

Chapter-10

CONTRACT LABOUR

10.1 In India, contract labour generally refers to workers engaged by a contractor for the user enterprises. It is a significant and growing form of employment. These workers are millions in number and are engaged mainly in agricultural operations, plantation, construction industry, ports & docks, oil fields, factories, railways, shipping, airlines, road transport etc.

10.2 The Contract Labour (Regulation and Abolition) Act, 1970 was enacted to protect and safeguard the interests of these workers. It applies to every establishment/contractor in which 20 or more workmen are employed. It also applies to establishments of the Government and local authorities as well.

10.3 The Central Government has jurisdiction over establishments like Railways, Banks, mines etc. and the State Governments have jurisdiction over units located in that state.

10.4 The Advisory Boards of the Central Government and the State Governments comprising representatives of Government, employers and workers advise the respective Governments on matters arising out of the administration of the Act, as are referred to them, particularly on the question of abolition of contract labour system in establishments.

10.5. The Central Advisory Contract Labour Board – a tripartite Body, was re-constituted on 24th June, 2002, and the non-official members hold office for a term of three years. The Chairman of the Board Dr. S. Balakrishnam Raju was appointed on 10th June, 2005 for a period of three years. Four meetings of the Board were held during the period under report and the 67th meeting was held on 30-31 October, 2006 at New Delhi.

10.6 Based on the recommendations of the Board, the Central Government have prohibited employment of contract labour in the establishments of Research Centre Imarat, Vignyana Kancha, Hyderabad and Garrison Engineer (I), Research and Development, Research Centre Imarat, Chandrayanagutta, Keshovgiri Post, Hyderabad, Defence Institute of Physiology and Allied Sciences under Garrison Engineer (I), Research and Development, Timarpur, Delhi, M/s Balmer and Lawrie Company Limited, Kolkata, Grease Division, Industrial Development Bank of India Limited, Shakespear Sarani, Kolkata – 700017, Defence Institute of Fire Research under Garrison Engineer (I), Research and Development Organisation, Lucknow Road, Timarpur, Delhi, Central Warehousing Corporation, Village Ghazipur, Patparganj, Delhi and National Clearing Cell of Reserve Bank of India, New Delhi in the jobs of sweeping and cleaning; and electrical sub station; operation and maintenance of electric sub station and pump house; electrical and mechanical repairs; security guards; maintenance of electric sub-station and pump house; handling of import and export container and cargo, their loading and unloading from road vehicle and their stuffing, destuffing in and from container; and handling of import and export container and cargo, their loading and unloading from road vehicle and their stuffing, destuffing in and from container respectively.

10.7. Every establishment and contractor, to whom the Act applies, has to register itself/obtain a license for execution of the contract work. The interests of contract workers are protected in terms of wages, hours of work, welfare, health and social security. The amenities to be provided to

contract labour include canteen, rest rooms, first aid facilities and other basic necessities at the work place like drinking water etc. The liability to ensure payment of wages and other benefits is primarily that of the contractor, and, in case of default, that of the principal employer.

10.8. Exemption from applicability of the provisions of the Act or the rules made

there under is granted to an establishment or contractor in case of an emergency.

10.9 In the Central sphere, the Central Industrial Relations Machinery (CIRM) headed by Chief Labour Commissioner (Central) and his officers have been entrusted with the responsibility of enforcing the provisions of the Act and the rules made thereunder. A Statement indicating the enforcement action taken is given in the **Table-10.1**.

Table. 10.1				
ENFORCEMENT OF CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970				
Sl. No.	Item	2003-2004	2004-2005	2005-2006
1.	Number of Registration Certificates issued to principal employers.	720	590	747
2.	Number of Licenses issued to contractors	6788	7277	7317
3.	Number of Inspections conducted.	4991	4540	5759
4.	Number of Irregularities detected.	71632	59301	60206
5.	Number of prosecutions launched.	3896	3356	2991
6.	Number of convictions.	2072	2018	1017
7.	Number of contract labourers covered by licenses.	853690	968792	983707
8.	Number of Licenses revoked/ cancelled.	4014	6601	7632
9.	Number of registration certificates revoked.	52	08	211
