



**MINISTRY OF LABOUR  
AND EMPLOYMENT**

Government of India

## INTRODUCTION

1.1 The Ministry of Labour & Employment is one of the oldest and important Ministries of the Government of India. The main responsibility of the Ministry is to protect and safeguard the interests of workers in general and the poor deprived and disadvantaged sections of the society, in particular. Further it aims to creating a healthy work environment for higher production and productivity and to develop and coordinate vocational skill training and employment

1.2 At present, there are 44 labour related statutes enacted by the Central Government dealing with minimum wages, accidental and social security benefits, occupational safety and health, conditions of employment, disciplinary action, formation of trade unions, industrial relations, etc. The list of Central Acts is annexed (Box 1.1 below). Government's attention is also focused on promotion of welfare and providing social security to the labour force both in organized and unorganized sectors, in tandem with the process of liberalization. These objectives are sought to be achieved through implementation of various labour laws, which regulate the terms and conditions of service and employment of workers. The State Governments are also empowered to enact legislations, as labour is a subject in the concurrent list under the Constitution of India.

Box 1.1	
LIST OF CENTRAL ACTS	
Sl.No	Name of the Act
01.	The Employees State Insurance Act, 1948
02.	The Employees Provident Fund and Miscellaneous Provisions Act, 1952
03.	The Dock Workers (Safety, Health and Welfare) Act, 1986
04.	The Mines Act, 1952
05.	The Iron ore Mines, Manganese ore Mines and Chrome ore Mines Labour Welfare (Cess) Act, 1976
06.	The Iron ore Mines, Manganese ore Mines and Chrome ore Mines Labour Welfare Fund Act, 1976
07.	The Mica Mines Labour Welfare Fund Act, 1946
08.	The Beedi Workers Welfare Cess Act, 1976
09.	The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972
10.	The Cine Workers Welfare (Cess) Act, 1981
11.	The Beedi Workers Welfare Fund Act, 1976
12.	The Cine Workers Welfare Fund Act, 1981
13.	The Child Labour (Prohibition and Regulation) Act, 1986
14.	The Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996
15.	The Contract Labour (Regulation and Abolition) Act, 1970
16.	The Equal Remuneration Act, 1976
17.	The Industrial Disputes Act, 1947
18.	The Industrial Employment (Standing Orders) Act, 1946
19.	The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
20.	The Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988
21.	The Maternity Benefit Act, 1961
22.	The Minimum Wages Act, 1948
23.	The Payment of Bonus Act, 1965
24.	The Payment of Gratuity Act, 1972
25.	The Payment of Wages Act, 1936
26.	The Cine Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981
27.	The Building and Other Construction Workers Cess Act, 1996
28.	The Apprentices Act, 1961
29.	The Factories Act, 1948
30.	The Motor Transport Act, 1961
31.	The Personal Injuries (Compensation Insurance) Act, 1963
32.	The Personal Injuries (Emergency Provisions) Act, 1962
33.	The Plantation Labour Act, 1951
34.	The Sales Promotion Employees (Conditions of Service) Act, 1976
35.	The Trade Unions Act, 1926
36.	The Weekly Holidays Act, 1942
37.	The Working Journalists and Other Newspapers Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955
38.	The Children's (Pledging of Labour) Act, 1938
39.	The Workmen's Compensation Act, 1923 (now renamed as the Employees Compensation Act, 1923)
40.	The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
41.	The Bonded Labour System (Abolition) Act, 1976
42.	The Beedi and Cigar Workers (Conditions of Employment) Act, 1966
43.	The Employees Liability Act, 1938
44.	The Unorganized Workers Social Security Act, 2008

## WELFARE OF THE UNORGANISED SECTOR WORKERS

- 1.3 As per the survey carried out by the National Sample Survey Organization in the year 2009-10, the total employment, in both organized and unorganized sectors in the country was of the order of 46.5 crore comprising of around 2.8 crore in the organized sector and the balance 43.7 crore workers in the unorganized sector. Out of 43.7 crore workers in the unorganized sector, there are 24.6 crore workers employed in agricultural sector, about 4.4 crore in construction work and remaining in manufacturing and service.
- 1.4 In order to ensure welfare of workers in the unorganized sector which, inter-alia, include weavers, handloom workers, fishermen and fisherwomen, toddy tappers, leather workers, plantation labour, beedi workers, the **'Unorganised Workers' Social Security Act, 2008'** has been enacted. As per the provisions of the Act, a National Social Security Board has been constituted for recommending formulation of social security schemes viz. life and disability cover, health and maternity benefits, old age protection and any other benefit as may be determined by the Government for unorganized workers.
- 1.5 The **'Rashtriya Swasthya Bima Yojana'** (RSBY) was formally launched on 01.10.2007 to provide smart card based cashless health insurance cover of Rs.30,000/- to BPL families (a unit of five) in the unorganized sector per annum on family floater basis. The RSBY has become operational from 01.04.2008. The premium is shared in the ratio of 75:25 by the Centre and the State Governments. In case of States in the North East region and Jammu & Kashmir, the premium is shared in the ratio of 90:10. The scheme is being implemented in a phased manner to cover all the estimated BPL families by 2012-13. The salient features of the scheme are:
- The beneficiary family pays Rs.30/- per annum per family as registration & renewal fee. Administrative cost is borne by the State Governments.
  - Beneficiaries are entitled to smart card based cashless health insurance cover of Rs. 30,000/- per family per annum on a family floater basis.
  - Coverage of all pre-existing diseases.
  - Coverage of hospitalization expenses, including maternity benefit.
  - Payment of transportation cost of Rs.100/- per visit.
- 1.6 As on 29.02.2012, the RSBY is being implemented in 24 States, namely, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Kerala, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Orissa, Punjab, Tamil Nadu, Tripura, Uttar Pradesh, Jharkhand, Uttarakhand, West Bengal and Chandigarh Administration and more than 2.79 crore smart cards have been issued.
- 1.7 Recently, RSBY has been extended to building and other construction workers registered under the Building and other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996, street vendors, beedi workers, MGNREGA beneficiaries (who have worked for more than 15 days during the preceding financial year) and domestic workers.
- 1.8 The Ministry of Labour & Employment is administering five Welfare Funds for beedi, Cine and certain categories of non-coal mine workers. The Funds have been set up under the following Acts of Parliament for the welfare of these workers:-
- The Mica Mines Labour Welfare Fund Act, 1946;
  - The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972;
  - The Iron ore, Manganese ore Mines and Chrome ore Mines Labour Welfare Fund Act, 1976;
  - The Beedi Workers Welfare Fund Act, 1976; and
  - The Cine Workers Welfare Fund Act, 1981.
- 1.9 The above Acts provide that the Fund may be availed by the Central Government to meet the expenditure incurred in connection with measures which are necessary to provide for the welfare of such workers. In order to give effect to the objectives laid down in the above Acts, various welfare schemes have been formulated and are under operation in the fields of health, social security, education, housing, recreation and water supply.
- 1.10 According to the Revised Integrated Housing Scheme (RIHS) 2007-08 for beedi workers etc. the central subsidy of Rs.40,000/- per tenement per worker for construction of a house is released in two installments, the first in advance after the certificate / receipt of the worker's contribution of Rs.5000/- is deposited with the Welfare Commissioner and the second after the construction reaches roof level.
- 1.11 Several other welfare schemes viz. health and medical care, scholarships for school/ college going children (Rs.250/- per year for 1<sup>st</sup> Standard to Rs.8,000/- for BE/MBBS) etc. are being implemented for workers and their families

- 1.12 The Government has enhanced the rate of Cess levied on manufactured beedis from Rs.2/- to Rs.4/- and again to Rs.5/- per thousand beedis w.e.f. 01.04.2006.
- 1.13 There are around two crore construction workers in the country. To protect their interest, Government has enacted the Building and Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996 and the Building and other Construction Workers Welfare Cess Act, 1996.
- 1.14 Besides providing for good working conditions, these Acts also have provisions to collect a cess @ 1 % on every construction activity costing more than Rs.10 lakh. Amount of cess so collected forms the corpus of the fund, out of which various welfare schemes viz. Group Insurance, Medical and Health Care, Scholarships, Pension, etc. are implemented for the construction workers.
- 1.15 In order to expedite the process of implementation, a special Group has been constituted, which has held various region-wise meetings. Further, workshops to assist the State Governments / Union Territories in formulation of Rules etc. have also been held.

#### **Scheme for Grant to Provide Medical Facilities to Beedi Workers**

- 1.16 The Government has launched a scheme on pilot basis for providing one time grant of Rs.2 crore or 75% of the actual cost of construction of the hospital building or including the cost of medical equipments, whichever is less, to all the State Government / Employees State Insurance Corporation / Housing Cooperative Society / Reputed NGOs etc. Similarly, one time grant-in-aid would also be available for purchase of Ambulance / Mobile Van equipped with medical/laparoscopic equipment's etc., upto the limit of Rs.4 lakh. Further, an amount equivalent to 75% of the actual cost of the medicines supplied to Beedi workers and their dependents subject to maximum of Rs.10 lakh per annum will also be available towards reimbursement of expenditure on medicines.

#### **PROCEDURAL IMPROVEMENTS**

- 1.17 In order to provide hassle-free industrial environment, and to reduce unnecessary interference of inspecting staff, the following steps have been taken: -
- (i) Employees State Insurance Corporation (ESIC):**
- 1.18 The Employees State Insurance Act, 1948 has been amended vide ESI (Amendment) Act, 2010 w.e.f. 01.06.2010 for enhancing the Social Security coverage, streamlining the procedure for assessment of dues and for providing better services to the beneficiaries. The salient features of the Amendments in the Act have been given in Chapter 6. Several other steps have been taken to provide hassle-free services to its stakeholders such as IT Roll Out Plan, starting medical education institutions, extending Model Hospital Scheme etc. as explained in subsequent paras of this chapter.
- 1.19 The revised policy contemplates inspection only in the case of defaulters and where the compliance is irregular. The regular annual inspection has been retained only in the cases of major employers employing more than 250 workers. The inspections / investigations are also undertaken where complaints about non-coverage of establishments are received or detected during the course of regular survey.
- (i) Employees Provident Fund Organization (EPFO):**
- 1.20 The earlier method of carrying out inspections of establishments was given a relook and territorial jurisdiction of Enforcement Officers had been done away with. The position was further reviewed during the current year.
- 1.21 Although for monitoring compliance of covered establishments, the system assisted tool in the form of CCTS (Computerized Compliance Tracking System) was provided to the field offices of EPFO, there was no concrete procedure for detection of coverable establishments. It resulted in belated coverage of establishments with consequential legal ramifications as the establishments were mostly found coverable from retrospective dates but refused to take up past liability related to statutory dues, payment of interest and damages for belated remittance, prosecution cases etc. The Act is applicable on its own volition and these legal actions are attracted for non compliance for what so ever reason.
- 1.22 This necessitated issue of revised guidelines for improving Compliance / coverage. Accordingly, EPFO has issued fresh guidelines in April 2009 to all the field offices. While restoring the territorial jurisdiction of Enforcement Officers, due care was taken to address the harassment issue by strengthening the supervisory mechanism on the conduct of the Enforcement Officers through constantly monitoring their performance and outcome and getting direct feed backs from the establishments, employers, employees and their Unions / Associations.

#### **(iii) Chief Labour Commissioner {CLC(C)}:**

- 1.23 In respect of IT Software and IT Service Industries, the CLC(C) has advised its subordinate offices that routine and periodic inspections may not be necessary since the employees engaged by these IT industries are usually

Qualified and, therefore, are in a better position to protect and promote their interests. However, enforcement of labour laws in these establishments through returns submitted by the employers under various labour laws is being continued.

#### **STRENGTHENING OF TRIPARTISM**

1.24 The Ministry of Labour & Employment has been striving to promote harmonious industrial relations in the country. The Government, being committed to the ethos and culture of tripartism, took measures to revitalize it.

1.25 The Ministry continues to have consultation with the social partners to obtain a consensus for enacting new laws or bringing about changes in the existing laws. The objective of the Ministry is to knit the views of all the social partners in framing the policy for working class. Accordingly, the Ministry of Labour & Employment held several tripartite meetings of various Committees / Boards during the year which, inter-alia, include: -

- The meetings of Central Board of Trustees (EPF) held on 24.06.2011, 14.07.2011, 27.07.2011 and 23.12.2011.
- The meetings of Executive Committee of Employees Provident Fund held on 04.07.2011, 14.07.2011 and 22.12.2011.
- The meetings of the Committee on Employees State Insurance Corporation held on 29.07.2011, 15.12.2011 and 18.01.2012.
- The meetings of Standing Committee, Employees State Insurance Corporation held on 06.06.2011, 15.12.2011 and 27.01.2012.
- The meeting of Governing Body of Central Board for Workers Education held on 14.07.2011, 30.09.2011, 27.01.2012 and 16.02.2012.
- The meeting of General Council, V.v. Giri National Labour Institute held on 20.01.2012.
- The meeting of Executive Council V.V. Giri National Labour Institute held on 30.05.2011 and 21.12.2011
- The meeting of the Central Advisory Committee on Iron Ore Mines, Manganese Ore Mines & Chrome Ore Mines Labour Welfare Fund was held on 28.04.2011.
- The meeting of Central Advisory Committee on Limestone & Dolomite Mines Labour Welfare Fund held on 27.06.2011.
- The meetings on Conventions were held on 22.07.2011 and 20.08.2011.
- A Government of India / ILO National Tripartite Workshop on Maritime Convention 2006 was held at Mumbai during 19-21 October, 2011

1.26 Thus, the Ministry is in true spirit, following the tripartite consultation process to strengthen the labour-management relations.

1.27 A number of other legislative and executive initiatives have been taken to promote, protect and preserve health, safety and social security of workers through observance of the ethos and culture of tripartism. Some of the important initiatives taken during the year in this regard are summarized below:

1.28 The 44th Session of Standing Labour Committee was held on 17.10.2011 in New Delhi under the chairmanship of the Hon'ble Union Minister of Labour & Employment. The Meeting was attended by senior representatives of Central Trade Union Organisations, Central Employer Organisations, Labour Ministers and senior officers from State Governments / UT Administrations and senior officers from Central Ministries/Departments. Labour Ministers from several States participated in the deliberations.

1.29 The Agenda for the 44th Session of Standing Labour Committee included the following items:-

- Review of the Action Taken Report on the conclusions/ recommendations of the 43rd Session of Indian Labour Conference held during 23-24 November, 2010 at New Delhi.
- The consideration of the following items for the 44th SLC:-
  - a. Verification of membership of trade unions.
  - b. Improvements in the working conditions of contract labour
  - c. Ratification of ILO Core Conventions
  - d. Enhancing employability and employment
  - e. Rationalization of Labour Laws.

1.30 After detailed deliberations, SLC has decided to include the following three agenda items for detailed deliberations in the 44th Session of Indian Labour Conference:-

- Minimum Wages
- Social Security
- Employability and Employment

1.31 The 44th Session of Indian Labour Conference, an important forum of the tripartite consultative machinery, was inaugurated by the Hon'ble Prime Minister Dr. Manmohan Singh during 14-15 February, 2012 at New Delhi. The Hon'ble Union Minister of Labour & Employment co-chaired the Conference. The Conference was attended by Senior representatives of Central Trade Union Organizations, Central Employer Organizations, Labour Ministers and senior officers from State Governments/ UT Administrations and senior officers from Central Ministries / Departments. Labour Ministers from several States / PSUs. The Agenda for Conference focused on three key issues: Minimum Wages, Social Security and Employment and Employability.

## **INDUSTRIAL RELATIONS**

1.32 Maintenance of harmonious industrial relations remains an avowed objective of Ministry of Labour & Employment. Due to constant endeavor of the Industrial Relations Machineries of both Centre and the States, the overall industrial relations climate has generally remained peaceful and cordial. The number of incidences of strikes and lockouts which were 456 in 2005 has exhibited a declining trend and were 99 (Provisional) in 2010. The mandays lost on account of these disturbances were 29.66 million in 2005 and 0.16 million in 2010 (Provisional) and show variations over this period.

1.33 As regards the spatial/industry wise dispersion of the incidences of strikes and lockouts, there exists widespread variation among different States / UTs. Wage & Allowance, Bonus, Personnel, Indiscipline & Violence and Financial Intermediaries (excluding insurance & pension funds) are the major reasons for these strikes and lockouts.

1.34 Twenty two Industrial Tribunal-cum-Labour Courts have been set up under the provisions of the Industrial Disputes Act, 1947 for adjudication of industrial disputes in organizations for which the Central Government is the appropriate Government. These Tribunals are located at Dhanbad (Jharkhand), Mumbai, New Delhi and Chandigarh (two courts each) and one each at Kolkata, Jabalpur, Kanpur, Nagpur, Lucknow, Bangalore, Jaipur, Chennai, Hyderabad, Bhubaneswar, Ahmedabad, Ernakulam, Asansol and Guwahati.

1.35 In order to reduce pendency of cases, Lok Adalats are being organized by the CGIT-cum-Labour Courts. During 01.04.2011 to 30.11.2011, 24 Lok Adalats were held and 22 cases settled through these Lok Adalats.

## **VULNERABLE SECTIONS**

### **Child Labour**

1.36 Elimination of child labour is an area of great concern and Government of India is committed to address the issue. Considering the magnitude and nature of problem, the Ministry is following a multi- pronged strategy to tackle the problem of child labour. It comprises of statutory and legislative measures, rescue and rehabilitation, universal primary education along with social protection & poverty alleviation and employment generation schemes. The objective is to create an environment where families are not compelled to send their children to work. India has all along followed a pro-active policy with respect to the problem of child labour and continuously developing measures to combat it. Government has adopted a sequential approach to withdraw and rehabilitate working children, beginning with those working in hazardous occupations/ processes.

### **Policy on Child Labour**

1.37 The National Policy on Child Labour declared in August, 1987, addresses the complex issue of child labour in a comprehensive, holistic and integrated manner. The Action Plan under this policy is multi- pronged and mainly consists of:

- A legislative action plan.
- Project based action in areas of high concentration of Child Labour.
- Focus on general development programmes for the benefit of the families of Child Labour.

### **Legislative Action Plan**

1.38 Under the Legislative Action Plan, the Child Labour (Prohibition & Regulation) Act, 1986 provides:

- Prohibition of employment of children below the age of 14 years in 18 occupations and 65 processes.
- The Act regulates the condition of employment in all occupations and processes not prohibited under the Act.

**Project Based Action Plan in the areas of high concentration of child labour**

1.39 In pursuance of National Child Labour Policy, the NCLP Scheme was started in 1988 to rehabilitate child labour which is an ongoing Centrally Sponsored Scheme. Under this Scheme, working children are identified through child labour survey, withdrawn from work and put into the special bridge schools so as to provide them with enabling environment to join mainstream education system. In these Special Schools, besides formal education, the children are provided stipend, supplementary nutrition, vocational training and regular health check-ups. In addition, efforts are also made to target the families of these children so as to cover them under various developmental and income/ employment generating programmes of the Government to raise the economic Standard of the parents of working children.

**Present Status of NCLP Scheme:**

1.40 The number of districts covered under the NCLP Scheme has been substantially enhanced to 271. At present the Scheme is being implemented in 266 districts of 20 States in the country. As on date 7311 special schools are in operation with enrolment of 3.2 lakh children. 8.52 lakh children have been mainstreamed into the formal education system.

1.41 The amount of honorarium under the NCLP

	<b>Pre-revised honorarium</b>	<b>Revised honorarium</b>
Project Director	Rs.6000/-	RS.12000/-
Field Officers (2)	Rs.4000/-	Rs.8000/-
Clerk-cum-Accountant (1)	RS.1400/-	RS.3000f-
Stenographer (1)	RS.2000/-	Rs.3000/-
Helper/Peon (1)	RS.1S00/-	RS.2000/-
Master Trainer (1)	Rs.S000/-	Rs.S000/- .
Doctors (1 for 20 schools)	Rs.S000/-	Rs.S000/-

**Schools Level:**

	<b>Pre- revised honorarium</b>	<b>Revised honorarium</b>
Educational Instructors (2)	Rs.1S00/-	Rs.4000/-
Vocational Instructor (1 )	RS.1S00/-	Rs.4000/-
Clerk-cum-Accountant (1)	RS.1400/-	Rs.3000/-
Helper/Peon (1)	Rs.800/-	RS.2000/-

Scheme has recently been enhanced as under: -

1.42 The other highlights under the NCLP Scheme include the following: -

- Stipend of NCLP School children has been increased from Rs.1 001-per month to Rs.1501-per month w.e.f. 01.04.2011.
- Two occupations i.e. caring of elephant and children working in circus have been included in the Schedule-A of the Child Labour (Prohibition & Regulation)Act.
- Arrangement has been made to provide mid day meal to NCLP School children for 31 0 days in a year.

1.43 For the rehabilitation of migrant and child labour, Government has initiated a number of steps and has issued a detailed protocol for prevention, rescue, repatriation and rehabilitation of these children, to the State Governments for compliance. A workshop was organized by V.v. Giri National Labour Institute, NOIDA in this regard.

**Women Labour**

1.44 The Government is committed to improve the working conditions of women workers. In this direction, guidelines for the prevention of sexual harassment of women employees in their workplaces have been framed. Simultaneously, instructions have been issued to the Central Ministries 1 Departments, State Governments 1 UT Administrations and all CPSUs for strict implementation of the guidelines. The Conduct Rules applicable to the Central Government and the All India Services have since been amended to give effect to these guidelines. The Industrial Employment (Standing Orders) Central Rules, 1946 have also been amended to make the guidelines applicable to employees in the private sector.

1.45 Further, amendments have been notified in the Industrial Employment (Standing Orders) Central Rules, 1946 to provide that the Complaint Committee established in each establishment for inquiring into a complaint of sexual harassment shall be deemed to be the inquiring authority appointed by the employer for the purpose of these rules.

## **Bonded Labour**

- 1.46 The system of debt bondage in India originated from uneven social structure characterized by feudal and semi feudal conditions. To abolish this system, the Bonded Labour System (Abolition) Act, 1976 has been enacted.
- 1.47 In order to assist the State Governments in the task of rehabilitation of released bonded labourers, the Ministry of Labour & Employment launched a "Centrally Sponsored Plan Scheme on 50:50 sharing basis in regard to funding in May, 1978. Under the scheme, rehabilitation assistance of RS.20, 0001- per bonded labourer is provided. The modified scheme also provides financial assistance to the State Governments / Union Territories for conducting survey of bonded labourers, awareness generation activities and impact evaluation. A sum of Rs. 7228.83 lakh has been released under the scheme to the State Governments up to 30.11.2011 for rehabilitation of 2,70,577 bonded labourers.

## **SOCIAL SECURITY**

- 1.48 The Government has enacted a number of legislations in the area of Social Security for the workers. The important Acts in this regard are the Workmen's Compensation Act, 1923 (now renamed Employees Compensation Act, 1923), the Employees Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972 and the Employees State Insurance Act, 1948. Several initiatives have been recently taken to accord larger benefits to workers under these Acts as detailed below: -

### **EMPLOYEES STATE CORPORATION (ESIC)**

- 1.49 To provide medical care and cash benefits in the case of sickness, maternity and employment injuries, the Employees State Insurance Act was enacted in 1948. The ESIC is implementing the ESI Scheme started since 1952. The achievements of the Corporation are as under:-

**New Implemented Areas:** The Scheme was extended to 68 new areas covering 1 .14 lakh additional employees during the year 2010-11.

**Record Number of Insured Persons / Beneficiaries:** The number of insured persons covered under the ESI Scheme has increased to 1.55 crore for the first time. The number of beneficiaries covered under the Scheme has gone upto 6.02 crore.

**Enhancement of Cash Benefits:** The ESIC has disbursed Rs.494.1 0 crore as benefits in cash and the number of Cash Benefit payments has gone up to 31. 781akh during the year 2010-11.

### **Incentives Scheme for employers for providing employment to the persons with disabilities:**

Persons with disabilities employed on and after 01.04.2008 and drawing wages upto Rs.25,000/- are covered under the ESI Scheme and Employers' share of contribution is paid by Government for three years. This Scheme has been largely advertised in national dailies and mails to the employers were also sent to avail the benefit of the scheme.

**Rajiv Gandhi Shramik Kalyan Yojana (RGSKY) (Unemployment Allowance):** The number of claims admitted in the year 2010 was 2510 as against 870 in the previous year. The expenditure on this scheme was Rs.4.97 crore in 2010 as against Rs.1.95 crore in the last year. Besides, the beneficiaries under the Scheme have also been made entitled for getting Vocational Rehabilitation Skill Development trainings for re-employment for a maximum period of six months.

**IT Roll Out Plan:** In order to provide hassle-free services to the stakeholders, ESIC is implementing an IT Roll Out Plan named "Project Panchdeep". One of its components i.e. Project 'Pehchan' includes the work relating to issue of two Identity Cards to the Insured Persons (one for Insured Person and one for his family) for availing of Cash and Medical Benefit from any institution of ESIC, anywhere in the country. Bio-metric details of more than 63 lakh Insured Persons have already been captured to generate these smart cards. This project 'Panchdeep' has been rolled out in six states covering more than 50% of employers and Insured Persons on Pilot basis.

### **Other Medical Initiatives**

- Medical Benefit Expenditure increased from Rs.1626.93 crore in 2009-10 to Rs.2123.67 crore in 2010-11.
- **Model Hospital Scheme:** ESIC has taken a decision to set up one hospital in each 5 state as Model Hospital. ESIC has set up Model Hospital in 21 States so far. The expenditure on Model Hospitals is fully borne by ESIC.
- **Starting of Medical Education Institutions:**
- ESIC has decided to enter the field of Medical Education recently and 29 such Institutions have been envisaged which include medical colleges, nursing colleges, dental colleges, post graduate institutions and training school etc. Medical Education was started in the year 2011-12 by admitting 57 PG students in 11 specialties at 6 ESI-PGIMSRs i.e. Basaidarapur-Delhi, Rajajinagar-Bangalore, K.K. Nagar, Chennai-Tamil Nadu, Andheri (E) & MGM-Parel-Mumbai & Joka-Kolkata. ESIC has already started one Post Graduate Institute of Medical Sciences & Research at Bangalore and one Dental College at Rohini, Delhi.
- **Provision of Primary and Secondary Care Services by ESIC directly:** ESIC has decided to provide primary and secondary medical care services directly in the areas where the concentration of IPs is more than 5000 and there is no dispensary within 8 kms (5 kms in hilly areas) and where concentration of IPs is 25000 (15000 in hilly areas) and there is no hospital within 25 kms. This facility will be available till the State Government! ESI Scheme establishes its own hospital and dispensary.

- **Provision of Superspeciality Services:** Patients can avail super speciality treatment from any of the networked/tie up hospital of ESIC (more than 600 in no.) as per his choice anywhere in the country. The total expenditure on such tie-ups is borne by the ESIC.
- **Grading and ISO Certification of ESI Hospitals and Dispensaries:** ESIC is getting its hospitals and dispensaries graded by reputed organisations. ISO Certification has already been obtained for Hqrs Office, 20 ESI Hospitals and 17 ROs/SROs.
- **Zonal Superspeciality Hospitals:** Four Super speciality hospitals are to be set up in four zones. In the first phase, super speciality hospital is to be commissioned soon at Sanath Nagar, Hyderabad for South Zone.
- **Modernisation and Upgradation of Medical Infrastructure:**
  - ✓ It has been decided by the Corporation to modernize/ upgrade/ expand all ESI hospitals in a phased manner and to make them state-of- the-art hospitals.
  - ✓ ESI Hospital, Rajaji Nagar (t" Phase) and ESI Hospital, NaiDA have been upgraded and modernized.
  - ✓ Sophisticated equipments, i.e. MRI and CT Scan have already been installed in ESIC hospitals at Bangalore, Mumbai and Delhi.
  - ✓ 118 major projects of construction/ modernization of the ESI Hospitals and other offices are under progress. Following new Hospitals will be ready for commissioning in near future - Manesar (Haryana), Bhlwadi (Rajasthan), Baddi (Himachal Pradesh), Tirunelveli (Tamil Nadu) and Peenya, Bangalore (Karnataka).

## EMPLOYEES PROVIDENT FUND ORGANISATION (EPFO)

1.50 The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (EPF & MP Act) provides for compulsory provident fund, pension and deposit-linked insurance in factories / establishments employing twenty or more employees in industries mentioned in Schedule to the Act. The Government of India through the EPFO administers the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the following three Schemes framed there under:

- Employees Provident Fund Scheme, 1952;
- Employees Pension Scheme, 1995 and
- Employees Deposit-Linked Insurance Scheme, 1976.

1.51 The progress achieved and the reforms introduced by the EPF organisation under various areas is given in paragraph below: -

**Membership:** As on 31.03.2011, there were 6,60,546 establishments covered under the Act out of which

**Media Campaign:** An Awareness Campaign on project 'Pehchan' and on the Commitments made during the Diamond Jubilee Year of ESIC (2010-11) through Print Media, Hoardings and Radio, T.V. Commercials have been launched throughout India in Hindi, English and respective vernacular languages of the States to bring awareness and educate various stake- holders about making of their 'Pehchan Cards'. The Wellness Mobile Van was launched for preventive medical care. 2750 were exempted establishments. The total membership in the Employees Provident Fund was 615.89 lakh with membership in the Pension Fund being 551.21lakh.

**Claim settlement:** During 2010-11, 72.49 lakh members claims were settled.

**Contribution by Members:** Total corpus of cumulative contributions received against all three Schemes administered by EPFO as on 31.03.2011 stand at Rs.438023.94 crore. During the year 2010- 11, the total contributions received under all three Schemes amounted to Rs.60648.29 crore.

**Rate of interest:** The rate of interest declared on the deposits of members to the Employees Provident Fund was 9.5% (on monthly running balance) for 2010-11. During the year, 606.65 lakh annual statements of accounts were issued to members of un-exempted establishments.

### Compliance

1.52 During the year 2010-11, 7233 prosecution cases were launched against defaulting establishments under section 14 of the EPF & MP Act, 1952 with 2313 cases being decided. 12771 Recovery Certificates for amount of Rs.235.15 crore dues under EPF Scheme were issued under section 8 of the Act. 10,776 Recovery certificates were issued against dues of Rs.137.97 crore under Employees Pension Scheme, 1995 and 10,833 Recovery Certificates were issued against dues of Rs.12.01 crore under EDLI Scheme. 369 FIRs and 8 challans were filed by the police in various courts under section 406/409 of Indian Penal Code for recovery of dues from defaulting establishments.

### Pension Reforms

1.53 The Employees Pension Scheme, 1995 (EPS) has been conceived as a Benefit Defined Social Insurance Scheme formulated following actuarial principles for ensuring long term financial sustenance. It is financed through contribution from the employers at the rate of 8.33 percent of the wages of employees and the Central Government also contributes 1.16% of the wages of the employees. Any increase in the amount of pensionary benefit depends on the financial position of the Pension Fund. The quantum of pension to members of EPS, 1995 is actuarially

calculated in accordance with the provisions of the Scheme. To review the rates of contributions and quantum of pension and other benefits, para 32 of the Scheme provides for annual valuation of the Pension Fund.

1.54 An Expert Committee under the Chairmanship of Additional Secretary (Labour & Employment) consisting of actuaries, experts from social security and insurance sectors and stakeholders was constituted in June, 2009 for reviewing the Scheme. The Committee has submitted its report to the Government on 05.08.2010. The Committee made following two recommendations:-

**(i) Introduction of Provident Fund-cum-Pension Annuity Scheme:** The Expert Committee felt that the proposed Provident Fund-cum-Annuity Scheme is a better option to tide over the problem being faced by the Employees Pension Scheme, 1995. Hence the Expert Committee, as the first option, recommended the provident Fund-cum-Pension Annuity Scheme as elaborated in the Report of the Expert Committee.

**(ii) Modifications in the existing Employees Pension Scheme, 1995:** After contemplating various scenarios, the Committee has recommended the following amendment in the pension scheme.

- Increase in wage ceiling from Rs.6500/- to Rs.10,000/-
- Provision of annual relief of 3% and
- A minimum pension of Rs.1,000/- to all categories of pensioners.

1.55 The following modifications to offset the cost of above benefits have also been recommended:-

- Pensionable Salary to be calculated as an average of last 3 years of service.
- Withdrawal option to be deleted.
- Bonus of 2 years to be disallowed.
- The age of superannuation to be raised to 60 years.
- The age of early pension to be raised to 55 years.
- Nominee pension to be allowed.

1.56 For the above package of benefits, the contribution rate required is @ 14.75%. However, the Committee emphasized that in order to make the scheme sustainable on a long term basis, it would be better to switch to a defined contribution scheme as proposed in first recommendation i.e. Provident Fund-cum-Pension Annuity Scheme.

1.57 On the directions of the Central Government the report of the Expert Committee was placed before Central Board of Trustees, EPF in its 190th meeting held on 15.09.2010. In the meeting, it was decided that the Report be discussed in the Pension Implementation Committee of the Board. The PIC has since finalized the report and sent it to EPFO for placing the same before the Central Board of Trustees in its ensuing meeting for consideration.

#### **Computerization Plan of EPFO**

1.58 EPFO is attempting improvements in its functioning and operations through a process of computerization of its basic functions under a modernization project that is being implemented with the collaboration of the National Informatics Centre (NIC). The implementation of the project was approved by the CBT, EPF in its meeting held on 17th April 2008. The project is conceived in two phases. The focus of the 1<sup>st</sup> phase is to implement application software that provides best possible services to the Employees Provident Fund members and helps in creation of a strong local database having features to update and improve legacy data in a phased and practical manner. The 2<sup>nd</sup> phase concentrates on consolidating services and database at the central level for 'anytime-anywhere' services and to implement a double entry accounting system. After completion of the project, the provident fund members will be able to view their PF balances and status position of their claims, etc. through Internet. Similarly, the employers will get a facility to view the compliance status of their establishments on Internet.

1.59 The following improvements in the computerization programme have also been made during 2010-11:-

- Beginning 4th February, 2011, the claim status for all the computerized offices is available on the EPFO website [www.epfindia.gov.in](http://www.epfindia.gov.in). Further if mobile number is shared by the EPF members in the claim forms, a system generated SMS is sent to them, at various stages of settlement namely registration, progress in different stages status of claim & finally the payment details.
- National Electronic Fund Transfer (NEFT) has been integrated in the Application for payment of benefits. This has resulted in the reduction in time of credit to member's account, transparency / robustness in reconciliation apart from saving money and manpower on cheque preparation and mailing expenses.
- The inoperative account holders of Provident Fund (those with dormant A/c for 3 or more years) are encouraged to activate their accounts or transfer their balances to an active Provident Fund account. Electronic transfer of accounts has been made possible which has been introduced since March 2011.
- An e-return tool has been developed to assist employers to generate & submit returns in soft copy that is uploadable at the EPFO offices directly. This aims to reduce the time and error in punching at EPFO offices and is expected to reduce the date gaps. The tool is employer friendly, and has been well appreciated.

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

- 1.60 The Minimum Wages Act, 1948 was enacted to safeguard the interests of workers mostly in the unorganized sector. Under the provisions of the Act, both the Central Government and the State Governments are the appropriate governments to fix, revise, review and enforce the payment of minimum wages to workers in respect of scheduled employments under their respective jurisdictions. There are 45 scheduled employments in the Central Sphere and as many as 1679 in the State Sphere. The enforcement of the Minimum Wages Act, 1948 is ensured at two levels. While in the Central Sphere, the enforcement is done through the Inspecting officers of the Chief Labour Commissioner (Central) commonly designated as Industrial Relations Machinery (CIRM), the compliance in the State Sphere is ensured through the State Enforcement Machinery.
- 1.61 In order to protect the minimum wages against inflation, the Central Government has introduced Variable Dearness Allowance (VDA) linked to Consumer Price Index. As regards States/ UT Administrations, 23 of them have made VDA as a component of minimum wages. Both Central and State Governments are revising the minimum wages in respect of these scheduled employments from time to time. In the Central sphere, the rates were last revised w.e.f. 01.10.2011.
- 1.62 In order to have a uniform wage structure and to reduce the disparity in minimum wages across the country, a concept of National Floor Level Minimum Wage (NFLMW) was mooted on the basis of the recommendations of the National Commission on Rural Labour (NCRL) in 1991. NFLMW was revised from time to time. The Central Government has recently revised the NFLMW from Rs.1001- to Rs.115/- per day with effect from 01.04.2011. It may, however, be noted that the National Floor Level Minimum Wage, is a non-statutory measure.

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

- 1.63 The Payment of Wages Act, 1936, which is a labour friendly Legislation, ensures 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 Office, has enhanced the wage ceiling from Rs.65001- to RS.1 0,0001- per month w.e.f. 08.08.2007.

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

- 1.64 In pursuance of the recommendations of the Special Task Force set up by the Ministry of Women and Child Development on complete legal equality to women, the Central Government has notified the Payment of Wages (Nomination) Rules, 2009, vide notification GSR No 822 (E) dated the 29.06.2009 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.

### **WAGE BOARDS**

- 1.65 The Government had constituted two Wage Boards one for Working Journalists and other for Non- Journalists Newspaper Employees under Sections 9 and 13C respectively of the Working Journalists and other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 vide notifications in the Gazette of India (Extra Ordinary) S.O. Nos. 809 (E) and 810 (E) dated 24.05.2007. The Wage Boards had been given three years time to submit their reports to the Union Government.
- 1.66 The Government, in consultation with the Wage Boards for working journalists and non- journalist newspaper employees, had notified the grant of interim rates of wages to journalists and other newspaper employees and news agencies employees at the rate of 30% of the basic wage with effect from 08.01.2008 vide Notifications S.O. NO.2524 (E) and S.O. No. 2525(E) dated 24.10.2008.
- 1.67 The Wage Boards submitted their final Report to the Government on 31.12.2010. A Notification accepting the recommendations of the Wage Boards has been published vide S.O.No.2532(E) dated 11.11.2011.

### **OCCUPATIONAL SAFETY & HEALTH (OSH)**

- 1.68 The provisions on Occupational Safety & Health (OSH) of workers as provided for in the Constitution of India are being implemented through the offices of Directorate General of Mines Safety (DGMS) and the Directorate General of Factory Advice Service & Labour Institutes (DGFASLI)( The DGMS enforces the safety and health provisions for the workers in the mining industry through its Inspectors appointed under the Mines Act, 1952. The DGFASLI, through its Inspectorate of Dock Safety, enforces safety provisions in the Docks and also acts as the coordinating Agency at the national level for the Inspectorate of Factories functioning under different State Governments.
- 1.69 Some of the important events/ initiatives in the area of OSH are:-
- Every year, Ministry of Labour & Employment distributes awards viz. Prime Minister's Shram Awards, National Safety Awards & Vishwakarma Rashtriya Puraskar and National Safety Awards (Mines) to workers.

- The Prime Minister's Shram Awards are given to the workers employed in Departments / Public Sector Undertakings of the Central and State Governments and the manufacturing units employing 500 or more workers in the private sector in recognition of their performance, devotion to duty etc. The Prime Minister's Shram Awards for the years 2008 2009 & 2010 were given away by the Hon'ble Prime Minister, Dr. Manmohan Singh in a function held on 13.10.2011 at New Delhi
- The Vishwakarma Rashtriya Puraskars (VRP) are given to individual workers or group of workers for their outstanding suggestions leading to improvement in productivity, safety and health as well as the import substitution resulting in the savings of foreign currency. The National Safety Awards (NSA) are given in recognition of good safety performance on the part of the industrial establishments covered under the Factories Act, 1948, the employers covered under the Dock Workers (Safety, Health and Welfare) Act, 1986 and Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. Shri Mallikarjun Kharge, Hon'ble Minister for Labour & Employment gave away the NSA & VRP awards for the performance year 2009 in a function on 29.11.2011 at New Delhi.
- The National Safety Awards (Mines) are given at the national level in recognition of outstanding safety performances in mines covered under the Mines Act, 1952. The awards for the year 2008 & 2009 have been finalized and will be distributed in a function shortly.

### **CENTRAL BOARD FOR WORKERS EDUCATION (CBWE)**

- 1.70 The Central Board for Workers Education (CBWE) established in 1958, is a tripartite society which implement the Workers Education Programmes at national, regional and unit/village levels. The Board undertakes training programmes, which cover workers from organized, unorganized, rural and informal sectors.
- 1.71 The main objective of the Board's training programmes is to create awareness among all sections of the working population. Supervisory and managerial cadres are also covered through Joint Education Programmes.
- 1.72 With headquarters at Nagpur, the Board has a network of 50 Regional and 9 Sub Regional Directorates spread throughout the country. The six Zonal Directorates at Delhi, Guwahati, Kolkata, Chennai, Mumbai and Bhopal monitor the activities of the Regional Directorates of their respective zone.
- 1.73 The Board has an apex level training institute - Indian Institute of Workers Education, Mumbai established in 1970 to conduct national level training programmes for the activists of Central Trade Union Organisations/Federations, Voluntary Organisations besides training programmes for Board's officials.
- 1.74 Since 1970 till November, 2011, the Board has conducted 1,007 programmes of varied durations at national level for 24, 170 participants.
- 1.75 In the organized, unorganized and rural sector, the Board has in all conducted 4,13,139 programmes of varied durations for 1,19,76,528 workers since inception till November, 2011.
- 1.76 Besides, the Board has been generating awareness among the informal sector workers about various welfare schemes through its Labour Welfare and Development Programmes.
- 1.77 The special programmes for the beneficiaries of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are being conducted by CBWE from the financial year 2011-12. During April- November 2011, the Board has conducted 1416 programmes for the 58,079 workers in rural sector under MGNREGA scheme.

### **LABOUR STATISTICS**

- 1.78 The feedback of accurate, timely and detailed statistics and actionable research on various aspects of labour activities is necessary for taking effective policy decisions. The Consumer Price Index numbers for Industrial Workers (CPI-IW) 2001=100 which are compiled and disseminated by Labour Bureau are widely used to determine the dearness allowance of industrial workers and employees of Central, State and UT governments as also to fix/revise the minimum wages of organized and unorganized sector workers.
- 1.79 The Government has set up an Index Review Committee (IRC), a non-statutory tripartite body, to review and report on various aspects relating to compilation of Price Index Number for Industrial Workers (CPI-IW) New Series (Base 2001=100) including price collection mechanism and make recommendations for further improvement. The Committee has submitted its Report.
- 1.80 Labour Bureau also constructs, maintains and publishes Consumer Price Index Numbers for (i) Rural and Agricultural Labourers (Base 1986- 87=100), (ii) Retail Price Indices of 31 essential commodities for both rural and urban centre, and (iii) Wage Rate Indices for 21 industries.
- 1.81 The statistics on labour, its reports and reviews are available on Labour Bureau's website (bilingual) [http://www. labourbureau.nic.in](http://www.labourbureau.nic.in) and updated regularly.
- 1.82 Labour Bureau organizes regular training programmes for (i) Price Collectors and Price Supervisors from various States and Union Territories; (ii) senior State I Central Government

officers dealing with labour statistics collected under various labour laws, and (iii) the primary units furnishing the returns.

- 1.83 Besides, it also imparts training to (a) IES I ISS probationers, (b) the foreign participants of I.S.E.C, Kolkata, sponsored by the C.S.O, and (c) Junior Certificate Course training to Statistical Officers deputed by C.S.O. (d) Senior and middle level officers of I.S.S. for training in Labour and Price Statistics.
- 1.84 The Labour Bureau conducted twelve quarterly quick employment surveys to assess the impact of the economic slowdown on employment in India. The results for selected sectors, i.e. textiles including apparel, leather, metals, automobiles, gems and jewellery, transport, information technology (IT) I business process outsourcing (BPO) and handloom powerloom are briefly summarized as follows:-
- While comparing the results of the last four quarterly surveys conducted during 2010-11 i.e. September, 2011 over September, 2010 the overall employment has increased by 9.11 lakh, with the highest increase recorded in IT/BPO (7.96 lakh) sector followed by 1.07 lakh in Metals, 0.71 lakh in Automobiles, 0.08 lakh in Gems & Jewellery and 0.07 lakh in Leather industries during the period.
  - An upward trend in employment has been continuously observed since July 2009. During the quarter July to September 2011, employment has increased in respect of all sectors except Leather and Transport where there was a marginal fall. The overall employment has increased by 3.15 lakh during the quarter. At the sectoral level, the maximum increase of 2.041akh in employment during the period September, 2011 over June, 2011 was in ITI BPO sector, followed by increase of 0.42 lakh in Textiles including Apparels, 0.38 lakh in Metals, 0.22 lakh in Automobiles, 0.09 lakh in Handloom/ Powerloom, 0.071akh in Gems & Jewellery.
  - In the export oriented units, the employment at the overall level has increased by 1.961akh whereas in the non-exporting units, it has increased by 1.161akh during the period September, 2011 over June,2011.
  - Overall estimated employment in all selected sectors has experienced a net addition of 23.58 lakh during the period October, 2008 (first survey) to September, 2011 (twelfth survey).

#### PLAN OUTLAY

- 1.85 The Ministry had taken up a number of Plan Schemes for the welfare of labour during Eleventh Five Year Plan. Special emphasis was laid on elimination of child labour, abolition and rehabilitation of the bonded labourers, skill upgradation and health insurance. The important schemes include Rashtriya Swasthya Bima Yojana (RSBY), National Child Labour Project (NCLP), Upgradation of existing ITIs into "Centres of Excellence", and Establishment of New ITIs in North-Eastern States, Sikkim and Jammu & Kashmir, Skill Development Initiative (SDI), Upgradation of 1396 Government ITIs through PPP, Externally Aided Project (EAP) for reforms and improvement in Vocational Training Services rendered by Central & State Governments.
- 1.86 The Planning Commission had made an allocation of Rs.2210.02 crore (at 2006-07prices) for the Plan Schemes of the Ministry of Labour & Employment during the Eleventh Five Year Plan (2007-12). Against this, an amount of Rs.2942.89 crore (excluding CW component of Rs.102.11 crore which was transferred to Ministry of Urban Development) was allocated by Planning Commission during the first four Annual Plans, i.e., 2007-08 to 2010-11 of the Eleventh Five Year Plan.
- 1.87 In addition to this, an amount of Rs.1500.01 crore (Rs.750.01 crore in 2009-10 and Rs.750.00 crore in 2010-11) was provided by Ministry of Finance from their Social & Infrastructure Development Fund raising the total outlay to Rs.4442.90 crore. This was increased to RS.5681.01 crore at RE stages. Against this, the expenditure was RS.5546.63 crore. The Planning Commission has made available RS.1248.25 crore (excluding CW component of Rs.51.75 crore transferred to Ministry of Urban Development) during the current financial year, i.e., 2011-12.
- 1.88 In addition, an amount of RS.740.00 crore has been provided by Ministry of Finance from their Social & Infrastructure Development fund raising total outlay to Rs.1988.25 crore (Rs1248.25 crore + s.740.00 crore = RS.1988.25 crore).

#### INTERNATIONAL COOPERATION

- 1.89 The Fifth India-EU Seminar on Employment and Social Policy was held during 19-20 September, 2011 in New Delhi under the Chairmanship of the Secretary (L&E). The main theme of the Seminar was "Occupational Safety & Health". The important topics discussed in this seminar were as under:-
- Overview of OSH Institutional Framework in India and the European Union Effective Approach in Practical Risk Analysis and Risk Management
  - Topical Issues in Occupational Health Management
- 1.90 The seminar was attended by 16 member EU delegation from European Union, senior representatives of Central Trade Union Organisations, Central Employer Organisations, senior officers from State Governments / UT Administrations and .senior officers from Central Ministries/Departments.
- 1.91 A high level Indian Tripartite delegation led by Union Minister for Labour & Employment attended the 100th

Session of International Labour Conference of ILO held at Geneva, Switzerland during 1-17 June, 2011

- 1.92 A delegation led by Hon'ble Minister of Labour & Employment attended the XIX World Congress on Safety and Health at Work in Istanbul, Turkey during 11-15 September, 2011.
- 1.93 A two member delegation led by Secretary (L&E) visited China during 14-16 September, 2011 to attend Asia-High Level Seminar on Social Security Extension organized by International Labour Organisation.
- 1.94 A delegation led by Hon'ble Minister of Labour & Employment attended the G-20 Labour & Employment Ministerial Meeting in Paris, France during 26-27 September, 2011.
- 1.95 A delegation led by Secretary (L&E) attended 312th Session of the Governing Body of ILO at Geneva, Switzerland during 7-18 November 2011.
- 1.96 A tripartite delegation led by Hon'ble Minister of Labour & Employment attended the Asia-Pacific Regional meeting in Kyoto, Japan during 4-7 December, 2011.

#### **V.V.GIRI NATIONAL LABOUR INSTITUTE (WGNLI)**

- 1.97 V.V. Giri National Labour Institute (WGNLI), an autonomous body of the Ministry of Labour and Employment, Government of India, set up in July 1974, has grown into a premier Institute of labour research and education. Since its inception, the Institute has endeavored through its research, training, education and publications to reach out to diverse groups concerned with various aspects of labour in the organized and the unorganized sectors. The focus of such endeavors is the concern to transfer academic insights and understanding for application to policy formulation and action so as to ensure a just place for labour in an egalitarian and democratic society.
- 1.98 The main functions of the Institute are:-
  - To undertake, aid, promote and coordinate research on its own and in collaboration with other agencies, both national and international;
  - to undertake and assist in organizing training and educational programmes, seminars and workshops;
  - to establish wings for:
    - (a) education, training and orientation;
    - (b) research, including action research;
    - (c) consultancy; and
    - (d) publication and other such activities as may be necessary for achieving the objectives of the society.
  - To analysis specific problems encountered in the planning and implementation of labour and allied programmes and to suggest remedial measures;
  - To prepare, print and publish papers, periodicals and books;
  - To establish and maintain library and information services;
  - To collaborate with other institutions and agencies in India and abroad which have similar objectives; and
  - To offer fellowships, prizes and stipend

#### **NATIONAL ACADEMY FOR RESEARCH AND TRAINING IN SOCIAL SECURITY (NATRSS)**

1.99 NATRSS is administered by the EPFO. This institute primarily conducts research studies and training programmes on labour welfare, labour standards, social security, personnel management and industrial relations. The trainers and faculty members include professionals from private organizations, officers from EPFO and units of the Ministry of Labour and Employment as also representatives of labour institutions and Governments of various countries in Africa, Asia and the Far East.

#### **ACTIVITIES OF DIRECTORATE GENERAL OF EMPLOYMENT & TRAINING (DGE& T)**

1.100 Vocational Training' and 'Employment' being a part of concurrent list, both Central and State Governments share the responsibility. Laying down of policies, procedures, standard, norms, affiliation, guidelines, conducting of trade test and certification are the responsibility of the Central Government whereas the implementation of vocational training and administration of Employment Exchanges rests with the respective State Governments/Union Territories. DGE& T in the Ministry of Labour & Employment also runs training institutions to meet the training needs of specific target groups.

#### **Skill Development Initiative**

1.101 In pursuance of excellence in vocational training, a new strategic framework for skill development for early school leavers and existing workers has been developed since May, 2007 in close consultation with industry, State Governments and experts. The Scheme offers multi-entry and multi-exit options, flexible delivery schedule and lifelong learning. Modular Employable Skills (MES) Framework envisaged under this Scheme involves the 'minimum skills set' which is sufficient for gainful employment. Emphasis in the curricula is mainly on soft skills. Courses are also available for persons who have completed 5th standard and have attained the age of 14 years. Central government is

facilitating and promoting training while industry, private sector and State Governments are associated with training the persons through Vocational Training Providers.

- 1.102 At present, 1386 Modules for employable skills covering 60 sectors have been developed, 36 Assessing Bodies empanelled for conducting assessment, 6,753 Vocational Training Providers (VTPs) have been registered and more than 12.19 lakh persons have been trained / tested (since inception). The Scheme will receive greater impetus during the next financial year and will continue in the 12th Plan.

#### **Scheme for up-gradation of 500 Government ITIs**

- 1.103 Government has embarked on the strategic objective of modernizing and improving the quality of training in Government-run ITIs, with involvement of stakeholders. 100 ITIs have been upgraded from domestic resources to create "Centres of Excellence" for producing multi-skilled workforce of world standard. The Scheme was completed in 2010-11. Under the Scheme multi-skilling courses are offered during the first year, followed by advanced and specialized modular courses in the second year. Industry wise cluster approach has been adopted through multi-entry and multi-exit provisions and the concept of Public Private Partnership (PPP) in the form of Institute Management Committees (IMCs) to ensure greater and more active involvement of industry in all aspects of training.
- 1.104 Another 400 ITIs are being upgraded through World Bank assisted - Vocational Training Improvement Project (VTIP) with a total cost of Rs.1581 crore. Assistance is being provided to upgrade infrastructure, purchase of new machinery and training of principals and instructors. For this project, Central Government is sharing 75% of the expenditure and states are putting the remaining 25%. However for North Eastern States, Central Government provides 90% and NE States put in only 10% from their side. *The Scheme will continue in the 12<sup>th</sup> Plan.*

#### **Scheme for up-gradation of 1396 Government ITIs through Public Private Partnership**

- 1.105 Government has formulated a Scheme to upgrade 1396 ITIs under public-private partnership concept. This Scheme was launched during 2007-08 with an outlay of Rs.3550 crore. An amount of Rs.2550 crore has been released; @ Rs.2.5 crore to each Industry Management Committee (IMC) Society of ITI, as interest free loan for upgradation of 1 020 ITIs during 2007-08 to 2010-11. The fifth batch for the remaining 376 Government ITIs is being taken up for upgradation during 2011-12. *The Scheme is expected to be completed in 2012-13.*

#### **Training of 8000 Youth of Jammu & Kashmir:**

- 1.106 Training of 16000 youth of J&K for 2 years under MES (SDI Scheme) has been started in 2010-11 with total cost of Rs.23.54 crore. A total 9100 persons have already been trained and RS.10.20 crore released. The Scheme will continue in the 12th Plan.

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

1.107 The Scheme has been initiated with the objective of creating Skill Development infrastructure in these districts by establishing one ITI & two Skill Development Centres (SDCs) in each district and to run demand driven vocational training courses, both long-term and short-term, to meet the requirement of skilled manpower of various sectors of economy in and around these areas. This will also provide the opportunities of decent livelihood to the youth in these areas. The Scheme will continue in the 12th Plan.

#### **Enhancing Skill Development Infrastructure in North-Eastern (NE) States and Sikkim**

1.108 Although NE States are supported by various schemes, the ITIs lack in many aspects such as construction of boundary wall, hostel, approach road, power connection and water connection. There are many trades which are in demand but could not be established for want of workshop and machinery & equipment. Besides, funds are also required for recurring expenditure e.g. procurement of training material, salary of instructional, ' ministerial Staff & providing stipend to trainees, etc. Therefore, this NE States-specific Scheme has been initiated for enhancing the skill development infrastructure in NE States and Sikkim. The Scheme is 100% centrally funded as the State Governments may not have requisite resources. The Scheme envisages up gradation of 20 ITIs in NE States and Sikkim, supplementing infrastructure deficiencies in 28 ITIs in NE States and Sikkim and funding Monitoring Cells at Central & State Level. The Scheme will continue in the 12th Plan.

#### **Kaushal Vikas Yojana - Setting up of 1500 ITIs and 5000 SDCs IN PPP MODE**

1.109 DGE&T in the Ministry of Labour & Employment has taken up a project titled Kaushal Vikas Yojana to set up 1500 new Industrial Training Institutes (ITIs) & 5000 Skill Development Centres (SDCs) in the PPP mode by involving three partners. The Scheme envisages the private Training Provider playing the lead role. State Governments are expected to extend all possible logistical support, land and basic infrastructural facilities free of cost, and the Central Government provides Viability Gap Funding (VGF). The total cost of the Scheme is Rs.12846.28 crore (Government share RS.5205.27 crore and Private Share Rs.7641.01 crore). The Scheme will continue in the 12th Plan.

1.110 Twenty three Coaching-cum-Guidance Centres for SC/STs have been set up in 23 States. Vocational Guidance and training in Confidence Building is provided to SC/ST job seekers through these Centres. Besides, the facilities for practising typing and shorthand are provided to SC/ST job seekers in 13 Coaching-cum-Guidance Centres. These Centres have also been arranging Pre- Recruitment Training Programmes for SC/ST candidates to improve their employability in competitive examinations conducted by Staff Selection Commission and other Recruitment Boards for Group 'C' and equivalent posts. During 2011-12 (April-November, 2011), 7876 candidates could make use of facilities provided at CGCs to practice typing

and shorthand and 2500 candidates participated in the Pre-Recruitment Training Programmes organized by CGCs.

### **THE RIGHT TO INFORMATION ACT, 2005**

1.111 In order to achieve the objectives of Good Governance, it is necessary that the administration should be transparent, responsive, citizen-friendly and able to disseminate all the information among the public. Right to Information is a powerful tool to ensure all these qualities in the administration and, therefore, the Government enacted the Right to Information (RTI) Act, 2005, which has come into effect from 12.10.2005.

1.112 In pursuance of the provisions contained in the Right to Information Act 2005, action has been taken for the implementation of the Act in various Public authorities under the aegis of Ministry of Labour & Employment. It includes dissemination of information in public domain relating to the particulars of organisation, function and duties, the designation of CPIO and Appellate Authority etc. The Ministry has also initiated suo-motu disclosure of information about various Labour Acts / Regulations, which were required to be made public for the use of citizens of this country, on the Ministry's website i.e. [www.labour.nic.in](http://www.labour.nic.in). It is also to be mentioned that Attached & Subordinate offices and Autonomous organisations have their own websites which are linked to the Ministry's website.

1.113 The Ministry has also set up a Central RTI Cell, headed by CPIO where the RTI applications from the citizens are received. Based on available records, the total number of applications, under the RTI Act, 2005 received in Main Secretariat, Ministry of Labour & Employment is as follows:

<b>Year</b>	<b>Applications Received</b>
<b>2005-06</b>	<b>37</b>
<b>2006-07</b>	<b>399</b>
<b>2007-08</b>	<b>606</b>
<b>2008-09</b>	<b>733</b>
<b>2009-10</b>	<b>832</b>
<b>2010-11</b>	<b>1154</b>
<b>2011-12</b>	<b>1210</b>
<b>(as on 31.01.2012)</b>	

1.114 The number of first appeals, received in the Main Secretariat, Ministry of Labour & Employment is 78 during the period from April, 2011 to January, 2012, while the same for the year 2010-11 was 75.

1.115 62 applicants out of the above have gone to Central Information Commission (CIC) in the form of second appeal, in which CIC has upheld the decision of Appellate Authority in almost all cases.

### **SPORTS AND GAMES**

1.116 The employees of the Ministry of Labour & Employment have been regularly taking part in the inter-ministry sports and games competitions organized by the Central Civil Services Culture and Sports Board every year. Of late the cricket teams, both regular and veteran, have been doing well in the inter-ministry cricket tournament. Last year the regular as well as the veteran's team finished as runners-up in the tournament and this year, for the first time, the veteran's cricket won the inter-ministry veterans cricket tournament.

**b)**

d)