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HIGHLIGHTS OF IMPORTANT ACTIVITIES

INTRODUCTION

1.1 Ministry of Labour is one of the oldest and largest Ministries of the Government of India. It is charged with the responsibility to protect and safeguard the interests of workers in general and those constituting the deprived and marginal classes of the society in particular with due regard to creation of a healthy work environment for higher production and productivity. The Ministry seeks to achieve this objective through enactment and implementation of labour laws regulating the terms & conditions of service and employment of workers. The State Governments are also competent to enact legislations as labour is a subject in the concurrent list under the Constitution of India.

1.2 A number of legislative, policy and programmatic steps have been taken to promote and protect occupational health, safety, social security and welfare of workers through observance of the ethos and culture of tripartism. Some of the important initiatives taken during the year in this regard are highlighted below:

NATIONAL COMMISSION ON LABOUR

1.3 The First National Commission on Labour was constituted in 1966 which submitted its report in 1969 after detailed examination of all aspects of labour problems. Since then, substantial changes have occurred. With a view to suggesting rationalization of existing laws relating to labour in organised sector and evolving an umbrella legislation for ensuring a minimum level of protection to the workers in the unorganised sectors, the Government set up on 15.10.1999 the Second National Commission on Labour under the Chairmanship of Shri Ravindra Varma. While developing its

framework for its recommendations, the Commission would, inter-alia, take into account the emerging economic environment involving rapid technological changes, globalisation of economy, liberalization of trade and industry and emphasis on international competitiveness as also the need for bringing the existing laws in tune with the future labour market needs and demands.

1.4 The work of the Commission is at advanced stages. The Commission constituted six Study Groups relating to review of laws; rural / informal sector employment / umbrella legislation; globalisation and its impact; social security; women & child labour; and skill development, training and workers' education. The reports of all the Study Groups have been received. The Commission has also collected huge information concerning various aspects of labour through circulation of a detailed questionnaire. For interacting as well as collecting direct evidence from the State Government officials, employers and employees organisations, academic and legal experts the Commission visited almost all the States in the country. The Commission has also visited Malaysia and China from 10th to 19th January, 2002 to study the labour laws and other pertinent issues there. The Commission is expected to submit its report by 15.04.2002.

INDUSTRIAL RELATIONS

1.5 The current year has seen a significant improvement in industrial relations. The number of strikes and lockouts and more importantly the number of workers affected due to these disturbances has shown a significant decline. During January-September, 2001, the number of strikes and lockouts declined by 16.6% and 8% respectively as compared to the same period in the previous year. The decline in the number of workers involved by 32% has been extremely significant as compared to that of the previous

year. At the sectoral level too, there has been a promising improvement in the quality of industrial relations across all sectors.

1.6 The spatial/ industry-wise dispersion of the number of strikes and lockouts and the workers involved/affected as a result of this is not uniform. West Bengal, Tamil Nadu, Gujarat and Andhra Pradesh were the most affected States. Among the industry groups, textile (170), engineering (110) and coal mining (75) showed considerable worsening in the quality of industrial relations. It is pertinent to note that most of these industry groups have been the worst affected by sickness.

1.7 At the aggregate level, man-days lost due to strikes and lockouts has shown a significant increase of about 30% in January-September, 2001 as compared to the same period last year. Much of the increase in the man-days lost has been due to a sharp rise in lockouts as compared to a very slight rise in strikes. However, intervention of CIRM in promoting industrial harmony was evident from the fact that the man-days lost in the central sphere declined sharply from 1.19 million in January-September 2000 to 0.52 million during the same period of 2001. As sectoral break-up, the Public Sector accounted for only 5% of the total man-days lost. Most of the industrial unrest as indicated by strikes and lockouts has been primarily related to indiscipline, violence, personnel matters and non-payment of wages & salaries.

1.8 The number of units effecting closure has been consistently declining during last few years. The number declined from 159 in 1999 to 138 during 2000. The number of workers affected as a result of the closures also showed a marked decline during this period from 15707 to 11904. During January-September, 2001, 60 industrial units closed down as compared to 78 in January-September, 2000. The number of workers affected in January-September, 2001 were 2572 as compared to 3536 in the same period last year.

MANISANA WAGE BOARDS

1.9 Manisana Wage Boards for Working Journalists and Non-journalist Newspaper and News Agency Employees constituted in 1994 submitted their final recommendations on 25.7.2000. The Government accepted the recommendations in toto with small modifications and the decisions of the

Government were notified in Gazette of India (Extraordinary) on 5.12.2000 and 15.12.2000.

1.10 All the States/UTs have been asked to take effective measures for implementing the recommendations of the Wage Boards. They have been specifically advised to form State level tripartite committees/implementation cells for speedy and effective implementation of the recommendations of the Boards and to furnish the progress report of implementation on quarterly basis beginning the quarter ending March, 2001. A few States viz Kerala, Pondicherry, Orissa, Tamil Nadu and Madhya Pradesh have already responded to the Ministry's communication. In the mean time, the Ministry has also set up a Monitoring Committee under the Chairmanship of Labour & Employment Adviser to oversee the progress of implementation of the recommendations of the Manisana Wage Boards and ensure their full and effective implementation by way of pursuing the matter with the States/UTs. The Committee shall also ensure that State level tripartite implementation committees/cells are constituted in all States/UTs and they function properly. For this the Committee shall review the work of such committees/cells with a view to identify bottlenecks and to suggest measures to remove them in the wake of effective implementation of the Award.

INDIAN LABOUR CONFERENCE

1.11 The 37th Session of Indian Labour Conference was held on 18-19 May, 2001 under the Chairmanship of Union Labour Minister. Hon'ble Prime Minister inaugurated the Conference. The following agenda items were discussed in the Conference:—

- Impact of Globalisation on Indian Industry, Labour and Employment.
- Social Security of Workers.
- Consultation by Central Government with Social Partners on Labour Policy.

1.12 During the Conference Central Trade Unions were quite vocal about their apprehensions on the impact of globalisation on the Indian economy. They were also critical of the announcement regarding some labour reforms made in Union Budget. Prime Minister made it clear in his address that process of economic reforms would not be reversed. However, the genuine interests of workers would be protected.

INTERNATIONAL COOPERATION

1.13 The 89th Session of International Labour Conference (ILC) was organised during June, 2001 in Geneva and an Indian Tripartite Delegation of 26 members led by Dr. Satyanarayan Jatiya, Union Labour Minister alongwith Shri Muni Lall, Minister of State for Labour as Deputy Leader of the delegation participated. The Delegation also included Labour Ministers of few States and representatives of workers' and employers' organisations.

1.14 The International Labour Conference considered several important issues like bonded labour, decent work deficit, health and safety in agriculture, promotion of cooperatives and social security. The Plenary of the Conference specially took up for discussion the global report on elimination of all forms of forced or compulsory labour and the report of the DG, ILO titled "Decent Work Deficit". During the Conference, a Convention as also an accompanying Recommendation on "Health and Safety in Agriculture" was adopted without opposition from any country.

1.15 The Indian Delegation led by Secretary (Labour) attended the Governing Body Meeting of ILO on 22nd June, 2001 at Geneva and the associated meeting of the Working Party on Social Dimensions of Globalization on 19th June, 2001. In the meeting India was able to mobilize the developing countries through G-77 and China and also by forming a group of like-minded countries within the G-77 for the purpose of highlighting the impact of globalisation on employment and poverty alleviation and need for more financial assistance from the developed world and the multilateral financial institutions.

1.16 At the initiative of ILO, a Global Employment Forum was organised during 1-3 November, 2001 in Geneva with a view to building an agenda for decent work in the 21st Century. Decent work for all involves the simultaneous pursuit of four key objectives: employment growth, respect for fundamental principles and rights at work, promoting social dialogue and strengthening and extending social protection.

ILO CONVENTIONS

1.17 A meeting of the Tripartite Committee on Conventions constituted by the Ministry of Labour as required under ILO Convention

No. 144 was held on 19.10.2001. The Committee reviewed the position with regard to ratification of some of the eight Core Conventions identified by the ILO as part of the Declaration of Fundamental Principles and Rights at Work. Out of these eight Conventions detailed discussions were held in regard to two viz. Convention No.138 (concerning minimum age for admission to employment) and Convention No.182 (concerning abolition of the worst forms of child labour). A plan of action, which would facilitate ratification of Convention No.182 was worked out during the meeting. The ILO system and the developed countries are watching the ratification of this Convention (No. 182) by India very closely because as many as 104 countries have already ratified it besides. The Convention bears a significant influence on international trade.

CHILD LABOUR

1.18 The concern for children and the elimination of child labour has continue to be an area of great concern and article of faith & commitment for successive governments. The policy of the Government is to ban employment of children below the age of 14 years in factories, mines and hazardous occupations and to regulate the working conditions of children in other employments under the Child Labour (Prohibition and Regulation) Act, 1986.

1.19 National Child Labour Projects (NCLPs) have been set up in different areas to rehabilitate child labour. The NCLPs which were set up with the main objective of withdrawing children working in hazardous occupations and mainstreaming them to the formal school system, have succeeded in achieving the desired objective to a large extent. They have bridged an important gap in the education system and have been able to ensure rehabilitation of children withdrawn from hazardous employments, through education in the special schools. During the year 2001-2002, four new NCLPs were started. So far 100 child labour projects have been sanctioned in child labour endemic districts under the National Child Labour Project Scheme covering 2.13 lakh children. The main Strategy in the programme is to withdraw children working in the various hazardous occupations and after making them attend a rehabilitation centre mainstream them into the formal education system.

WELFARE OF AGRICULTURAL LABOUR

1.20 In order to meet the social security needs of the agricultural workers, a social security scheme viz. "Krishi Shramik Samajik Suraksha Yojana-2001" formulated by the Ministry of Labour in consultation with the Insurance Division of Ministry of Finance was launched on 01.07.2001. The Scheme being implemented by LIC envisages to provide comprehensive benefits of life-cum-accident insurance, money back, pension and superannuation. The agricultural workers between the age of 18 to 50 years would be eligible under the Scheme. The worker will contribute Rs.365/- per year (Rupee one per day) and the Government of India will contribute Rs.730/- per annum per worker. The Scheme would initially cover 50 districts during the first phase of three years. A total of 10 lakh agricultural workers would be covered in this phase.

REHABILITATION OF BONDED LABOURERS

1.21 The Centrally Sponsored Plan Scheme for rehabilitation of bonded labourers has been drastically modified. Under the modified scheme, 100% subsidy for conducting district wise surveys of bonded labourers, awareness generation activities, evaluatory studies, are provided to the State Governments/UTs. Rehabilitation grants have also been raised from Rs.10,000/- to Rs.20,000/- per bonded labourers. Further, in the case of 7 North-Eastern States, 100% rehabilitation grants are provided in case these States fail to provide their matching contribution.

1.22 Since operation of the Centrally Sponsored Scheme from May, 1978 upto 30.12.2001, as many as 2,82,204 bonded labourers have been identified, out of which 2,60,783 bonded labourers have been rehabilitated and a sum of Rs.6293 crore provided as Central assistance to various State Governments/UTs for their rehabilitation.

UNORGANISED SECTOR

1.23 The unorganised sector comprises mainly workers who have not been able to organise themselves in pursuit of common objectives on account of constraints like casual nature of employment, ignorance and illiteracy, small and scattered size of establishments and position of power enjoyed by employers

because of the nature of industry etc. According to NSSO survey 1999-2000, the total employment in both the organised and unorganised sector in the country was of the order of 397 million around 28 million in the organised sector and 369 million in the unorganised sector. Within the unorganised sector, 237 million workers are employed in agricultural sector, about 17 million in construction work, 41 million in manufacturing, 37 million in trade and another 37 million in transport, communication and services. This sector is expanding due to shrinking employment opportunities in the organised sector as a result of globalisation and liberalization. The social security and other welfare measures available to the vulnerable sections of the society constituting a major segment of the unorganised workforce are inadequate. It is the endeavour of the government to bring these workers as far as possible and as early under the purview of social protection as available to the workers employed in the organised sector. In view of the magnitude of the workforce and its scattered nature, it is not possible to have uniform singly policy measure for their welfare. Different models may suit requirements of different segments of workers. In this direction, possibilities of setting up of welfare funds for fish processing workers, salt workers etc. on the pattern of welfare funds set up for the welfare of beedi/mine and cine workers are being explored.

SOCIAL SECURITY

1.24 Social security is based on the recognition of the fundamental social right guaranteed by law to all human beings who live from their own labour and who find themselves unable to work temporarily or permanently for reasons beyond their control. The state, as an agent of change, has to develop a system of providing protection to its labour through legislative as well as an administrative mechanism so as to provide responsive, efficient and long term assistance to its work force.

1.25 In India, social security measures draw their strength from the Directive Principles of State Policy, which inter-alia, enjoins upon the State, to strive to promote the welfare of the people by securing and protecting, as effectively as it may, a just economic and social order. Today, social security programmes have come under greater focus. International Labour Organisation as also the Indian Labour

Conference view social security requirements to be of paramount significance. India on its part has ratified some ILO Conventions and it is the constant endeavour of the Government to provide a security net to the workers so that they are secure in times of contingencies such as retirement, resignation, retrenchment, death and disability.

1.24 The Government has enacted a number of legislations in the area of Social Security for the workers. The important Acts in this regard are Workmen's Compensation Act, 1923, EPF & MP Act, 1952 and the ESI Act, 1948. Several initiatives have been recently taken to accord larger benefits to workers under these Acts as detailed below: —

EPFO

- Arrangements have been made for the first time for disbursement of pension through 26,000 Post Offices across the country under the Employees' Pension Scheme.
- Special drive launched and 54,983 establishments brought under the compliance fold and 54,51,436 deprived workers extended the Provident Fund benefits.
- Additionally, 23,639 new establishments have been brought under the fold of the Act and 44.39 lakh workers enrolled to the Provident Fund membership.
- The number of subscribers has increased to 2.59 crore. EPFO is targeting to substantially increase the number of subscribers under the Scheme in the near future.
- EPFO has also launched Website for the beneficiaries.

EPFO has earmarked on a reinventing programme to:

- improve client service in order to reduce turn around time in claim settlement to 2-3 days.
- qualitatively improve the reach and effectiveness of the compliance programme and delivery of the pension programme.
- retool the book-keeping and reconciliation of accounts and the management of money flows so that the accounting function can effectively support the above three programmes.

ESIC

- Employees State Insurance (ESI) Scheme has been implemented in 125 new geographical areas in 9 States benefiting about 2.40 lakh additional employees.
- ESIC has exempted insured persons earning upto Rs.40/- a day from the payment of employees contribution w.e.f. 01st April, 2001. Over six lakh workers would benefit from this.
- Dependent and disability benefits under ESI Scheme have been increased ranging from 14% to 23.59%.
- ESIC has decided to upgrade one hospital into a model hospital in each State with state-of-the art medical facilities.
- ESIC has introduced family photo identity cards in respect of insured persons from April 2001 in order to prevent the misuse of medical facilities under the ESIC Scheme.
- As a part of the Golden Jubilee Celebrations of ESIC, four national level seminars had been planned at the four zonal centers—Kolkata, Mumbai, Bangalore and Delhi. The seminar at Bangalore was conducted on 22nd December, 2001. The subject matter of the seminar was "Review and Restructuring of ESI Scheme."
- The seminar was chaired by the Union Labour Minister and was presided over by Minister of Labour, Government of Karnataka. The participants included Labour Ministers of Governments of Andhra Pradesh, Kerala, Gujarat and West Bengal. The seminar was attended by eminent persons from trade unions, employers' organisations, senior officials of the Government of Karnataka and ESI Corporation and other interest groups involved in Social Security.

WAGES

1.27 A new employment namely, "Employment of Watch and Ward through Private Security Services or directly by the employer in all Public Sector Enterprises" has been added in the scheduled employment in Central sphere. In the scheduled employments, rates of minimum wages have been revised w.e.f. 01.10.2001, in the range of Rs. 52/- per day to Rs. 111/- per day under the Mines Sector. Similarly, in the employments of construction

of roads, building operation and laying down of cables etc. the rates have been revised in the range of Rs. 54/- per day to Rs. 118/- per day.

AWARDS

1.28 The Hon'ble Prime Minister distributed the Prime Minister's Shram Awards on 04th February, 2002 for the year 2000 to 28 workers including 03 women workers. The awards for the year 2001 have also been announced.

1.29 "Vishwakarma Rashtriya Puraskar" and "National Safety Awards" for the year 1999 were distributed by the Union Labour Minister at a function held on the Vishwakarma Day falling on the 17th September 2001. The Vishwakarma award is given to individual worker or group of workers for outstanding suggestions leading to improvement in productivity of resources, safety and health as well as for import substitution resulting in savings of foreign currency. These were given to 79 workers. The National Safety Awards were also distributed to 68 industrial undertakings including ports for their good safety performance.

MINES SAFETY

1.30 DGMS completed the first 100 years of its existence on 07.01.2002. Completing hundred years is a rare distinction: only a very few Government departments can boast of this distinction. Given the historic and important role of DGMS in the areas of mine safety in India, the year is not only a time for celebration but for taking stock and introspection. The Mines Act itself was promulgated in 1901 and the department has come a long way and carved out a niche for itself in this field.

1.31 The Department of Posts released on 07.01.2002, a Commemorative stamp on the occasion of closing centenary year of DGMS.

EMPLOYMENT

1.32 As a sequel to Hon'ble Prime Minister's announcement on Agenda for socio-economic development of North-Eastern States & Sikkim, DGE&T formulated a Centrally Sponsored Scheme "Establishment of Industrial Training Institutes (ITIs) in the North-Eastern States and Sikkim". The scheme has been approved with a total outlay of Rs. 100 crore.

1.33 The main objective of the scheme is to meet both quantitatively and qualitatively

skilled and semi-skilled manpower requirements for industry, service sector, domestic income generation industries and self-employment.

AMENDMENT IN LABOUR LAWS

1.34 Review / updation of labour laws is a continuous process in order to bring them in tune with the prevailing situation and emerging needs of the economy. Reforms in labour laws in recent years have been necessitated with a view to make Indian industry efficient, cost effective and internationally competitive in the face of globalisation process. The Ministry has taken steps to amend certain labour laws including those announced by Finance Minister in his Budget Speech for 2001-2002. The results achieved during the year in the area of labour reforms are:

- The Trade Unions Bill, 2001 reducing multiplicity of trade unions, facilitating orderly growth of trade unions and promoting internal democracy was passed and notified.
- The Workmen's Compensation (Amendment) Bill, 2000 making all the workers coverable under the Workmen's Compensation Act eligible for compensation was passed and notified.
- The Cine Workers Welfare Fund (Amendment) Bill, 2000 empowering Central Government to prescribe the suitable wage ceiling for the purpose of coverage of cine workers was passed and notified.
- The Group of Ministers (GOM) on labour reforms under the Chairmanship of Deputy Chairman, Planning Commission has approved amendment proposals in respect of the Industrial Disputes Act and the Payment of Wages Act. Bills in this regard are expected to be introduced in the Budget Session of Parliament.
- The amendments of the Contract Labour Act have been discussed in details by the GOM. The GOM is further celebrating on this issue.

THIRD EDITORS' CONFERENCE

1.35 The Third Editors' Conference on Social Sector 2001 was held on 7th November, 2001. Newspaper Editors from all over the country participated in the Conference. Secretary (Labour) addressed the editors and highlighted the significant achievements of the Ministry

and also interacted with them on the activities and programmes of the Ministry.

LABOUR STATISTICS, RESEARCH AND EDUCATION

1.36 The importance of accurate, timely and detailed statistics and research relating to various aspects of labour activities for taking policy decisions need not be over-emphasized. The Consumer Price Index for industrial workers which determines the dearness allowance of workers, government employees etc. is presently being compiled with a two-decade old base 1982. To update the base year main survey for collection of income and expenditure data from all the 78 selected centres has been completed and tabulation of data is under progress. The new series is expected to be available by mid 2003.

1.37 During the year 2001-2002, Labour Bureau released 28 publications on labour statistics, review in labour laws, evaluation of implementation of minimum wages and occupational wage survey etc.

1.38 V. V. Giri National Labour Institute completed 32 research projects in the areas of labour market, employment and regulations, agrarian relations and rural labour, integrated labour history, child labour and prevention of HIV/AIDS in the work place. As many as 33 projects are under various stages of progress. The Institute also organised 50 training programmes covering 1107 participants. Besides 4 regular publications, the Institute also brought out occasional papers including 8 research studies.

1.39 The Central Board for Workers Education conducted 2004 programmes and trained 50,348 participants during April-October 2001 at national, regional and unit level

on various topics ranging from leadership development, industrial health, safety & environment to industrial relations and trade unionism. Special programmes/ seminars were also held for unorganised & rural workers, child labour, women and SC/ST workers.

APPROACH TO TENTH PLAN

1.40 In the context of preparation of 10th Five Year Plan (2002-2007), the Planning Commission constituted Six Working Groups for various subjects of Labour, Employment & Manpower sector. Out of these five Working Groups viz. Occupational Health and Safety, Social Security, Skill Development and Training, Labour Laws & Other Labour Regulations, and Vulnerable Groups in Labour Force such as Child Labour, Bonded Labour, Migrant Labour etc. were chaired by Secretary (Labour) and reports were submitted to the Planning Commission. The report of the Sixth Working Group on Employment Planning and Policy under the Chairmanship of Principal Adviser, Planning Commission was also been done by the Ministry through DGE&T as Member Secretary.

1.41 In the light of recommendations made by the Working Groups, the Ministry has formulated Plan Schemes for the welfare and development of Labour during the Tenth Plan. Special emphasis would be laid in the sphere of child labour, welfare of agricultural workers, skill upgradation and strengthening of labour statistics & research.

1.42 Earlier a zero-based budgeting exercise was carried out for 2001-2002. As an outcome of this exercise, the number of on-going plan schemes got reduced from 142 to 101 during 2001-2002. It is proposed to further reduce the number during the 10th Five Year Plan.

Photo 1



Photo 2



Photo 3

Photo 4

Photo 5

Photo 6