

CHAPTER I

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)

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

1. 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 in (i) Labour Statistics & on (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; and also 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. Planning and conducting surveys and empirical studies on regular/ad hoc basis with a view to study various aspects of problems and aspirations of workers in rural/ agricultural sectors and other segments of workers engaged in organised and unorganised sectors.
4. Imparting 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 All-India.
- b) Consumer Price Index Numbers for Rural and Agricultural labourers (Base 1986-87=100) in respect of 20 States and All-India.

CPI-IW:

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

- a) Revision of wages and determination of variable Dearness Allowance to lakhs of Workers/Employees in the Government and Corporate Sector.
- b) Revision of Minimum Wages of workers in the Un-organised Sector.
- c) Measuring inflationary trend in the country.
- e) For policy formulation by the Government.
- f) For analytical purposes by the researchers.

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 fresh working class family Income & Expenditure surveys 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. The Series of Consumer Price Index Numbers for Industrial Workers on base 2001=100 was 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 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 All-India and released on 20th 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 put 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.

(II) Occupational Wage Survey:

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

Besides statistics on occupation wise employment and wage rate, component wise, data on earnings are also generated through this survey. The data on employment on wage rate, inter-alia, serve 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 6th 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).

The report on Fours Service Sector Industries (Electricity Generation & Distribu-

tion, Railways, Public Motor Transport and Ports & Docks), three Plantation Industries (Tea, Coffee and Rubber), one Tea Processing Industry, four Mining Industries, five Textile Industries (Cotton, Woollen, Silk, Synthetic and Jute Textiles) and Textile Garments Industry, Ten Engineering Industries viz. Ship Building, Locomotives, Motor Vehicles, Motor Cycles/Scooters, Bicycles and Rickshaws, Air Crafts, Refrigerators and Air Conditioners, TV and Tele-printers, Computers and Watches & Clocks have already been released. The reports on Nine Engineering Industries is under finalization.

The work regarding frame, preparation of sample and substitute list in respect of Ten Manufacturing Industries has been completed and the field survey is expected to be launched shortly.

(III) Socio Economic Surveys of Different Segments of Labour (SESDSL):

Under the SESDSL component, surveys are conducted for different segments/ industries to ascertain the working and living conditions of workers employed therein.

It has four components viz. the studies on the (i) Socio-economic Conditions of Women Workers in Industries, (ii) Working and Living Conditions of Workers engaged in Unorganised Sector industries/employments, (iii) Working and Living Conditions of Labour belonging to Scheduled Castes/Scheduled Tribes Communities and (iv) Evaluation of the Implementation of the Minimum Wages Act, 1948.

i) The study on Socio-economic Conditions of Women Workers in industry seeks to analyse the Working and Living Conditions of Women Workers and the welfare facilities available to them vis-à-vis various labour laws. The studies cover women workers in organised and unorganised sectors. Twenty one surveys on the socio-economic conditions of women workers in different industries have been conducted and all the reports have been released.

ii) The Unorganised Sector surveys aim at collection of data on Working and Living Condition of Workers in the Unorganised Sector of Industries. Thirty one such surveys have been conducted so far in the sectors identified for the purpose and all the reports have been released. Preparatory work for conducting the survey in Handloom Industry is in progress.

iii) The survey on Working and Living Conditions of Schedules Castes/ Scheduled Tribes Communities were initially conducted in four unclean occupations in urban areas and in industrially important centres respectively. However, on the recommendation of Inter De-

partmental Direction Committee in 1999, the scope of the SC surveys has been enlarged to cover the clean occupations and neighbouring villages also with effect from the survey conducted at Jaipur centre. So far, 18 surveys (9 SC & 9 ST) have been conducted. Out of these 17 reports have been released. Drafting of the report in respect of KBK ST belt in Orissa is in progress.

iv) The studies on Evaluation of the Implementation of the Minimum Wages Act, 1948 aim at evaluating the extent to which the provisions of the Minimum Wages Act, 1948 have been implemented in various Scheduled Employments. Initially, the studies were taken up in the Agriculture Sector but subsequently, the scope was enlarged to cover Bauxite Mines and Building and Construction in the Central Sphere and Tobacco (including Bidi Making) manufacturing and Building and Construction in the State Sphere. So far, 27 surveys have been conducted and all the reports have been released.

B. Quarterly Quick Employment Survey

The Government of India has issued a specific directive to the Labour Bureau, under the Ministry of Labour & Employment 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 in the selected sectors. The Labour Bureau has so far conducted four such “Quick Quarterly Employment Surveys”. The reports of all these surveys have been released and are available on the official website of Labour Bureau (www.Labourbureau.nic.in). The field work of the fifth quarterly quick employment survey is in progress. The report is expected to be released by mid of February, 2010.

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 in the first three weeks of Jan, 2009 and the report was released in the last week of Jan, 2009. Based on the report, 4.91 lakhs 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 mid of May, 2009. Based on the findings of the survey, 2.76 lakhs jobs 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 launched 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 declined by 1.31 lakhs 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 has increased by 4.97 lakhs in September, 2009 as compared to June, 2009.

The fifth quarterly quick survey for the period Oct-Dec, 2009 was launched in the second week of January, 2010. The field work is expected to be completed by first week of February, 2010. The report is proposed to be released within a week of the completion of field work i.e. mid of February, 2010.

C. Employment & Unemployment Survey

The Employment & Unemployment data is one of the important indicators to measure the effectiveness of government policies aimed at eradicating poverty and providing social justice & employment opportunities to the people of the country. The Government has taken several steps to provide employment to the labour force. One of the significant efforts in this direction is the enactment of Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA). This is an important step towards the realization of the right to work and to enhance the livelihood security of the households in the rural areas of the country. The scheme provides at least 100 days of guaranteed wage employment in every financial year to every household whose adult member volunteers to do unskilled manual work.

Addressing the Joint Parliamentary session on 4th June, 2009, the President of India laid down various measures which the Government will take up in the next 100 days. One of these measures is to initiate steps towards the submission of five annual reports to the People on Education, Health, **Employment**, Environment and Infrastructure.

Labour Bureau accordingly proposes to launch Employment and Unemployment Survey at National level from March, 2010. The survey will be conducted in 28 States/UTs. The estimates of employment and unemployment are proposed to be generated for all the States/UTs covered in the survey as well as at All-India level. The field work is proposed to be completed in three months. The whole exercise of conducting the field work for the survey and releasing the results is proposed to be completed in six months.

(IV) 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 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 schedules 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 under ASI is collected under two schemes 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 Sample Sector.

(V) Rural Labour Enquiry

Rural Labour Enquiry (including CPI-AL/RL) scheme 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 All-India.

It has been the endeavor of the Government of India to alleviate poverty, particularly in the rural areas by formulating and implementing various target group 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 analyze 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 updating 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 that in 1974-75. The third, fourth, fifth, sixth, seventh and eighth Rural Labour Enquiries were conducted during 1977-78, 1983, 1987-88, 1993-94, 1999-2000 and 2004-2005 respectively. The latest and ninth in the series during 2009-10 is in progress. 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 time series data. The data pertaining to Agricultural and Rural Labour Households collected under each of the quinquennially surveys conducted by NSSO are processed by 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.

The main objectives

- (i) To provide up-to-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, indebtedness, etc.
- (ii) To provide data on consumption expenditure for the purpose of derivation of weighting diagrams for updating the series of CPI Numbers separately for Agricultural and Rural Labourers, which serve as a guiding factor in 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.

The Rural Labour Enquiry consists of three parts viz.,

- i) The survey part provides for studying the socio-economic characteristics of Rural Labour Households and Agricultural Labour Households with a view to formulating action programmes for ameliorating the conditions of agricultural and rural labour.
- ii) The second part envisages construction and maintenance of the series of CPI Numbers separately for agricultural and rural labourers for 20 States and all-India on base

1986-87=100. The old series (base 1960-61=100) has been replaced by the series on base 1986-87=100 with effect from November, 1995. In this series the spatial coverage was increased from 15 to 20 States along with the increase in the number of sample villages from 422 to 600. Besides the coverage, many technical improvements were also introduced in this series.

- iii) The third part envisages making available data on wage rates for 18 agricultural and non-agricultural occupations to ascertain the extent of implementation of the Minimum Wages Act, 1948.

POLICY FRAMEWORK AND VISION STATEMENT:

As per ILO Convention, CPI series are required to be updated frequently but not later than 10 years. The CPI-AL/RL (Base 1986-87=100) series requires immediate updation as the same is already 20 years old with reference to base and 23 years old with reference to weights. The Labour Bureau proposed to revise the base year of the existing series on the basis of consumer expenditure data collected by the NSSO during its 61st NSS (2004-05) round. Efforts are being made to obtain the requisite consumer expenditure data from the NSSO as early as possible for derivation of weighting diagrams for the proposed series. However, Planning Commission has approved, in principle, to up-date the base year under the new activity – ‘Improvement in Labour & Employment Statistical System’ during the 11th Five Year Plan.

(VI) 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 and to facilitate analysis of a number of characteristics taken together. 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. in the Labour Bureau. 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 regularly updated.

The website of Labour Bureau is available at <http://labourbureau.nic.in>

(VII) 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 bases of CPI-IW, CPI-AL/RL and WRI, creation of infrastructural facilities, human resource development and improvement in the existing system of labour and employment statistics to capture the current economic and social scenario and ensure timely delivery and quality of labour statistics. It would also strive to meet the objectives of E-Governance through Management information System (MIS).

(b) Corresponding Outcomes

- i) Updating the Base of Consumer Price Index Numbers for Industrial Workers from 2001=100 to 2010=100
- ii) Updating the base of Consumer Price Index Numbers for Agricultural and Rural Labour from 1986-87=100 to 2004-05=100.
- iii) Updating the base of Wage Rate Index Numbers from 1963-65=100 to 2006-07=100.
- iv) Improvement in Labour Statistics.
- v) Human Resource Development.
- vi) Creation of Management Information System
- vii) Creation of Infrastructural Facilities – Office Building etc.

(c) Policy issues & possible options.

In a fast changing and growing economy like India's, the organisations become obsolete and outdated if they do not restructure, readjust and change according to external environment. Labour Bureau is at present facing challenges posed by dynamics of various national and global forces. It can respond to the stimuli by enhancing its capacity which further needs to elevate the motivation level within the organisation. The challenges can be converted into strengths by policy responses.

(d) Programme issues & possible options It also addresses the programme related issues in existing plan scheme by creation of R&D, system for improvement of labour

statistics, system of human resource development, MIS and infrastructural facilities – office building etc.

2. INDUSTRIAL RELATIONS

A. Central Industrial Relations Machinery (Central)

The Central Industrial Relations Machinery (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, and verification of Trade Union Membership in central sphere for the purpose of recognition under the code of discipline, verification of membership of various unions in banks for the purpose of nomination of workers “Directors” of the Board of Directors of the Banks under the Scheme formulated under the Banking Companies (Acquisition of Undertakings) Act and for grant of representation of the Central Organization of workers

Objective:

- Prevention and settlement of Industrial Disputes in the Central Sphere;
- Enforcement of Labour Laws and Rules made there under 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 in central sphere

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 2008-09, the CIRM intervened in 379 threatened strikes and its conciliatory efforts succeeded in averting 362 strikes, which represent a success rate of 95%. During 2009-10 (up to Dec, 2009) 1401 settlements were brought about and 1495 FOCs were submitted.

Enforcement of Labour Laws and Rules made there under in central sphere

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 2008-09, 39376 inspections were carried out 11905 prosecutions were launched and 6850 convictions were secured. During 2009-10(up to Dec, 2009) 31933 inspections were conducted, 8772 prosecutions were launched and 1951 claim cases were filed.

Implementation of awards

The officers of CIRM implement Awards issued by CGITs. During the year 2008-09, 3070 awards required implementation. Out of these 352 were implemented, Implementation of 1042 Awards was in progress, Implementation of 1155 Awards was stayed by High Courts & Implementation of 531 awards was pending due to other reasons. During 2009-10(up to Dec, 2009) 2696 awards were required to be implemented and 296 were implemented. The shortfall was basically due to stay granted by various courts .

Quasi-Judicial functions

The CIRM officers from the level of ALC© up to the level of CLC© perform certain Quasi Judicial Functions. During 2008-09, an amount of Rs.15,82,900/- was awarded to workmen. During 2009-10 (up to Dec, 2009) 1632 minimum wages claim cases were decided and an amount of Rs. 3866925 was awarded to the work men .

Verification of the membership of the Trade Unions

The general verification of membership of trade unions affiliated to CTUOs is an important exercise which is undertaken by the CLC©'s organization. The purpose of general

verification is to give representation to CTUOs in the International and National Conference, Committees, Development Councils, Wage boards, etc. The last general verification of membership of Trade Unions affiliated to 13 Central Trade Union Organization(CTUOs) was conducted with the Date of reckoning as 31.12.2007. The verification has been completed and the report was submitted to the Ministry of Labour & Employment on 31.12.2007. The total number of finally verified membership of workers is 24884802. The Ministry of Labour & Employment has notified the results of verification of Trade Unions on 11.1.2008.

Welfare

The Dy. CLC(C) in the office of CLC(C), New Delhi supervises the functioning of Assistant Labour Welfare Commissioner's, Dy. Labour Welfare commissioner's, Labour Welfare commissioner's who look after the welfare work employees of Ministry of Defence, CPWD, Press, Mints, Ordnance Factories, Telecom Factories & Hospitals etc.

Plan Schemes:

- 1. TITLE OF SCHEME:** Machinery for better conciliation and preventive Mediation, Improvement and more effective enforcement of Labour Laws and improving efficiency by providing better facilities and construction of combined office complex for CLC/RLC New Delhi.

This scheme was related to opening of offices in remote areas for better conciliation service and enforcement of labour laws. Under this scheme 2 posts of Dy. CLC©, 5 posts of RLC©, 11 posts of ALC©, 19 posts of LEO© and 141 posts of supporting staff were created.

Objective of the Scheme:

- i) To augment machinery for investigation, mediation and Conciliation Service in industrial disputes to meet the increasing intake.
- ii) Strengthening the enforcement machinery which was considered quite inadequate considering the number of establishments falling in the central sphere.
- iii) To have better and close supervision over the enforcement work
- iv) 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.

Anticipated benefits 2010-11
Inspections 41000 likely Prosecutions to be filed 12050, Claim cases:2050 Ind. Disputes 4000 Settlement : 2000 FOCs: 1850

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© office and RLC©, New Delhi. Further it was proposed to provide Computers, Xerox machines and other office equipments to field offices. The construction of office accommodation of RLC©, Mumbai and RLC©, Bangalore has been completed. Other Civil Work are in progress. The computers and other office equipments are being provided to field offices in a phased manner depending upon the allocation of funds

2. Title of the Scheme: Improvement & strengthening of Training wing of CLS Officers

The objective of this scheme is to provide in house training on regular basis to the officers of CLS and LEO with a view to enhance their skills and knowledge in various areas of their functioning or effective discharge of their duties. The officers are posted in three different streams i.e.

- a) Central Industrial Relations Machinery
- b) DGLW's organization
- c) 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.

Anticipated Benefits
357 officers in the Central Labour Service besides 161 Labour Enforcement Officers will be benefited. The number and frequency of the training programmes, workshops and seminars will be so arranged so that approximately 100 officers are covered in the training programme in year.

B. Board of Arbitration (JCM)

The Government of India had introduced in 1966 a Scheme for Joint Consultative Machinery and Compulsory Arbitration for Central Government Employees for resolving differences between the Government, as 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 in July, 1968. The Board consists of a Chairman and two other members. The Chairman is a whole time person. Ministry of Labour and Employment appoints the other two members at the time of referring the dispute to the Board of Arbitration. One member is nominated from of a panel of 5 names submitted by the official side and another from a similar panel submitted by the staff side of the National Council.

C. (i) The Participation of Workers in Management

(a) The Participation of Workers in Management Bill, 1990

The Participation of Workers in Management Bill, 1990 was introduced on 30.5.1990 in the Rajya Sabha. The Participation of Workers in Management Bill, 1990 would require some modifications to reflect changes in economic and social parameters since 1990. It has been decided to pursue the Bill with some modifications after discussion/consultation with social partners in tripartite fora.

(b) Trade Union (Amendment) Act, 2001.

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.

(c) Industrial Disputes Act, 1947.

The Industrial Disputes (Amendment) Bill, 2009 was introduced in the Rajya Sabha on 26.2.2009. The Industrial Disputes (Amendment) Bill, 2009 had been referred to the Standing Committee on Labour.

Lok Sabha Secretariat has submitted its report to the Parliament on 9.12.2009. The Standing Committee made certain recommendations for further modification to the amendments proposed in the Bill. The Ministry of Labour & Employment has decided to accept some of the recommendations of the Standing Committee. Accordingly a draft Note for Cabinet was prepared and referred to Legislative Department, Ministry of Law & Justice for carrying out suitable amendments to the Industrial Disputes (Amendment) Bill, 2009.

(d) Plantations Labour Act, 1951.

Plantations Labour (Amendment) Bill, 2008 introduced in the Rajya Sabha on 21.10.2008 was referred to the Standing Committee on Labour for examination and report. The Standing Committee has submitted its report to the Parliament. The recommendations of the Standing Committee are considered in the Ministry and draft Cabinet Note has been finalized. The Draft Cabinet Note is being forwarded to the Cabinet and Prime Minister's Office for their approval.

(e) Tripartite Industrial Committee on Plantation Industry

Tripartite Industrial Committee on Plantation Industry was last constituted on 18.9.1998 and reconstituted on 22.7.2002 to discuss the problems of Plantation Industry and to find solutions.

(f) Industrial Tripartite Committee on Road Transport Industry

Industrial Tripartite Committee on Road Transport Industry was last constituted on 5.1.2004 and reconstituted on 26.7.2005 to study and discuss the problems of the Road Transport industry and to find solutions.

D. Wage Board for Working Journalists and Other News-paper Employees

The Working Journalists & Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 provides for regulation of conditions of service

of Working Journalists and other persons employed in news paper establishments. Section 9 and 13 of the Act, inter alia, provides for setting up of Wage Boards for fixation and revision of rates of wages in respect of Working journalists and Non-Journalist Newspaper/ News Agency Employees respectively. According to the Act, Wage Boards shall consist of the following:

- (a) Three persons representing employers in relation to newspaper establishments;
- (b) Three persons representing Working Journalists for Wage Board under Section 9 and three persons representing non-journalists newspaper employees for Wage Board under section 13 C of the Act.
- (c) Four independent persons, one of whom shall be a person who is, or has been a judge of High Court or the Supreme Court and who shall be appointed by the Government as the Chairman thereof.

The Act does not lay down the periodicity for constituting the Wage Boards. The Wage Boards for such employees were set up in the years 1956, 1963, 1975, 1985 and 1994. The previous Wage Board i.e. Manisana Wage Boards were constituted in the year 1994. Their reports were submitted to the Government on 25th July, 2000.

Government has, now constituted two new Wage Boards, one for Working Journalists and other for Non-Journalists Newspapers Employees, under section 9 and 13 C respectively of the Working Journalists and Non-Journalists Newspaper Employees (Condition of Service) and Miscellaneous Provisions Act, 1955 vide notification in the Gazette of India (Extra Ordinary) S.O Nos. 809 (E) and 810 (E) dated 24.05.2007. The Wage Board have been given three years time to submit their reports to the Union Government. The Wage Boards are functioning from their Headquarter at New Delhi.

The Government, in consultation with the Wage Boards for working journalists and non-journalists 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 8th January, 2008 vide notification S.O. No. 2524 (E) and S.O. No. 2525 (E) dated 24th October, 2008.

E. Payment of Bonus Act, 1965

The Payment of Bouns Act, 1965 provides for the payment of bonus to persons employed in certain establishments on the basis of profits or on the basis of production

or productivity and for matters connected therewith. The payment of Bonus Act, 1965 applicable to every factory and other establishments employing 20 or more persons.

The minimum bonus of 8.33% is payable by every industry and establishment under the section 10 of the Act. The maximum bonus including productivity linked bonus that can be paid in any accounting year shall not exceed 20% of the salary/wage of an employee under 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 from Rs. 3,500/- to Rs. 10,000/- per month and from Rs. 2,500/- to Rs. 3,500/- per month, in the year 2007 and made effective from 1st April, 2006.

F. 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.
- (f) The Supreme Court of India delivered a judgement in the case of Reptakos Brett and Co. Vs. its workmen that "Children education, medical requirement, minimum recreation including festival/ceremonies and provision for old age, marriage etc. should further constitute 25% of the total minimum wage and used as guidelines in fixation of 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 31st 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. An amendment proposal to provide for revision of minimum wages every two years, where the minimum wage is not linked to Consumer Price Index, is under consideration of the Government.

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. This component of Variable Dearness Allowance is revised twice a year effective April and October based on the increase in the Consumer Price Index. Twenty-six States/Union Territories have already adopted VDA as a

component of minimum wage.

The minimum rates of wages have been revised on 1.10.2009 for the scheduled employments “Employment of Sweeping and Cleaning excluding activities prohibited under the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993” in the Central sphere Rs.135/-, Rs. 169/- and Rs.203/- per day, “Employment of Watch and Ward” (a) without arms at Rs.135/-, Rs.169/- and Rs.203/- per day and (b) with arms at Rs.158/-, Rs.192/- and Rs.225/- per day, “employments of Construction and Loading and Unloading in the Central sphere at Rs.135/-, Rs.169/- and Rs.203/- per day, for unskilled workers to Rs.225/-, Rs.248/- and Rs.270/- per day for highly skilled workers in Area ‘C’, ‘B’ and ‘A’ respectively and for workers engaged in Non-Coal Mines in the Central sphere at Rs.135/- per day for unskilled Workers (Above Ground) to Rs.270/- per day for highly skilled workers (Below Ground).

Of the 45 scheduled employments under Central Sphere, the minimum rates of wages in agriculture and Stone breaking or Stone crushing, have been revised by taking into considering the **Variable Dearness Allowance from 01.10.2009.**

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 1628.** A statement indicating the range minimum wages of the unskilled workers in the State Sphere is as follows :

Sl.No.	States/Union Territories	Range of Minimum Wage for Unskilled Workers (In Rs. Per day)
	Central Sphere*	130.00-203.00
	State Sphere	
1	Andhra Pradesh*	58.25-189.00
2	Arunachal Pradesh	80.00
3	Assam*	54.80 - 106.71
4	Bihar*	95.00-104.00
5	Chhattisgarh*	80.83-118.04
6	Goa	90.00 - 110.00
7	Gujarat*	100.00-149.40
8	Haryana*	151.00
9	Himachal Pradesh	100.00 - 110.00
10	Jammu & Kashmir	110.00
11	Jharkhand*	99.00
12	Karnataka*	82.57-144.59
13	Kerala*	72.00-351.39
14	Madhya Pradesh*	97.00-139.97
15	Maharashtra*	49.58-219.43
16	Manipur*	81.40
17	Meghalaya*	70.00
18	Mizoram	132.00
19	Nagaland	80.00
20	Orissa*	90.00
21	Punjab*	127.03
22	Rajasthan*	100.00-102.12
23	Sikkim	100.00
24	Tamil Nadu*	74.32-185.15
25	Tripura*	54.96-98.08
26	Uttar Pradesh*	100.00-129.69
27	Uttarakhand*	82.37-162.59
28	West Bengal*	80.98-148.85
29	A & N Islands	156.00-186.00
30	Chandigarh*	148.51
31	Dadra & Nagar Haveli*	117.20
32	Daman & Diu*	112.80
33	Delhi*	152.00
34	Lakshadweep*	121.00
35	Puducherry	55.77-124.00

* = The system of VDA is in vogue.

The Central Government has been taking up with the State Governments from time to time the issue relating to minimum wages through discussions in various fora and letters. 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, 26 States 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.

The Payment of Wages Act, 1936

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.

The Payment of Wages (Nomination) Rules, 2009

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 29th 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.

The main objective of the organisation as a technical service organisation is to advise Central/State Governments, trade unions, employers and others in matters concerning safety, health, productivity and working conditions in factories and ports and to carry out support research activities for updating the Factories Act, 1948, the Dock Workers (Safety, Health and Welfare) Act, 1986, and the Rules and Regulations framed there under; Enforcing the Dock Workers' (Safety, Health and Welfare) Act, 1986 and the Regulations 1990 framed there under in major ports; Liaisoning with International bodies like the International Labour Organisation (ILO) in implementing projects and advising Central Government on ratification of International Instruments on Safety and Health etc.

B. Mines

The Mines Act, 1952 and the Regulations and Rules made there under 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 and Regulations framed there under, including the Mines Rules, the Mines Rescue Rules and the Mines Vocational Training Rules in respect of all Mines and the Crèche Rules in respect of Non-Coal Mines.

The Officers of the Directorate are empowered as 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, 1910 and the Indian Electricity Rules, 1955 framed there under. The Inspectors conduct/undertake regular Inspections, 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 identifying the causes and responsibilities for the accidents and formulating remedial measures to prevent recurrence of similar mishaps.

Current functions of DGMS broadly include:

1. Inspection of mines
2. 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 & Standards
 - (d) Safety Information Dissemination
 - 4. Conduct of examinations for grant of competency certificates.
 - 5. Safety promotional initiatives including:
 - (a) Organisation of:
 - Conferences on safety in mines
 - National Safety awards
 - Safety weeks & Campaigns
 - (b) Promoting:
 - Safety education and awareness programmes
 - Workers participation in safety management through-
- Workmen's inspector
- Safety committee
- Tripartite reviews
- The various activities to carry out the functions of DGMS include:

A. Non-plan

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

B. Plan schemes

1. “Mine Accident Analysis and Modernization of Information Database (MAMID)”

Strengthening of Infrastructure Facilities and Core Functions of DGMS (SOCFOD)

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.

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 is applicable to all factories using power in manufacturing process and employing 10 or more employees and non-power using factories employing 20 or more employees. The Scheme has also been extended to shops and establishments, preview theatres, cinemas, hotels, restaurants, road- motor transport undertaking and newspaper establishments employing 20 or more employees. Employees working in covered factories / establishments and drawing wages upto Rs.10,000/- p.m. (w.e.f. 1.10.2006) are covered under the Scheme.

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 mainly 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.70/- per day (w.e.f. 1.8.2007) 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 2008-2009, the ESI Scheme was extended to 46 new geographical areas covering 70,427 additional employees. As per the phased programme of implementation, it is proposed to cover about 2.51 lakhs employees during 2009-2010.

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 5 years and lose their job involuntarily due to retrenchment, closure of factories/establishments and permanent disability. The maximum period for which an insured person would be entitled to draw unemployment allowance during his entire insurable employment shall be six months. This has been enhanced to 12 months by the Corporation in the 146th meeting held on 29th

January, 2009 w.e.f. 1.2.2009 and also the period of insurable employment as a condition for entitlement has been reduced to 3 years w.e.f. 11.09.2009. 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, 2009 to September, 2009 is Rs. 93.23 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.15 lakh per unit.
- Process initiated for installation of sophisticated equipments such as MRI/CT Scan etc. directly in ESIC Hospitals.
- Ceiling on reimbursement of expenses on medical care to state governments has been increased from Rs.1,000/- to Rs.1,200/- per I.P. family unit annum.
- An additional amount of Rs.50/- per IP family units per annum is given to State Governments over and above ceiling of Rs.1,200/- on fulfillment of certain criteria such as occupancy of Hospitals, grading of Hospitals, provision of staff as per norms.
- ESIC is getting Client Satisfaction Survey of ESI Hospitals done by professional agencies and will take appropriate action on the feedback received.
- 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 8.07.2008, 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. SETTING UP OF MEDICAL COLLEGE/NURSING COLLEGE/TRAINING INSTITUTES FOR PARA-MEDICAL EDUCATION :

In order to overcome the problem of shortage of medical and para medical staff the Corporation has decided to set up its own medical college, training schools for Para-medical staff and Post Graduate teaching facilities in ESI Hospitals. The process of obtaining various approvals has been initiated to start these at all possible locations.

V. SUPER SPECIALTY TREATMENT :

- ❖ Super specialty Hospital at Kollam has been commissioned and another super specialty Hospital is being set up in Hyderabad. Further, in order to provide hassle free super specialty treatment to insured persons and their family members, tie up arrangements with reputed institutions with direct payment by ESIC to Hospitals or advance to insured persons will be provided through SSMC/SMCs. Pending bills of insured persons for previous years will be cleared as a one time measure.
- ❖ Till now 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.1.08.2008

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 4 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 minimizing the inequalities in income, status, facilities and opportunities; and under Article 43 that “state shall endeavor 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 121 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 186 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. 60,000/-.

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 1st October, 2007. The scheme has become 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 North East region and Jammu and Kashmir would be in the ratio of 90:10. It is estimated that about 33% (80 Lakhs) of the estimated beneficiaries would be women in the financial year 2010-11.

7. CHILD AND WOMEN LABOUR

A. CHILD LABOUR

1. National Child Labour Project (NCLP) :

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.

2. Grant-in-Aid to Voluntary Agency :

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, Districts not covered under National Child Labour Project are selected. 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.

B. WOMEN LABOUR

Special Cell for Women Labour

A separate Cell for women labour is functioning in the Ministry to pay special attention to their problems. A Committee has been set up at the Centre under the Equal Remuneration Act, 1976 to advise the Government on providing increasing employment opportunities for women. Similar Committees have also been set up by majority of the State Governments/ Union Territories.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 was enacted in the year 1976 replacing the Equal Remuneration Ordinance, which was promulgated in the year 1975 consequent upon the ratification of ILO Convention No.100. This Act is implemented by the respective State Governments for the areas under their jurisdiction and monitored by the Central Government. The State Governments are also addressed from time to time to ensure strict compliance of the provisions of the Act. For the areas under the Central Government, the Act is implemented by the Office of the Chief Labour Commissioner (Central).

Grants-in-aid Scheme

The Grant-in-aid Scheme 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, to take up awareness generation programmes among women workers. 28 NGOs were funded under the scheme in 2008-09. During the financial year

2009-10(upto 28-02-2010), 15 projects were sanctioned benefiting 20,500 women workers.

Supreme Court Guidelines on Sexual Harassment of Women Workers

The Hon'ble Supreme Court of India, in the case of Writ Petition No.660-70 of 1992 filed by Vishaka & Ors. Vs. State of Rajasthan & Ors. laid down certain guidelines for prevention of sexual harassment of women employees at their work places. The Guidelines have the force of law under Article 141 of the Constitution of India. With a view to making the guidelines applicable to employees in the Private Sector, the Industrial Employment (Standing Orders) Act, 1946 has been amended. Consequent upon this amendment, sexual harassment at work place constitutes a misconduct for which a workman is liable for disciplinary action.

8. Labour Education

A) V.V. Giri National Labour, Institute, Noida

V.V. Giri National Labour Institute (VVGNI), 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 of the Institute is the Principal Executive Officer and is responsible for management and administration of the Institute. Director 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

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. 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/unorganised 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 securing policy inputs to enrich future 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 good 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 2009-10, a budget allocation of Rs.25.00 lakh has been made. During last three years, 24 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, 21 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 seven 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 through 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 15 such meetings have been held in different regions.

The Bonded Labour System (Abolition) Act, 1976 does 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 are from SC/ST category, no 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 Utilisation 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 in w.e.f 03.08.2009 during 2009-10 and will be continued during the 11th Five Year Plan period.

As far as possible the number of candidates covered under this scheme are decided to make optimum utilization of available budget allocation under this scheme.

(II) Continuation And Setting Up Of Vocational Rehabilitation Centres For Handicapped (VRCS) Including Skill Training Workshops (STW) And Rural Rehabilitation Extension Centres(RRECS).

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, Pondicherry, 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 disabled 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 2009- 2010

During 2010-2011, it is also proposed to process the case for setting up of two new VRCs out of four new VRCs proposed to be set up during the 11th Five Year Plan. These Centers are expected to channelise the disabled job seekers of the States remained unrepresented by VRCs network in the economic main stream of the society.

(III) Employment Exchanges Mission Mode Project

National e-Governance Plan (NeGP) has identified Modernization and Upgradation of Employment Exchanges as one of the Mission Mode Projects (MMP). The introduction of e-Governance is to help in providing speedy and easy access to Employment Service related information to job seekers and employers. The MMP aims to progressively support all State Governments in the country to make effective use of IT in various activities of employment services.

A core scope document for MMP on Employment Exchanges was prepared and forwarded to Deptt. of IT in November , 2007. Afterwards a Draft Request for Proposal (RFP) was prepared for selection of a consultant for undertaking System Requirement Study (SRS) and preparation of Detailed Project Report (DPR). This was sent to Department of Information Technology (DIT) for their comments. DIT while responding to the draft RFP suggested that in view of the fact that Ministry of Labour & Employment has no in-house expertise, it may be better to engage National Institute for Smart Government (NISG), a not-for-profit organization as Principal Consultant. The first draft of techno-commercial proposal was received from NISG and examined in consultation with DIT in order to ensure that it meets the requirement of the project. A series of meetings were held subsequently with officers of NISG and DIT on the observations made by this Ministry and NISG was asked to revise the proposal including the timelines for completion of the project. NISG submitted the revised techno-commercial proposal to the Ministry which was examined in consultation with Department of Information Technology and found to be in order. The proposal was approved by this Ministry in consultation with Integrated Finance Division (IFD). The draft Agreement submitted by NISG has been finalized and signed.

On the basis of criteria decided in the initiation meeting held on 14th Nov. 08 at Hyderabad with the representatives of NISG and Ernst & Young (E&Y), five States namely, Haryana, Andhra Pradesh, Orissa, Rajasthan, and Assam were selected for the Stage-I implementation of the project. Gujarat and Maharashtra were selected for benchmarking as best practice states. One day National Level 'Visioning Workshop' to discuss the findings of

the 'As-is study' and 'Benchmarking study' was organized by NISG on 12/02/09 at New Delhi, which was attended by the representatives of the selected States besides officers from the Ministry of Labour & Employment.

Detailed Project Report (DPR), Solution Design Report, Business Process-Re-engineering (BPR), and Change Management Report (CMR) etc have been prepared by NISG and submitted to the Ministry. 'In- Principle Approval' of the project has been obtained from the Planning Commission. A meeting was held on 08/10/09 under the Chairmanship of Hon'ble Minister for Labour and Employment, where representatives of DIT were also present to discuss the DPR and implementation strategy. It was decided that; (i) EEMMP may be implemented across the country in one go rather than phasing in two stages; (ii) Central Govt. may decide or empanel the technology partners for implementation of the project for both Central and States levels.

A meeting with the States Principal Secretaries/ Secretaries in charge of Employment was held to discuss the implementation strategy of the project on 18th Dec 2009 under the chairmanship of Secretary (L&E). Most of the States/UTs have agreed to implement the project. Another meeting was held on 30th Dec 2009 under the chairmanship of Secretary (L&E), and was asked to revise the DPR on the basis of discussions held in the meeting. The DPR has further been reviewed by Secy (L&E) on 03-02-10. Based on his suggestion, DPR is under revision. The modernization of Employment Exchanges was also taken up as one of the agenda items in the State Labour Minister's Conference held on 22-01-2010 at New Delhi.

During the financial year 2008-09, Rs.500.00 Lakh was allocated in B.E. of which Rs.100.00 Lakh was kept in R.E. during the year 2008-09. The implementation of the project was expected to begin in the last quarter of the current financial year 2009-10. Based on the progress of the project, only an amount of Rs. 89,94,152.00 was spent during 2008-09. During the current financial year 2010, a provision of Rs. 100 lakh in BE has been allocated, and an amount of Rs. 10456440 was kept in RE 2009-10. Based on the progress, an amount of Rs. 97,73,400 was utilized during the current year 2009-10. The approved outlay for the year 2010-11 is Rs.500 Lakh.

2. Directorate of 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 7886 Industrial Training Institutes (ITIs) / Industrial Training Centers (ITCs). There are 78 Central Institutes under the control of DGE&T which impart training to 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 114 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 as on 31st December,2009 is around 10.94 lakh (4.28 lakhs in Govt. ITIs and 6.66 lakhs in private industrial training centre. The age limit is 14 to 40 years, where as in case of a woman there is no age bar. The duration of the courses is from 6 months to 3 years.

APPRENTICESHIP TRAINING

- It is obligatory on the part of employers both in public and Private sector establishments having required training infrastructure as laid down under the Apprentices Act, to engage apprentices.
- The Act covers 254 groups of industries and about 24,900 establishments engage apprentices. There are 188 trades with the capacity of 2.78lakhs. The entry qualification for apprenticeship training is 8th to 12th and the period of training is 6 months to 4 years. The minimum age limit is 14 years and above.

CRAFT INSTRUCTORS TRAINING

- Training for Crafts Instructors covering 27 engineering and non-engineering trades, is offered at five Advance Training Institutes and one Central Training Institute under the DGE&T with annual seating capacity of 900 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.
- 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 Foremen 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 trainers of various trades under both Craftsmen and Apprenticeship Training Schemes.

The 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 English, Hindi and other regional languages.

NIMI has recently been granted autonomy. With effect from 1.4.1999 it has been 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'S 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, 11 Institutions – one National and ten Regional Vocational Training Institutes for women (NVTI/RVTIs) have been set up at Noida and Mumbai,

Bangalore, Thiruvananthapuram, Panipat, Kolkata, Tura, Allahabad, Indore, Vadodara & Jaipur respectively.

These institutes organize regular skill/vocational training courses at basic, advanced and post-advanced levels for women

Major Schemes

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 Centres 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 is initiated with the approval of the Cabinet Committee for Economic Affairs (CCEA). In Financial year 2007-08 & 2008-09 a total of 600 ITIs were upgraded. During this financial year so far 200 ITIs have been covered against the target of 300 ITIs. So the remaining number of 596 Government ITIs will be covered during remaining period of 2009-10, 2010-11 and 2011-12.

2. UPGRADATING TRG. INFRASTRUCTURE IN 100 GOVT. ITIs/ UPGRADATION OF ITIs AS “CENTRES OF EXCELLENCE”

In order to facilitate improvement of the quality of ITI training the Union Finance Minister in his Budget Speech 2004-05 announced measures for upgradation of 500 ITIs in the country. The upgradation task was taken in two phases.

First phase- Upgradation of 100 ITIs into ‘Centres of Excellence’ from domestic resources

Second Phase: Upgradation of 400 ITIs from World Bank assistance

The 100 ITIs to be upgraded from domestic resources have been distributed in other 26 States/UTs in proportion to the number of Government ITIs in these States subject to marginal adjustments, so that at least one ITI is covered for a State/UT except for J&K State which will be covered under the second phase. The total cost of the Scheme is Rs. 160 crore, out of which the central share is Rs. 120 crore, on a ratio of 75:25 cost sharing basis between Central and the State Government, as advised by Ministry of Finance.

The vision of the Scheme is upgradation of 100 ITIs as “Centre of Excellence by

improving infrastructural facilities, introduction of multiskilling modular courses and creating Public Private Partnership model for producing workforce of world standard. Training already started in particular sector in all the 100 ITIs. The original scheme is coming to end on 31st March, 2010. It is proposed to revise the scheme interalia, covering the remaining employable trades in the ITIs. Additional fund is proposed to be provided.

3. Externally Aided Project for reforms and improvement in Vocational Training Services rendered by the Central and the State Governments.

The upgradation of 400 ITIs were taken in second phase through World Bank assistance along with the strengthening of central institutes for training of trainers. The agreement was signed with World Bank on for 2.11.2007(effective from 17th Dec 2008). Apart from upgradation of 400 ITIs, the project envisages overall improvement of Vocational Training in the country. Components like training of trainers of all the ITIs, policy studies and funds for innovations are part of the VTIP.

100 ITIs were identified for upgradation during 2006-07 and 138 ITIs more have been identified during 2007-08, so far. Remaining 162 ITIs are being identified so that training in these ITIs are started under the project by 2008-09.

The vision of the scheme is to improve the employment outcomes of graduates from the vocational training system, by making the design and delivery of training more demand responsive.

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 utilising infrastructure available in ITIs/ITCs and other organisations. Scheme will cater to the 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 would be given to the courses to cater to the needs of unorganised economy. The scheme aims at the capacity building in the country in the area of development of competency standards, curricula, learning material, assessment standards to the Global Standards and also planning, implementation and monitoring of Skill Development programme for the unorganised sector etc.

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. To provide training to 1 million persons in 5 years and thereafter one million every year by optimally utilising infrastructure available in ITIs/ITCs and other organisations

5. Establishment of new Industrial Training Institutes in North Eastern States, Sikkim and Jammu and Kashmir

Two Schemes namely 'Establishment of New Industrial Training Institutes (ITIs) in North Eastern States & Sikkim' has been merged with Strengthening and Modernisation of ITIs in the State of J&K'. The newly merged scheme at a total cost of Rs. 150.7 crores, has been renamed as, 'Establishment of new Industrial Training Institutes (ITIs) in North Eastern States, Sikkim and Jammu & Kashmir'.

The merged scheme envisages doubling the seating capacity in the North Eastern States and Sikkim, and to modernize and expand the scheme of Craftsmen Training Scheme in the State of J&K. The scheme is extended upto 31st March, 2010.

6. Foremen Training Institutes / Setting up of Foremen Training Institutes at Bangalore and Jamshedpur

Supervisory Training envisages technological and behavioural 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 1978 and 1983 respectively. The vision of the Scheme is to target and train potential shop-floor Supervisors, Foremen & Engineers of Industries both from public and private sectors in Technical & Managerial skills.

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.

7. Upgradation of Training Institute

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.

8. Building Equipment & Establishment of RVTIs

The scheme envisages the following:

- All the 7 RVTIs under this scheme are providing training facilities. Four institutes are operating from own new buildings and three are operating from temporary buildings. The training capacity has been enhanced from 716 in 2002 to about 1300 in 2006-07.
- Construction of the institute buildings, staff quarters & trainees hostels for RVTIs at Vadodara, Indore and panipat (location of Hisar to be changed to Panipat as land has been provided in Panipat),
- To meet recurring expenditure for conducting of courses at RVTIs.

- Institute buildings for RVTI Jaipur, Tura, Kolkata, Panipat & Allahabad have been constructed & taken over and training is conducted with full capacity.

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.

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.

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 Centres 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.

12. Setting up of 1500 ITIs and 5000 Skill Development Centres under PPP mode

There are two more schemes namely Setting up of 1500 ITIs and 5000 Skill Development Centres under PPP mode in the unrepresented areas where there is no industrial training institute. The Planning commission has given its in principle approval for setting up of 1500 ITIs and 5000 Skill Development Centre (SDC) under PPP mode. The process of preparation of detailed project report by the consultant and identification of locations/land by the State Governments is on.