only at the close of the Financial year.

(\*\*) Budget Estimates as approved and adopted by the Corporation in its 159<sup>th</sup> meeting held on 8<sup>th</sup> February 2013 submitted to the Central Govt. for approval.

(\*\*\*) This includes the actual payment made upto 09/2012 in respect of PDB and DB whereas Actual for 2011-2012 and Budget Estimates 2013-2014 are capitalized value of PDB and DB.

**Head-wise Description :**

- Sl.No.1 refers to the contribution received from employees and employers at the prescribed percentage of their wage (employees contribution is 1.75% and employer contribution is 4.75% of the total wage of employee).
- Sl.No.2 refers to the interest received on account of investment of surplus fund of ESIC other than earmarked funds.
- Sl. No.3 refers to the compensation received from state govt. on account of excess payment of sickness benefit over and above all India average.
- Sl. No.4 refers to the Rent, Rates and Taxes received from state govt. for hospital and dispensary buildings.
- Sl. No.5 refers to the payment received from state govt. of NCT Delhi where the scheme is directly administered by ESIC.
- Sl. No.6 refers to the payment received on account of damages and penalty levied on employers who fail to make the payment timely.
- Sl.No.7 refers to the payment received on account of price of duplicate I-card, recoveries of overpayment disallowed in audit and receipts of unclassified and miscellaneous in nature.
- Sl.No.10 refers to the amount spent on providing medical benefit to IPs.
- Sl.No.11 refers to the payment of Sickness Benefit, Extended Sickness Benefit, Maternity Benefit, Temporary Disablement Benefit, Permanent Disablement Benefit, Dependant Benefit to Insured Persons covered in the Scheme and payment for Rajiv Gandhi Shramik Kalyan Yojna.
- Sl.No.12 refers to the payment to IPs for appearing before Medical Board and Appeal Tribunal, rehabilitation allowance and miscellaneous.
- Sl.No.14 refers to the amount spent on Administration of Scheme by ESIC.
- Sl.No.15 & 16 refers to the provision made for depreciation and R& M of ESI Buildings.
- Sl.No.17 refers to the payment for municipal taxes to municipal authorities for ESI Buildings.
- Sl.No.19 refers to the provision for capital construction at @ 1% of the contribution income.

**Outcome & Outlay of ESI Scheme :**

Sl. No.	Head of Account	Outcome for 2011-2012	Target for 2012-2013	Outlay for 2013-2014
1	No. of Centres	807	866	923
2.	No. of employees covered (in lakhs)	163.49	165.66	167.90
3.	No. of insured persons entitled for Medical Care (in lakhs)	171.01	173.28	175.62
4.	No. of family members to whom Medical Care has been extended (in lakhs)			
	a) Excluding the insured persons	492.51	499.06	505.78
	b) Including the insured persons	663.52	672.34	681.40
5.	No. of Hospitals and Annexes	198	200	202
6.	No. of beds :			
	a) No. of beds including beds reserved in Govt. and other recognized hospitals	28,794	30,885	30,885
	b) No. of beds in hospitals under construction	800	800	800
7.	No. of dispensaries in rented premises	783	783	783
8.	No. of Panel Clinics	1380	1380	1380
9.	No. of patients treated:			
	a) No. of cases admitted in hospitals (in lakhs)	4.18	4.80	5.40
	b) Attendance at Dispensaries (both insured persons and family members) (in lakhs)			
	i) New Cases	166.10	198.52	209.70
	ii) Old cases	170.34	181.97	192.90
10.	No. of dependants in receipt of Pension( i.e. No of beneficiaries for Dependants' Benefit)	86,644	92,731	99,744
11.	No. of beneficiaries in receipt of Permanent Disablement Benefit	208583	218330	228077
12.	Staff strength			
	a) Medical Personnel	19,217	20,178	20,682
	b) Others	16,357	17,175	17,604

**i. RAJIV GANDHI SHRAMIK KALYAN YOJNA :**

The ESI Corporation has introduced a scheme known as Rajiv Gandhi Shramik Kalyan Yojna (Unemployment Allowance Scheme) with effect from 01.04.2005 for the workers who have been in insurable employment for not less than 3 years and lose their job involuntarily due to retrenchment, closure of factories/establishments and permanent disability are eligible. The maximum period for which an insured person would be entitled to draw unemployment allowance during his entire insurable employment shall be 12 months. The period of submission of claim for Unemployment Allowance has been enhanced from 6 months to 9 months w.e.f. 1.7.2010. Besides, a skill up-gradation scheme has also been introduced for the IPs/IWs who are in receipt of Unemployment Allowance Scheme and desirous of upgrading their skill. They are provided training at various Advanced Institutes located at different centers of the country. The Insured Persons who are eligible for Unemployment Allowance are also eligible for Medical Benefit for the same period. The actual expenditure between the period from April, 2012 to September 2012 is Rs.171.89 lakhs.

**ii. MODERNIZATION/ UP-GRADATION/ EXPANSION OF HOSPITALS :**

- It has been decided by the Corporation to modernize/upgrade/expand all ESI Hospitals in a phased manner and to bring them at par with private corporate Hospitals. The bench mark fixed is that all treatment (including diagnostic) is made available to Insured Person in-house and he is referred outside only as an exception.
- To facilitate early sanction of equipments for ESI Hospitals, SSMCs/SMCs at state level have been delegated powers to sanction equipments upto Rs.25 lakhs per unit.
- Process initiated for installation of sophisticated equipments such as MRI/CT Scan etc. in ESIC Hospitals.
- Ceiling on reimbursement of expenses on medical care to state governments has been raised from Rs.1200/- to Rs.1500/- effective from 01.04.2012.
- An additional amount of Rs.200/- per IP family units per annum is given to State Governments over and above ceiling of Rs.1500/- on fulfillment of certain criteria of occupancy of Hospitals in the state.
- Dialysis facility has been taken out of super specialty and is being provided to all patients requiring it, if they are entitled for medical benefit.

**iii) ESTABLISHMENT OF HOSPITAL DEVELOPMENT COMMITTEES :**

The ESI Corporation, at its meeting held on 08.07.2008, have decided to constitute Hospital Development Committee for all ESI Hospitals in the country with representation of all stakeholders to review and monitor the functioning of the Hospitals and take on the spot decisions for improving the functioning of the Hospitals. The committee have been given requisite executive and financial powers so that its decisions could be implemented.

**iv) SUPER SPECIALTY TREATMENT :**

Till August 2008 the expenditure on super specialty treatment was borne by state government within the ceiling but now the expenditure on super specialty treatment will be borne directly by the Corporation outside the ceiling w.e.f. 01.08.2008.

**v) SETTING UP OF INSTITUTIONS OF MEDICAL EDUCATION :**

The ESI Corporation has started its first medical college for under graduate course (MBBS) during the academic year 2012-13 in its hospital at Rajaji Nagar, Bangalore. Earlier Corporation has established Post Graduate Institutes at six hospitals across India in various disciplines and permission is being sought from the regulatory body for commencement of new courses.

The Dental College of ESI Corporation established at Rohini is completing its third year course since inception. Process of obtaining approvals for commencement of new nursing colleges in Gulbarga and Indra Nagar in Karnataka, Medical colleges in K.K. Nagar - Chennai, Joka - West Bengal and Gulbarga - Karnataka and a new Dental College at Gulbarga - Karnataka has been initiated.

**Monitoring Mechanism (Outcome & Outlay of ESI Scheme at page No.4 & 5)**

A well developed monitoring mechanism exists in the Corporation both for financial and physical target/outlay for various items of the work as indicated below:

- Monitoring in respect of item indicated at Sl.No.1 is done by Jt. Director (P&D) under the control of Insurance Commissioner.
- Monitoring in respect of item indicated at Sl. No.2,3,4, 10 and 11 is done by Jt. Director (Actuarial) under the control of Insurance Commissioner.

- Monitoring in respect of item indicated at Sl. No. 5,6 and 7 is done by Jt. Director (PMD) under the control of Chief Engineer.
- Monitoring in respect of item indicated at Sl.No.8, 9 and 12 is done by Dy. Medical Commissioner under the control of Medical Commissioner.

## **B. Employees' Provident Fund Organisation**

### **[A] Introductory note on the functions of the Organisation, its mandate, goals and policy frame' work:**

**The Employees' Provident Fund Organisation (EPFO) is a Social Security Organisation, which came into existence under the provisions of The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 [Act 19 of 1952]{ the Act } –an Act to provide for the institution of provident funds, pension fund and deposit–linked insurance fund for employees in factories and other establishments. The sole objective behind the creation of EPFO is to administer the provisions of the Act and the three schemes framed there under namely Employees' Provident Fund Scheme, 1952, Employees' Pension Scheme, 1995 and Employees' Deposit-Linked Insurance Scheme, 1976. All these three schemes are framed with an objective to provide monetary benefits to the working class in Commercial and Industrial Establishments by way of accumulated provident fund and pension benefits at the time of death/retirement and Insurance Benefit to the family members of the covered employees in case of their death while in service. Presently EPFO is providing social security by way of monetary benefits to more than 5 Crore members and effectively to more than 20 Crore individual family members of the subscribers.**

### **[B] Mandate, Goals and Policy Framework:**

**As it is evident from preamble of the Act, it has been made to provide for the institution of provident funds, pension fund and deposit–linked insurance fund for employees in factories and other establishments, the Act belongs to the class of labour and industrial legislations.** It has been enacted by the Parliament to achieve the objectives set in the Directive Principle under Article 38 of the Constitution of India that state shall strive to minimising the inequalities in income, status, facilities and opportunities; and under Article 43 that “state shall endeavour to secure by way a suitable legislation or economic organisation or in any other way, to all workers a living wages, conditions of work, ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities.”

**Imbibing the spirit of the above referred constitutional provisions; the Act aims at improving the social and economic conditions of the workers and also at promoting the welfare of the labour force contributing to the national productivity.**

**[C] Organisational Setup**

**The functioning of EPFO is administered by a tripartite body called Central Board of Trustees, EPF consisting of the representatives from the side of Employers, Employees and Government through a network of about 136 field offices spread across the country.**

**[D] Major Schemes implemented by the Organisation**

**I. Employees' Provident Fund Scheme:**

The Act is at present applicable to 187 industries/classes of establishments employing 20 or more persons. It is also open to other establishments to come voluntarily under the purview of the Act with the mutual consent of the employer and the majority of the employees. The coverage under the three schemes is restricted to employees drawing wages not exceeding Rs. 6500/- per month.

The main functions of the E.P.F. Organisation are as follows:-

1. To make the benefits available to all the eligible employees in all the covered establishments in the proper manner and at the proper time.
2. To secure from the employers compliance with the statutory provisions by ensuring prompt deposit of statutory dues and submission of returns.
3. To maintain the accounts of the three funds and of the subscribers.
4. To grant advances to the subscribers from their credit in the E.P.F. for certain specific purposes in times of need.
5. To keep each subscriber informed about the amount at his credit in the Provident Fund by furnishing to him every year a statement of Provident Fund account.
6. To settle accounts of the subscribers promptly in the event of death or on the cessation of membership.

## **II Employees' Pension Scheme, 1995:**

The Presidential Ordinance regarding implementation of the Employees' Pension Scheme was issued on 17.10.1995. Accordingly, Central Government have notified on 16.11.95, the Employees' Pension Scheme 1995 for extending the benefit of Pension to the workers/employees of the Private /Public Sector establishments.

The Employees' Pension Fund is created by diverting 8.33 percent of the employees' wages out of the employers share. The Central Government also contributes at the rate of 1.16 percent of the employees' pay, who are member of the Employees' Pension Scheme, 1995.

Under the Employees Pension Scheme, there is provision for payment of Superannuation/Retirement/Short Service and Disablement Pensions to the Subscribers. For the family, there is Widow Pension, Monthly Children Pension, Monthly Orphan Pension and Pension to Nominees. In addition, provision also exists for drawing a reduced Pension, before attaining the age of superannuation pension.

## **III Employees' Deposit Linked Insurance Scheme, 1976:**

The objective of this Scheme is to provide an insurance cover to the members of the Provident Fund for death while in service, linking the cover to the deposits in the Provident Fund of the deceased members. This Scheme came into force from 1.08.1976 and applicable to the employees of all the factories/establishments to which EPF and MP Act, 1952 applies. Employer pay contribution to this Fund every month at a rate of 0.5% of the wages of employee, who are members of the Fund. The Fund is operated to pay the Assurance benefit under the EDLI Scheme, 1976, maximum benefit being Rs. 1,00,000/-.

## **6. SOCIAL SECURITY FOR UNORGANIZED SECTOR WORKERS**

The workers in the unorganized sector constitute about 94% of the total work force in the country. The Government has been implementing some social security measures for certain occupational groups but the coverage is miniscule. Majority of the workers are still without any social security coverage. Recognizing the need for providing social security to these workers, the Government has enacted the Unorganised Workers' Social Security Act, 2008

One of the major insecurities for workers in the unorganized sector is the frequent incidences of illness and need for medical care and hospitalization of such workers and their



family members. Despite the expansion in the health facilities, illness remains one of the most prevalent causes of human deprivation in India. It has been clearly recognized that health insurance is one way of providing protection to poor households against the risk of health spending leading to poverty. However, most efforts to provide health insurance in the past have faced difficulties in both design and implementation. The poor are unable or unwilling to take up health insurance because of its cost, or lack of perceived benefits. Organizing and administering health insurance, especially in rural areas, is also difficult.

With a view to providing smart card based cashless hospitalization to BPL families in the unorganised sector, the ‘**Rashtriya Swasthya Bima Yojana**’ was launched on 1<sup>st</sup> October, 2007. The scheme became operational w.e.f. 01.04.2008. The unorganized sector worker and his family (a unit of five) is covered under the scheme. The total sum insured is Rs. 30,000/- per family per annum on a family floater basis. The premium is shared on 75:25 basis by Centre and State Government. The premium in respect of States of North East region and Jammu and Kashmir is shared in the ratio of 90:10. It is estimated that about 33% (about 1.2 crore) of the estimated beneficiaries would be women in the financial year 2013-14.

## **7. CHILD AND WOMEN LABOUR**

### **A. CHILD LABOUR**

**Details of mandate, goals and objectives as well as policy framework and vision statement:**

**I. TITLE OF THE SCHEME: NATIONAL CHILD LABOUR PROJECTS INCLUDING GRANT-IN-AID TO VOLUNTARY AGENCIES.**

**II. YEAR OF THE COMMENCEMENT: From 1988 onwards.**

**III. FINANCIAL DETAILS:**

(Rs. In Crore)					
<b>11<sup>th</sup> Plan (2007-12) Approved Outlay</b>	<b>Annual Plan (2011-12) Actual Expenditure</b>	<b>11<sup>th</sup> Plan (2007-12) Actual Expenditure</b>	<b>12<sup>th</sup> Plan (2012-17) Proposed Outlay</b>	<b>Annual Plan (2012-13) Anticipated Expenditure</b>	<b>Annual Plan (2013-14) Proposed Outlay</b>
1.	2.	3.	4.	5.	6.
849*	142.66	621.16	2440	120**	200

\* This includes provision for Scheme of Grant-in-aid to Voluntary Organisation also.

\*\*Actual Expenditure as on 31.12.2012 is Rs. 76.19 crore. EFC memo has not been approved yet.

#### **IV OBJECTIVE OF THE SCHEME:**

The project seeks to rehabilitate children withdrawn from work through special schools with focus on children engaged in hazardous occupations. The package of benefits to child labour for their rehabilitation includes education, vocational training, nutrition, health care, recreation, stipend, etc. The other activities include stricter enforcement of child labour related laws, raising awareness against the evils of child labour and extension of welfare activities to child labour.

#### **V. PAST/ONGOING ACTIVITIES:**

##### **NCLP:**

Government of India launched the National Child Labour Project (NCLP) scheme in 1988 in 12 Child Labour endemic districts to rehabilitate children working in hazardous occupations. This is the major scheme for the rehabilitation and eradication of the Child Labour.

A major programme was launched on 15<sup>th</sup> August, 1994 for rehabilitating child labour working in hazardous occupations. Subsequently, the Supreme Court of India also in their judgment dated 10<sup>th</sup> December, 1996 in Writ Petition (Civil) No. 465/1986 has given certain directions regarding the manner in which the children working in the hazardous occupations are to be withdrawn from work and rehabilitated and also the manner in which the working conditions of the children working in non-hazardous occupations are to be regulated and improved upon. The important directions given in the judgment dated 10<sup>th</sup> December, 1996 include giving alternative employment to an adult member of the family in place of the child withdrawn from the hazardous occupation, completion of the survey of children working in hazardous employments within a period of six months, provision of education in a suitable institution for the child withdrawn from work etc. Progress reported by the State Governments in the implementation of these directions has been conveyed to the Hon'ble Supreme Court in the form of an Affidavit.

1. Survey in child labour endemic districts of the country of identification child labour.
2. Funding of Project Societies in 271 districts of the country for carrying out the activities NCLP Project. At present, the scheme is operational in 266 districts in 20 States around 3.39 lakhs children through 7311 schools.
3. Continuation of funding of special schools in 271 districts of the country for children the age group of 9-14 years withdrawn from hazardous occupations/processes with objective of providing education, vocational training, stipend, health care and recreation.
4. Convergence with other departments of Central/State Governments for rehabilitation of child labour and income generation of parents.

#### **VI. JUSTIFICATION FOR CONTINUATION IN 2013-14 AND BEYOND:**

Though there are clear provisions in our Constitution to safeguard the interest of children by ensuring that they receive education and are not forced to work for a living, but paradoxically

the problem of child labour exists to a large extent in our country. In absolute numbers, the problem is large. As per the Census 2001, there are 1.26 crores economically active children in the age-group of 5-14 years. As per NSSO survey 2004-05 working children in country were 90.75 crore and as per NSSO survey 2009-10 the number of working children were 49.84 crore which shows effective implementation of the NCLP Scheme. Ministry of Labour & Employment is addressing the issue of elimination of child labour through prohibition as per Child Labour (Prohibition & Regulation) Act, 1986. The rehabilitation of the child labour is done through NCLP School. With the enactment of the Right to Education Act, our efforts to eliminate child labour will definitely receive a big boost. Children who should have been in classrooms but are instead in the workplace will find their rightful place in schools rather than factories/industries. All of us must ensure that the new law is implemented in letter and spirit and necessary infrastructure is put in place for its success. Ministry of HRD has also acknowledged the efforts of this Ministry towards rehabilitation and eradication of the Child Labour through NCLP schools. They also viewed that the NCLP schools could continue to operate as special schools under section 4 of RTE. As per Article 24 of the Constitution, no child below the age of 14 years is to be employed in any factory, mine or any hazardous employment. Further, Article 39 requires the states to direct its policy towards ensuring that the tender age of children is not abused and that they are not forced by economic necessity to enter avocations unsuited to their age or strength. Recently, with the insertion of Article 21A, the State has been entrusted with the task of providing free and compulsory education to all the children in the age group of 6-14 years.

The objectives of the Government is to eliminate child labour in all its forms beginning with children working in hazardous occupations & processes. In order to fulfill this objective, it is essential that the Scheme of National Child Labour Project (NCLP) is continued in the 12<sup>th</sup> Plan. Apart from the expansion of the scheme, many new components have been proposed i.e. vocational training centres for adolescents in the age group of 15-18 years, NCLP Special Schools treated as special training centres under SSA scheme and RTE. As per section 4 & 5 of the RTE Act all the benefits provided in the SSA scheme, the same have also been extended to special schools of the scheme to make the Scheme more effective.

In addition, Government has prohibited employment of children as working in the following Occupation and Processes Viz. Diving, Processes involving exposure to excessive heat (e.g. Working near furnace) and cold, Mechanised fishing, Food Processing, Beverage Industry, Timber handling and loading, Mechanical Lumbering, Warehousing and Processes involving exposure to free silica such as slate, pencil industry, stone grinding, state stone mining, stone quarries, agate industry in 2008. The Government also has intended to prohibit employment of children in two more occupations viz. circus and caring of elephants. A notification to this effect was issued on 7<sup>th</sup> June, 2010 seeking public opinion within three months of the date of notification. The decision has been taken on the recommendation of the Technical Advisory Committee on Child Labour, which considered these occupation/Processes hazardous for children and recommended their inclusion in the list of occupation/Processes, which are prohibited for persons below 14 years under the Child Labour (Prohibition & Regulations) Act, 1986. The incidence of child labour in these occupation/processes is wide spread all over the country. Enforcement of this notification will also require continuation of the scheme in the 12<sup>th</sup> Plan.

## **GRANT-IN-AID TO VOLUNTARY AGENCY:**

### **I. OBJECTIVE / SCOPE OF THE SCHEME:**

The objective of the Scheme is to identify child labour and to make them available welfare inputs through special schools run by voluntary organizations. Under this Scheme, only those Districts are covered which have not set up National Child Labour Project. The amount of assistance given by the Ministry of Labour for taking up the projects for child labour is 75% of the total cost of the Project. The remaining part of the cost is to be borne by the organization concerned.

### **II. PAST/ONGOING ACTIVITIES:**

Under the Grant-in-aid scheme, at present about 30 NGOs/VOs are being financially assisted by the Ministry for running special schools. All ongoing projects are intended to benefit 5,000 children (approx). These children are being provided with formal/Non-formal education, Stipend, Nutrition, Health Check-up, Vocational Training through special schools.

### **III. JUSTIFICATION FOR CONTINUATION IN 2013-14 AND BEYOND:**

Our Constitution safeguard the interest of children by ensuring that they receive education and are not forced to work for a living, it is unfortunate that the problem of child labour exists to a large extent in our country. In absolute numbers, the problem is large. As per the Census 2001, there are 1.26 crores economically active children in the age-group of 5-14 years. The number was 1.13 crores in the 1991 Census. As per NSSO survey 2004-05 working children in country were 90.75 crore and as per NSSO survey 2009-10 the number of working children were 49.84 crore. As per Article 24 of the Constitution, no child below the age of 14 years is to be employed in any factory, mine or any hazardous employment. Further, Article 39 requires the states to direct its policy towards ensuring that the tender age of children is not abused and that they are not forced by economic necessity to enter avocations unsuited to their age or strength. Recently, with the insertion of Article 21A, the State has been entrusted with the task of providing free and compulsory education to all the children in the age group of 6-14 years. Ministry of Labour & Employment is addressing the issue of eliminating Child Labour through prohibition as per Child Labour (Prohibition & Regulation), Act, 1986. The rehabilitation of the Child Labour is done through NCLP schools. If the NCLP schools do not exist in the district the special schools under Grant in Aid scheme are being operated for elimination of Child Labour. Ministry of HRD has also acknowledged the efforts of this Ministry towards rehabilitation and eradication of the Child Labour through NCLP schools. They also viewed that the NCLP schools could continue to operate as special schools under section 4 of RTE.

## **B. WOMEN LABOUR**

### **Grants-in-aid Scheme for welfare of women labour**

The Grant-in-aid Scheme of women labour was introduced in the Sixth Five Year Plan

and has continued over the years. Under this Scheme, voluntary organizations are being provided funds, by way of grants-in-aid, for organizing working women and educating them about their rights and duties under various labour laws of Central/State Governments, legal aid to women and organizing seminars, workshops etc. aimed at raising the general consciousness about the problems of women labour. The amount of assistance given to VOs/NGOs for taking up action oriented programmes for benefit of women labour in unorganized/informal sectors is 75% (90% in North-Eastern States) of the recurring cost of the project. The remaining part of the cost is to be borne by the organisation concerned.

Besides the voluntary and Non-governmental organisations, reputed academic institutions set up under the Act of Parliament/State Legislation or any Self Help Group created under Plan and Non-Plan Scheme of Central/State Government are provided 100% grant to undertake research studies on the problems and issues related to women labour in informal and unorganized sectors and render financial assistance to selected Institutions for conducting research studies. .

An enhanced allocation of Rs.375 lakhs has been proposed under the Grant in aid Scheme during the 12<sup>th</sup> Plan period with specific focus on awareness generation among women labour, in the area of wages, like minimum wages, equal remuneration, etc. to disseminate information on various schemes of Central/State Government Agencies available for the benefit of women labour.

39 NGOs were funded under the scheme in 2011-12. During the financial year 2012-13 (upto 07.02.2013), 05 projects were sanctioned Grant-in-aid benefiting 6,700 women workers

#### **Justification for continuation of Scheme in 2013-2014 and beyond:**

This Scheme was introduced with the intention of furthering Government's policy of helping women workers become aware of the rights and opportunities available to them under various Schemes of the Central/State Governments. The benefits expected to accrue through this scheme are yet to reach substantial numbers of women workers (due to meager funds at the disposal) in the unorganized sector. Hence, it is essential to continue the scheme with enhanced outlay. Proposals of VOs/NGOs for providing grant-in-aid for undertaking awareness generation campaigns on women labour will be considered under this Scheme subject to their suitability.

## **8. Labour Education**

### **A) V.V. GIRI NATIONAL LABOUR INSTITUTE**

V.V. Giri National Labour Institute (VVG NLI), an autonomous body of the Ministry of Labour, Government of India, set up in July 1974, is a premier Institute of Research, Training and Education in the area of Labour.

#### ***Objectives and Mandate***

The Memorandum of Association spells out clearly a wide range of activities which are essential to fulfill the objectives of the Institute. It mandates the Institute:

- To undertake and assist in organising training and educational programmes, seminars and workshops;
- To undertake, aid, promote and coordinate research on its own and in collaboration with other agencies both national and international.
- To establish wings for
  - a. Education, training and Orientation,
  - b. Research, including action research research;
  - c. Consultancy, and
  - d. Publication and other such activities as may be necessary for achieving the objectives of the society.
- To analyse specific problems encountered in the planning and implementation of labour and allied programmes and to suggest remedial measures;
- To establish and maintain library and information services; and
- To collaborate with other institutions and agencies in India and abroad which have similar objectives.

#### **Structure**

The General Council, the apex governing body of the Institute, with Union Labour & Employment Minister as its President lays down the broad policy parameters for the functioning of the Institute. The Executive Council with Secretary (Labour & Employment) as Chairman, monitors and guides the activities of the Institute. Both the General Council and the Executive Council are tripartite in nature and consists of members representing the government, trade union federations, employers' associations and also eminent scholars and practitioners in the

field of labour. Director General of the Institute is the Principal Executive Officer and is responsible for management and administration of the Institute . Director General is aided in the day to day functioning by a faculty consisting of professionals representing a wide range of disciplines and supported by administrative staff.

## **B) Central Board for Workers Education**

### **INTRODUCTION**

Central Board for Workers Education (CBWE) sponsored by the Ministry of Labour, Government of India, is a tripartite society established in 1958 with headquarters at Nagpur, to implement Workers Education Scheme at national, regional and unit/village levels.

Board's training programmes cover workers from organized, unorganized, rural and informal sectors. Special programmes (MGNREGA) and skill Development initiatives as well as Supervisory and managerial cadres are also covered through joint educational programmes. While most of the programmes for workers in the organized sector and all the programmes in the rural/unorganized sectors are conducted free of charge with the cooperation of managements, trade unions and other agencies, few programmes at selected units in the organized sector are fund generating for which a nominal amount is charged from the managements. In accordance with the declared objectives of the Board, effort is made to create awareness among the working class about their rights and obligations for effective participation in the socio-economic development of the country. National level training programmes for members of Central Trade Union Organisations and Federations are conducted by the Indian Institute of Workers Education (IIWE), Mumbai established by the CBWE in 1970. Pre-employment training and orientation for Board's Officers are also imparted by the IIWE, Mumbai.

The Board has a network of 50 Regional and 9 Sub-Regional Directorates spread throughout the country to implement the scheme at regional and unit/village levels. Out of 50 Regional Directorates, 8 are residential.

The Six Zonal Directorates at Delhi, Kolkata, Mumbai, Chennai, Guwahati and Bhopal monitor the activities of the Regional and Sub-Regional Directorates within the Zones.

### **OBJECTIVES**

To strengthen among all sections of the working class, including rural workers, a sense of patriotism, national integrity, unity, amity, communal harmony, secularism and pride in being an Indian;

To equip all sections of workers, including rural workers and women workers, for

their intelligent participation in social and economic development of the nation in accordance with its declared objectives;

To develop amongst the workers a greater understanding of the problems of their social and economic environment, their responsibilities towards family members, and their rights and obligations as citizens, as workers in industry and as members and officials of trade union;

To develop capacity of workers in all aspects to meet the challenges of the country from time to time.

To develop strong, united and more responsible trade unions and to strengthen democratic processes and traditions in the trade union movement through more enlightened members and better trained officials;

To empower the workers as employees of the organization and to develop sense of belongingness as effective instruments of amicable industrial relations and maintaining industrial peace.

To meet the needs of workers to have access to ways of acquiring and continuous up gradation of knowledge and skills that they require to find and hold a job.

## **9. INTERNATIONAL CO-OPERATION**

India is a founder member of the ILO and has been playing a leading role in its activities since its inception. India holds a non-elective seat in the Government Group of the Governing Body of ILO and is represented in all the important committees constituted by the ILO. The ILO is financed mainly by contribution received from the member states.

## **10. DEVELOPMENT OF INFORMATION TECHNOLOGY**

This is an ongoing scheme formulated on the directives of Planning Commission for making a provision of 2-3% of the plan funds for programmes/schemes relating to Information Technology. This scheme intends to initiate a drive towards improving computerization in various programmes of the Ministry and to improve their efficacy. The progress of scheme is being regularly monitored by Senior Officers. There is an IT Manager to assist, manage, plan, execute, and review the Scheme. The IT Manager also ensures that uniformity of standards and development tools are used in the development of application modules in the Ministry.



## **11. GRANTS-IN-AID TO RESEARCH AND ACADEMIC INSTITUTIONS**

This is a Plan Scheme started during 1995-96 to finance research studies in approved labour related matters for facilitating labour policies. Grant is extended to deserving research and academic institutions, voluntary organizations, NGOs on the merits of the proposals examined and recommended by the respective Bureau Heads. The Scheme was revised in October, 2008 raising the cost per study to Rs.6.00 lakh. The guidelines have also been changed so as to attract study proposals from reputed Institutions. Moreover, the scope of the Scheme has been extended to provide for organizing seminars, workshops etc. as a part of the study. As a result, the Ministry is receiving a good number of proposals on various labour related issues.

The Ministry of Labour & Employment provides Grants-in-aid to Research and Academic Institutions and Voluntary Organizations for undertaking research in labour related matters. During 2012-13, a budget allocation of Rs.25.00 lakh has been made. During the last five years, 26 research studies in the areas of Labour Welfare, Social Security, Industrial Relations, Enforcement of Minimum Wages and Employment Services and Training etc. have been completed. Presently, 12 Research Studies are in the pipeline. The research studies so conducted are need-based/demand-driven as per the requirements of various subject matter divisions in the Ministry and are conducted on their recommendations.

## **12. CENTRALLY SPONSORED SCHEME FOR REHABILITATION OF BONDED LABOUR**

In order to assist the State Governments in their task of rehabilitation of released bonded labourers, the Ministry of Labour launched a Centrally Sponsored Scheme on 50: 50 basis since May, 1978 for rehabilitation of bonded labourers. The rehabilitation assistance @ Rs. 20,000/- per bonded labourer is provided to State Governments and in the case of North Eastern States, 100% Central assistance, if they express their inability to provide their share.

The Scheme is being implemented by the State Governments who are mainly responsible for identification, release and rehabilitation of bonded labour. The Ministry of Labour and Employment is providing grants for the purpose and monitoring the Scheme through collection of quarterly returns and holding meetings as well as writing to the State Governments from time to time for implementation of the scheme/.Act.

Besides, under the orders of the Hon'ble Supreme Court, the National Human Rights Commission is also monitoring the Bonded Labour System Act and has been organizing Workshops at various places throughout the country. A Special Group under the Chairmanship of Secretary (Labour & Employment) has been constituted as per the directions of the PMO to monitor the implementation of the Bonded Labour System (Abolition) Act, 1976. The Group is holding region-wise meetings and up till now 20 such meetings have been held in different regions.

The Bonded Labour System (Abolition) Act, 1976 do not differentiate between adult bondage and child bondage and on caste or sex. As such no separate data is being maintained for male/female bonded labour. As more than 85% of the bonded labour is from SC/ST category, no separate allocation of budget etc. is kept separately for these categories. So far as North East States are concerned, 10% of the total Plan Budget for the Scheme is earmarked for these States.

As the Central grants are released only on receipt of complete proposals from the State Governments i.e. receipt of Utilization certificates for the grants released earlier, no targets can be fixed. The bonded labour whenever identified, are released and rehabilitated by the respective State Government. The Central Government is providing grants on 50: 50 basis for rehabilitation of bonded labour. The State Governments are also provided assistance for conducting survey of bonded labour, awareness generation activities and evaluatory studies.

### **13. DIRECTORATE GENERAL OF EMPLOYMENT AND TRAINING**

#### **1. Directorate of Employment**

##### **(I) Welfare of SC/ST job seekers through Coaching, Guidance & Vocational Training**

A Plan scheme for "Welfare of SC/ST job seekers through Coaching, Guidance & Vocational Training" is being implemented through Coaching-cum-Guidance Centres for SC/STs (CGCs). Through this scheme career guidance and training facilities are extended to SC/ST job seekers .

A New Scheme on "Introduction of New Courses in existing Coaching-Cum- Guidance Centres for SC/ST" for providing one year 'O' level Computer Training by outsourcing through DOEACC or its accredited institutions was started during 2009-10 and will be continued during the 11th Five Year Plan period.

## **II) Construction, Upgradation and Maintenance of Office building, Staff Quarters, Skill Training Institutes, VRCs for Handicapped and Rural Rehabilitation Extension Centres**

The Directorate General of Employment and Training has set up 20 VRCs one each at Agartala, Ahmedabad, Bangalore, Bhubaneswar, Kolkata, Chennai, Guwahati, Hyderabad, Jabalpur, Jaipur, Kanpur, Ludhiana, Mumbai, Delhi, Patna, Puducherry, Srinagar, Thiruvananthapuram, Una (H.P.) and Vadodara in 19 states and out of them VRC at Vadodara is exclusively for women.

### **OBJECTIVE**

In order to facilitate early economic rehabilitation of the handicapped, VRCs evaluate their residual capacities and provide them adjustment training. Efforts are also made to assist them in obtaining other suitable rehabilitation services such as job placement, training for self employment, in plant training etc. Rehabilitation services are also made available to the persons with disabilities living in rural areas through mobile camps and 11 Rural Rehabilitation Extension Centres. In order to bridge the gap between evaluation and ultimate rehabilitation, six Skill Training Workshops (STWs) have been set up to impart skill training in various trades in six VRCs.

### **VISION 2013- 2014**

During 2013-2014, it is proposed to process the case for setting up of at least one new VRC out of four new VRCs proposed to be set up during the 12<sup>th</sup> Five Year Plan. These Centers are expected to channelise the persons with disabilities in the concerned States in economic mainstream of the society.

### **(III) Employment Exchanges Mission Mode Project.**

The 'Upgradation & Modernization of Employment Exchanges (EEMMP)' has been taken up as one of the Mission Mode Projects under National e-Governance Plan of Government of India. Apart from connectivity of all the Employment Exchanges, a National Web Portal will be developed which will serve as a virtual job market. The EEMMP aims to progressively support all the State Governments/UTs in the country to make effective use of IT in various activities of employment related services. In the 34<sup>th</sup> meeting of the Working Group on National Employment Service held at Bhopal on 27<sup>th</sup>-28<sup>th</sup>September, 2007, it was inter-alia, recommended that CSS on Computerization of Employment Exchanges may be

revived under which Central Government may provide 75% funds and 25% funds may be allotted by the concerned State Governments. In case of North Eastern States, keeping in view the constraints of their financial resources, the Central Government may provide 90% funds and 10% may be matched by the respective State Govt.

2. National Institute for Smart Government (NISG), a not-for-profit organization has been selected as Principal Consultant for MMP on Employment Exchanges in consultation with Department of Information and Technology.

3. The project was included in the XIth Five Year Plan and an allocation of Rs. 4.43 Crore was made. The BE for the Financial Year 2012-13 is Rs. 20.00 crore and proposed RE 2012-13 is Rs. 1 crore. Expenditure during the current financial year would depend upon approval of the project by EFC/CCEA. The proposed BE for the year 2013-14 is Rs. 30.00 crores. Two meetings of EFC have been held in July, 2010 and Jan, 2012 under the chairmanship of Secy (Exp.). The meeting of pre-EFC was held on 08/11/2012 under the chairmanship of Secretary (Exp.). Certain queries were raised in the meeting which is being addressed by Ministry of Labour & Employment.

## **2. DIRECTORATE GENERAL OF EMPLOYMENT AND TRAINING**

The Directorate General of Employment and Training in the Ministry of Labour and Employment is an apex organization for development and co-ordination of vocational training including women's training. DGE&T offers range of training courses catering to the requirement of various sectors of economy through a network of 9404 Industrial Training Institutes (ITIs) / Private Industrial Training Centres. There are 78 Central Institutes under the control of DGE&T which impart training to different set of persons like ITI instructors, industrial workers, technicians, junior and middle level executives, supervisors, foremen, women, physically challenged persons and members belonging to SC/ST. These Institutes also conduct training related research and development of course curriculum and instructional media packages for the use of trainees and instructors.

### **The objectives of the schemes are:-**

- To diversify, update or expand the training facilities of Craftsmen and Craft Instructors Training Schemes at the Institutes under its control and training of Craftsmen at the Industrial Training Institutes (ITIs) / Industrial Training Centres (ITCs) (administered by the respective State Governments/Union Territories).

- To organize and conduct specialised training and research at the specially established training institutes for foremen, supervisors, highly skilled workers, training managers and administrators, etc.
- To implement, regulate and increase the scope of training for apprentices under the Apprenticeship Act, 1961.

In the formulation of National Policy on Craftsmen Training and Apprenticeship Training Schemes, the Central Government is advised by two tripartite bodies, viz., The National Council for Vocational Training (NCVT), and the Central Apprenticeship Council (CAC).

DGE&T runs the following two flagship schemes to impart training to school leavers which form the backbone of the national vocational training system of the country:-

### **CRAFTSMEN TRAINING**

- Craftsmen Training is imparted in 121 Engineering and Non- engineering Trades uniformly throughout the country.
- Apart from ITIs/ITCs, Craftsmen Training in 22 trades is also imparted through 6 Model Training Institutes (MTIs) attached to five Advanced Training Institutes (ATIs) and one Central Training Institute (CTI) under the DGE&T, where trainers training is conducted.
- In order to reorient the training modules as per the changing skill requirements of the industries, Craftsmen Training on modular pattern is offered in 4 Model Industrial Training Institutes (MITIs) at Haldwani, Calicut, Jodhpur and Choudwar under the DGE&T.
- The seating capacity is around 13.29 lakh (4.71 lakhs in Govt. ITIs and 8.58 lakhs) in private industrial training centre. The duration of the courses is from 6 months to 3 years. Minimum age for admission is 14 years and there is no upper age limit. (Minimum 14 Years)

### **APPRENTICESHIP TRAINING**

Apprenticeship Training Scheme Under the Apprentices Act, 1961

The Apprentices Act, 1961 was enacted with the prime objective to utilize the facili-

ties available in the Industry for the training purpose and providing an on-the-job exposure to meet the requirements of skilled workers of industries.

**Ongoing activities of RDATs**

- Survey and re-survey of establishments to locate training seats for Apprentices.
- Inspection of establishments to check facilities for training and to see the progress of training in conformance with the prescribed schedule.
- Conduct of progressive trade tests of Apprentices.
- Making arrangements for conducting final Trade Test of Apprentices.
- Registration of Apprenticeship Contracts
- Issue of National Apprenticeship certificate to successful Apprentices.
- Maintaining/Submission of Records and Return prescribed under the Act.
- Conduct of joint evaluation of ITIs.
- Various activities such as registration of VTPs, inspection, etc. under SDI Scheme.

Location	Financial Year 2011-12		Financial Year 2012-13 (Up to December 2012)	
	Seats located	Seats Utilized	Seats located	Seats Utilized
Chennai	8692	6962	9222	6182
Faridabad	2839	2230	3813	2275
Hyderabad	8771	8615	9187	7895
Kanpur	9931	5826	12078	5676
Kolkata	8872	7619	9926	7530
Mumbai	4670	3620	4942	4043

**Physical achievement of Regional Directorate of Apprenticeship Training, Chennai, Faridabad, Hyderabad, Kanpur, Kolkata and Mumbai**

Responsible for implementation of Act in the Central Government Department & Public Sector Undertakings located in their jurisdictions

## **TRAINING OF APPRENTICES**

- 2,11,496 training seats for the trade apprentices have been utilized against 3,38,275 seats identified under the Act in 252 designated trades. 27,000 establishments are engaging apprentices.
- 56,790 training seats for Graduate, Technician and Technician (Vocational) Apprentices have been utilized against 1,20,839 seats identified for these categories. 126 subject fields have been designated for the category of Graduate & Technician apprentices. 128 subject fields have been designated for the category of Technician (Vocational) apprentices.

## **CRAFT INSTRUCTORS TRAINING**

- Training for Crafts Instructors covering 29 engineering and non-engineering trades, is offered at Six Advance Training Institutes, one Central Training Institute and NVTI & RVTIs under the DGE&T with annual seating capacity of 2140 trainees. It is further proposed to utilize the facility of Model Industrial Training Institute for conducting instructor's training.

## **ADVANCED VOCATIONAL TRAINING**

- Advanced Vocational Training is imparted to upgrade and update skills of serving industrial workers through short term courses.
- Under the scheme, training in selected skill areas is being imparted through short term modular courses in six Advanced Training Institutes (ATIs) under DGE&T. The duration of the courses vary from one week to 12 weeks. Besides regular courses some of the institutes are conducting week end courses also.

## **ADVANCED VOCATIONAL TRAINING IN ELECTRONICS AND PROCESS INSTRUMENTATION**

Two Advanced Training Institutes in Electronics and Process Instrumentation set up at Hyderabad and Dehradun offer advanced vocational courses in the field of Electronics and Process Instrumentation.

## **FOREMEN TRAINING/ SUPERVISORY TRAINING**

Short-term/tailor-made programme and long-term courses are conducted at two Fore-

men Training Institutes under DGE&T to train the existing and potential shop-floor foremen and supervisors in technical and managerial skills.

### **DEVELOPMENT OF INSTRUCTIONAL MEDIA**

National Instructional Media Institute (NIMI) at Chennai was established to develop and disseminate instructional Media Packages (IMPs) for use of instructors and trainees of various trades under both Craftsmen and Apprenticeship Training Schemes.

NIMI is preparing the instructional material for COE and MES courses also.

They develop question bank for the different courses.

Undertake the translation of instructional material in Hindi and other regional languages.

NIMI was granted autonomy with effect from 1.4.1999; it is functioning as an autonomous society.

### **STAFF TRAINING, RESEARCH AND DEVELOPMENT IN THE FIELD OF VOCATIONAL TRAINING**

Central Staff Training and Research Institute at Kolkata was setup in 1966 by the Govt. Of India under DGE&T, Ministry of Labour & Employment with the technical assistance from the Government of Federal Republic of Germany.

The Institute is conducting Training Programmes for trainers and junior/senior management personnel engaged in planning, execution, control and evaluation of vocational training programme.

### **WOMEN VOCATIONAL TRAINING PROGRAMME:**

The women's vocational training programme, launched in 1977, aims for social development and economic growth of women through vocational training scheme.

Under the Central Sector, a National Vocational Training Institute (NVTI) for women, NOIDA and Ten Regional Vocational Training Institutes (RVTIs) for women have been set up at Mumbai, Bangalore, Thiruvananthapuram, Panipat, Kolkata, Tura, Indore, Vadodara, Jaipur & Allahabad.



These institutes organise NCVT approved skill training programmes under Craftsmen Training Scheme and Craft Instructor Training scheme.

## **MAJOR SCHEMES**

### **2.1 Upgradation of 1396 Govt. ITIs through Public Private Partnership**

In the budget speech 2007-08, Union Finance Minister announced a Scheme for Upgradation of 1396 Government ITIs into Centre of Excellence through Public Private Partnership. Under the Scheme, an Industry Partner is associated with each Government ITI to lead the process of upgradation.

The upgradation of 1396 Government ITIs in the country during the XIth Five Year Plan with a total outlay of Rs. 3550 crore was initiated with the approval of the Cabinet Committee for Economic Affairs (CCEA). During the XIth Plan period a total of 1227 ITIs have been provided with a loan amount of Rs. 2.50 Crore for each ITI for upgradation, totaling Rs. 3067.50 Crore. For the XIIth Plan period EFC has accorded approval for continuation of the Scheme with a total outlay of Rs. 50 Crore for the purpose of management capacity building, monitoring and evaluation at central and state level.

### **2.2 UPGRADATING TRG. INFRASTRUCTURE IN 100 GOVT.ITIs/ UPGRADATION OF 100 ITIs into “CENTRES OF EXCELLENCE “(C O E)**

The scheme on Upgradation of 100 ITIs with Domestic Resources was cleared by EFC in Feb.2005 and by CCEA in March 2005. 100 ITIs were taken up for Upgradation and were funded from domestic resources. These 100 ITIs were taken up in 22 States/UTs (other than J&K, Sikkim and NE States) in proportion to the number of Government ITIs in these States. The total cost of the scheme was Rs. 160 crore, out of which the central share was Rs. 120 crore, on a ratio of 75:25 cost sharing basis between Central and the State Government, as advised by Ministry of Finance. A total amount of about Rs. 115 crore was released till March 2010. The scheme has been closed on 31.03.2010. Presently Training Courses on multiskilling are being conducted in these ITIs.

### **2.3 Externally Aided Project for reforms and improvement in Vocational Training Services rendered by the Central and the State Governments. (Vocational Training Improvement Project VTIP)**

The Project Development Objective is to improve the employment outcomes of the

graduates from the vocational training system, by making the design and delivery of training more demand responsive. The salient features of the scheme includes introduction of multi-skill courses (popularly known as CoE) catering to the need of a particular cluster of industry around an ITI to produce multi-skilled workforce of world standard. The agreement was signed with World Bank on 2.11.2007 (effective from 17th Dec 2007)

The Scheme, interalia, envisages upgradation of 400 ITIs. 33 State Government /UTs are participating under the project. The scheme objective also includes enhancement of skills of ITI instructors and trainers. The scheme started in Nov. 2007 and originally planned to be closed in December 2012. An agreement has been signed by Govt. of India and World Bank for no additional cost extension of the project for another 23 months beyond December 2012 i.e. upto November 2014.

- Total outlay .....Rs. 1581 cr.
- World Bank .....Rs.1231 cr.
- States .....Rs. 350 cr.  
Sharing ratio 75:25 (90:10 for NE States)
- Total released funds to DGE&T institutes & States till Dec.12- Rs.1285.81 cr. (incl.eq. State Share)

## 2.4 Skill Development Initiative

The goals and objectives of the scheme are to provide training to out of school youth, workers, ITI graduates etc. for improving their employability by optimally utilizing infrastructure available in ITIs/ITCs and other organizations. Scheme caters needs of all those who want to acquire skills or upgrade them to improve their employability. Existing skills of the persons can also be tested and certified under this scheme. Emphasis is being given to the courses to cater to the needs of unorganized economy.

The scheme envisages the development of a new strategic framework for skill development for the school drop-outs and existing workers especially in the informal sector in close consultation with Industry, micro enterprises in the informal sector, State Governments, experts, academia has been taken up. This was essential considering their educational, social and economical background. The Scheme aims to train 1 million persons in 5 years and thereafter one million every year by optimally utilizing infrastructure available in ITIs/ITCs

and other organizations. The scheme has overwhelming response and so far 13.67 lakh persons trained/tested during 2007-12.

### **2.5 Establishment of new Industrial Training Institutes in North Eastern States, Sikkim and Jammu and Kashmir**

Scheme had a tenure from 2001 to 31st March, 2010 thus was terminated on 31st March, 2010.

### **2.6 Foremen Training Institutes / Setting up of Foremen Training Institutes at Bangalore and Jamshedpur**

Supervisory Training envisages technological and behavioral upgradation of supervisory skills. In order to cope up with the changing industrial scenario, the DGE&T established two Foremen Training Institutes at Bangalore and Jamshedpur in year 1970 and 1983 respectively. The objectives of the Scheme are (i) To train the existing and potential shop-floor Supervisors, Foremen & Engineers from Industries in Technical & Managerial skills through short-term & long-term courses. (ii) To bridge the gap between formal education and demand of industries for personnel at supervisory level. (iii) To train and develop working supervisor in industries to meet technological changes, besides improving their skills, technical ability & morale to achieve higher productivity & optimum utilization of available resources more efficiently.

### **2.7 Upgradation of Training Institute under DGE&T.**

The scheme has been formed by merging of various schemes. The latest merging was done in 2008-09. The following five schemes were merged by planning commission in view to reduce the number of schemes which have identical scope/objectives.

- (a) Diversification, Upgradation & Expansion of Advanced / Central Training Institutes and Introduction of Hi-Tech Training
- (b) Upgradation of Training Infrastructure in DGE&T institutes including CSTARI
- (c) Upgradation of Apprenticeship Training
- (d) Strengthening of Trainer's Skill and MIS
- (e) Diversification, Upgradation & Expansion of Training to Women

Within the policy framework, Diversification and expansion of skill development at advance level of training is one of the constituents of Vocational Training cater to the training needs of instructors from ITIs/ ITCs, serving industrial workers in specialized and advanced skill areas, maintenance personnel from States/ UTs respectively.

Develop new generation of workers for high-tech discipline, both in operation and maintenance by setting up high-tech units in 10 Central Institutes (Apex)/ ATIs/ NVTI/ RVTIs to serve local and regional markets in relevant technologies at advanced and specialized levels. Organize advanced training programmes of short duration for serving industrial workers and conduct high technology specialized training programmes for upgrading the skills of existing workforce to make them globally competent.

The vision of the scheme is to meet the growing demand for highly skilled personnel, the on-going training activities would be strengthened and continued.

### **2.8 Building Equipment & Establishment of RVTIs**

The scheme envisages the following:

- Setting up of 7 RVTIs to provide training facilities to women. Under this Scheme now Six RVTIs have their own buildings. The Institute at Vadodara has also shifted to its new premises in November, 2010 whereas the seventh institute at Indore is presently operating from a temporary building, its own building is also under construction by CPWD.
- The training capacity is regularly being enhanced and has increased from 716 in '2002 to a target of 8001 in 2012-13 in regular courses, besides some short-term courses are also being conducted.
- Construction of the Institute buildings, staff quarters & trainees' hostels for RVTI at Indore
- To meet recurring expenditure for conducting of courses at RVTIs

### **2.9 Model Industrial Training Institutes (MITIs)**

The goals and objectives of the scheme are (i) To ensure steady flow of skilled workers. (ii) To raise the quality and quantity of Industrial Production by systematic training of potential workers.(iii) To reduce unemployment among educated youth by equipping them with suitable skills for suitable employment.

Keeping in view the technological developments in industry, the Scheme for establishment of four Model Industrial Training Institutes at Calicut, Choudhwar, Haldwani and Jodhpur was taken up in 1981-82, on the recommendation of the Expert Committee on Training (Qadir Committee) for experimenting the restructured pattern of craftsmen training, where, training courses both broad based basic and specialized modules are being conducted at these institutes on regular basis.

### **2.10 National Instructional Media Institute, Chennai (Erstwhile Central Instructional Media Institute, Madras)**

NIMI was set up in the name of Central Instructional Media Institute (CIMI) in December, 1986 by the Govt. of India as a subordinate office under DGE&T, Ministry of Labour & Employment with the assistance from Govt. of Germany through GTZ (German Agency for Technical Co-operation) as the executing agency. The main objective is to make available well prepared Instructional material for the use of trainees and trainers for securing overall improvement in the standard of the training imparted (i) ITIs/ITCs and (ii) Industrial Establishments implementing Apprenticeship Training Programme under the Apprentices Act, 1961.

As per the recommendations of Governing Council in its 5th meeting held on 29.6.2003 under the Chairmanship of Hon'ble LM, the Institute was renamed as National Instruction Media Institute (NIMI) to reflect its National character.

### **2.11 Project Implementation & Trade Testing in DGET H.Q.**

The vision of the scheme is to facilitate implementation, monitoring and evaluation of activities related to Centrally Sponsored for North Eastern States, upgradation of 100 ITIs as Centers of Excellence and other Central Sector schemes. It has also taken up new proposed scheme for upgradation of 400 ITIs through World Bank assistance as announced by Finance Minister's budget speech 2004-05. Therefore, Central Project Implementation Unit (CPIU) would continue to provide overall coordination with the State /UT Government on activities related to budgeting /controlling project finances, procurement of equipment, design / construction of buildings, coordinating training of staff, evaluating implementation performance and providing general administrative support. The proposal related to outsourcing (translation of question papers in regional languages) of trade testing and certification (Translation, printing and packing) has been taken up.

## **2.12 Kaushal Vikas Yojana (setting up of 1500 ITIs and 5000 Skill Development Centers into PPP mode)**

Planning commission has given its in principle approval for setting up of 1500 ITIs and 5000 Skill Development Centre (SDC) in PPP mode. Appraisal at Planning Commission is under process.

## **2.13 Skill Development in 34 Districts Affected by Left Wing Extremism (LWE)**

There are broadly two objective of the Scheme:

- i. To create Skill Development infrastructure in these districts closer to the people at least one ITI and two Skill Development Center (SDC) in each District.
- ii. To train 5340 youth in various Skill Training programme.

Past Activities:

- Preparation of Implementation Manual.
- Seeking proposals from States covered under the scheme.
- Re-appropriation of fund.
- Release of Rs. 86.81 Crore to Nine states.
- Extend the duration of the scheme up to 31<sup>st</sup> March 2014.

Ongoing Activities

- Obtaining utilization certificate and physical progress report from States.
- Releasing next installment.
- Amalgamation of scheme with Direct Benefit Transfer to the trainees.

Expenditure Finance Committee (EFC) had approved the duration of Scheme for current financial year i.e., 2011-12 only and kept a provision of extending it further in 12<sup>th</sup> Five Year Plan.

Approval of competent authority has been obtained to continue the Scheme up to 31<sup>st</sup> March 2014.

## **2.14 Enhancing Skill Development Infrastructure in NE States & Sikkim.**

Although NE States are supported by various schemes, the ITIs are not complete in themselves and lack in many aspects like construction of boundary wall, hostel, approach road, power connection and water connection. There are many trades which are in demand but could not be established for want of workshop and machinery equipment. In addition to these infrastructure, it also required recurring expenditure e.g. procurement of training material, salary of instructional, ministerial Staff & providing stipend to trainees, etc. The scheme is 100% centrally funded as the State Governments may not have requisite resources.

Broad objectives of scheme are –

1. To upgrade existing 20 ITIs by adding 3 trades in each institute
2. To supplement deficient infrastructure in 28 ITIs
3. Capacity Building and Technical Assistance aims to provide funding for skill development, enhancing of employability and competencies and promotion of self-employment and entrepreneurship amongst youth.
4. To sustain adequate supply of semi-skilled workers and also for value creation through dynamic vocational training policy & infrastructure.
5. Skill up-gradation of existing workforce in the new area of Technology.

Past Activities:

- Preparation of Implementation Manual.
- Release of fund amounting to Rs. 26.05 Crore covering 37 ITIs in 7 States in financial year 2010-11, 2011-12 & 2012-13.

Ongoing Activities

- Monitoring of scheme in 7 States where fund has been released.
- Scrutiny of proposals from Manipur and release of 1<sup>st</sup> installment.
- Continuation of scheme with additional component for establishment of new ITIs in NE States up to 31<sup>st</sup> March 2018.

## **B. Board of arbitration, Joint Consultative Machinery (JCM).**

The Government of India had introduced in 1966 a Scheme for Joint Consultative Machinery and Compulsory for Central Government Employees for resolving difference between the Government, as Arbitration an employer, and the general body of its employees in the matters of common concern.

The Scheme provides for Compulsory Arbitration on Pay and Allowances, weekly hours of work and leave of a class or grade of employees.

Under the Scheme, the Board of Arbitration (JCM) was set up to in July, 1968. The Board consists of a Chairman and two other members. The Chairman is appointed on whole time basis. The other two members are appointed by the Ministry of Labour & Employment at the time of referring the dispute to the Board out of a panel of members both from the Staff Side as well as from the Official Side maintained by it.

259 Cases had been referred to the Board and the Board has disposed of 257 Cases.

## **CLS II Section**

This Ministry has under its administrative control 22 Central Government Industrial Tribunal-cum-Labour Courts (CGIT-cum-LCs), set up under the Industrial Disputes Act, 1947. Of these CGITs, there are 10 Non-Plan CGITs and 12 Plan CGITs and these CGITs have been set up in various States. The basic function of these CGITs is to dispose of the industrial disputes under the Central sphere. These CGITs are headed by Presiding Officers who are selected from High Court Judges (serving/retired) or Distt./Addl. Distt. Judges (serving/retired). So far as schemes for women/gender equality are concerned, CGITs deal with the adjudication proceedings which are gender neutral.