

5.7: LABOUR AND LABOUR WELFARE

Labour sector addresses multi-dimensional socio-economic aspects affecting labour welfare, productivity, living standards of labour force and social security. To raise living standards of the work force and achieve higher productivity, skill upgradation through suitable training is of utmost importance. Manpower development to provide adequate labour force of appropriate skills and quality to different sectors is essential for rapid socio-economic development. Employment generation in all the productive sectors is one of the basic objectives. In this context, efforts are being made for providing the environment for self-employment both in urban and rural areas. During the Ninth Plan period, elimination of undesirable practices such as child labour, bonded labour, and aspects such as ensuring workers' safety and social security, looking after labour welfare and providing of the necessary support measures for sorting out problems relating to employment of both men and women workers in different sectors has received priority attention.

CENTRAL SECTOR

2. Various plan schemes of the Ministry of Labour aim at achievement of welfare and social security of the working class and maintenance of industrial peace. As against the approved outlay of Rs.130 crore for the year 1999-2000, the anticipated expenditure would be Rs.104 crore. The approved outlay for the year 2000-2001 is Rs.123 crore. (Refer Annexure 5.7.1 for Central Sector and Annexure 5.7.2 for State sector).

3. Plan initiatives in the Labour & Labour Welfare Sector are as under:

- (i) Training for skill development.
- (ii) Services to job seekers.
- (iii) Welfare of labour.
- (iv) Administration of labour regulations.

4. Under the Constitution of India, Vocational Training is a concurrent subject. The development of training schemes at National level, evolution of policy, laying of training standards, procedures, conducting of examinations, certification, etc. are the responsibility of the Central Government, where as the implementation of the training schemes largely rests with the State/U.T. governments. The Central Government is advised by the National Council of Vocational Training (NCVT), a tripartite body which has representation from employers, workers and Central/State governments. At the State level, similar councils known as State Councils for Vocational Training are constituted for the same purpose by the respective state governments at state levels.

5. The main objectives of the scheme are as under:

- (i) To ensure steady flow of skilled workers.
- (ii) To raise the quality and quantity of industrial production by systematic training of potential workers.
- (iii) To reduce unemployment among educated youth by equipping them with suitable skills for industrial employment.

Chapter 5.7: Labour and Labour Welfare

6. The main Vocational Training Schemes comprise of Craftsmen Training Scheme, Apprenticeship Training Scheme, Training of skilled workers, training of women as a special target group, Training of Craft Instructors, Training of Supervisors and also to carry out applied research on vocational training problems while paying adequate attention towards preparation and development of instructional material.

7. The Craftsmen Training Scheme and Apprenticeship Training Scheme which are adequately dovetailed and meant to bring maximum benefit to the youth in their formative years, form the centre stage of the vocational training schemes. A number of other departments have also started training activities for their respective sectors e.g. Small Industry, KVIC, handlooms, tourism (hotel management & catering), electronics, medical technicians, agriculture and rural development. These training schemes are smaller but serve a very useful and essential purpose in the overall sphere of vocational training. In spite of difficulties and shortcomings, the Vocational Training Schemes have continued to make progress especially in terms of being the primary source of manpower for the industry.

8. The Central Government mainly concentrates on laying down the policies, procedures and training standards while the management of ITIs are under the concerned State Government(s)/U.Ts. In this process, the Central Government is advised by two tripartite advisory bodies namely, the National Council for Vocational Training (NCVT) and the Central Apprenticeship Council (CAC). Both the Councils have the Union Labour Minister as the Chairman. Annual meeting of the two bodies was held in the month of July, 1999. In the meeting the steps to improve the quality of training both under NCVT and CAC were discussed and concrete recommendations emerged. The following are the important recommendations:

- Setting up an Expert group to look into the issues relating to Vocational Training Programme for persons with disability (equal opportunities under the persons with Disability Act, 1995) and its implementation under CTS.
- Introduction of four new trades viz. Computer Hardware, Medical Electronics, Consumer Electronics and Industrial Electronics under CTS.
- Revision of space norms for workshops.
- Introduction of modular training for advanced skill courses for women at NVTI/RVTIs under DGE&T.

CRAFTSMEN TRAINING SCHEME

9. The Craftsmen Training Scheme (CTS) under the National Vocational Training System was introduced in 1950 for imparting skill training. Training is imparted mainly in engineering trades. A few trades outside the engineering field are also covered but the bulk of the services sector and need of industries other than manufacturing are not handled by DGE&T. In the area of training, six new trades (in the areas of Information Technology, Electronics) in Craftsmen Training Scheme in different ITIs and nine new trades under Apprenticeship Training Scheme have been introduced.

10. There has been a significant growth and expansion in the network of ITIs which have grown to 4172 in the Public and Private sectors with a seating capacity of 6.78 lakh as on 31.12.99 (State-wise details presented in Annexure 5.7.3) and another 2.33 lakh under the Trade Apprentice Scheme. The Apprenticeship Training Scheme provides practical training

Chapter 5.7: Labour and Labour Welfare

in 137 designated trades to train apprentices in 101 subject fields in engineering and technology for graduates and diploma holders and 94 subject fields for technicians. Details of Region wise utilisation in respect of Trade Apprentices in the Central Sector and State Sectors as on 30.6.99 are given in Annexures 5.7.4 & 5.7.5.

11. Directorate General of Employment and Training, through its women's occupational Training Directorate, launched the women's Vocational Training Programme in 1977. The programme aimed at providing Vocational Training facilities to women, thereby increasing their employability and consequently their participation in the economy of the country. Under the Vocational Training Programme at Central Sector, training facilities for women in Vocational Skills are being provided through a network of Women's Vocational Training Institutes.

12. The Government has initiated steps for strengthening and modernisation of Industrial Training Institutes (ITIs) in Jammu & Kashmir. All trades that have demand and local relevance will be covered by including even such activities that are presently outside NCVT approved trades such as construction, carpet weaving, horticulture, catering, tourism, etc.

13. The existing training institutions have, no doubt, been meeting a significant part of the requirements of the skilled manpower of the organised industry. It, however, seems necessary that the process of restructuring and reorientation of their courses is expedited with a view to quickly responding to the labour market. For skill upgradation of the workers in the unorganised sector, flexibility in the duration, training and location of training courses would need to be introduced. To the extent a sizeable proportion of employment would have to be self employment in tiny and small units in various sectors, the training system should also gear up not only for providing hard skills for suitable trades, but also the soft skills of entrepreneurship, management and marketing, as part of training courses.

14. In order to improve accessibility to employment to trainees from ITIs, there is need to take up a new market driven trades and dispense with the traditional trades such as blacksmith, carpentry, conventional tailoring etc. Since the ITIs are being run by the States, the State Governments have been advised to network with the industry and bring changes in their syllabus/trades of ITIs. In this direction, some of the States have already taken steps, for example, the State Government of Haryana is opening up an ITI in Gurgaon in collaboration with Confederation of Indian Industry. The trades/syllabus are being decided in consultation with the CII keeping in view the future demands of the industry. The financial burden will also be shared by the industry. The Government of Gujarat has also started networking with the industry in the change over of obsolete trades to make them market driven.

NATIONAL EMPLOYMENT SERVICE

15. National Employment Service covers all the States and Union Territories except Sikkim, and functions within the framework of the Employment Exchanges (compulsory notification of vacancies) Act 1959. Day to Day administration of the Employment Exchanges is with the State/U.T. governments. It has a network of 953 Employment Exchanges as on 30.6.99. Year-wise registration, placement, vacancies notified, submission made and live register for the period 1989 to 1998 may be seen in Annexure 5.7.6. The main activities of the Employment Exchanges are registration, placement of job seekers, career

Chapter 5.7: Labour and Labour Welfare

counselling, vocational guidance and collection of labour market information. Special self employment promotion cells (SEPCs) have been established in 23 selected Employment Exchanges up to the end of December, 1998, 0.7 lakh persons have been placed in self employment and 1.8 lakh persons were on the live register of these cells seeking self employment assistance.

16. National Employment Service in the context of newly emerging market scenario has to be reoriented. The Employment Services has now accepted its enhanced role and is paying greater attention to compilation and dissemination of comprehensive labour market information. The important reports generated by the Employment Market Information Programme are “The Quarterly Employment Review”, “Occupational and Educational Pattern in India”, etc. There are also plan schemes for modernisation and computerisation of employment exchanges for strengthening of Employment Market information programme.

17. The Employment service continued to pay special attention to the needs of the weaker section of society. A comprehensive package of services is provided to the handicapped by 17 vocational rehabilitation centres for the handicapped. Out of these, the Vocational Rehabilitation Centre at Vadodara has been set up exclusively for disabled women. These centres evaluate the residual capacities of the handicapped and provide them adjustment training, facilitating their early economic rehabilitation. Efforts are also made to assist them in obtaining other suitable rehabilitation services such as job placement and training for self-employment. Setting up of seven new Vocational Rehabilitation Centres (VRCS), 12 skill Training workshops in the Vocational Rehabilitation Centres and 26 Rural Rehabilitation Extension Centres is under consideration of the Ministry of Labour. Vocational guidance and training in confidence building is provided to job seekers belonging to the scheduled castes and the scheduled tribes at 22 coaching-cum-guidance centres. In addition, the scheme to provide facilities to SCs/STs job seekers for practicing shorthand and typing is in operation in Coaching-cum-guidance (CGCs).

WELFARE OF LABOUR

18. The improvement of labour welfare and increasing productivity with reasonable level of social security is one of the prime objectives concerning social and economic policy of the Government. The resources have been directed through the Plan programmes towards skill formation and development, monitoring of working conditions, creation of industrial harmony through infrastructure for health, industrial relations and insurance against disease, accident and unemployment for the workers and their families. The situation of surplus labour and workers in the unorganised segment of the economy give rise to unhealthy social practices such as bonded labour, child labour and adverse working conditions.

19. In the year 1999, Workmen Compensation Act has been revised to benefit the workers and their families in the case of death/disability. The labour laws enforcement machinery in the States and at the Centre are working to amend the laws which require changes, revise rules, regulations orders and notifications.

SECOND NATIONAL COMMISSION ON LABOUR

20. The Government has set up the Second National Commission on Labour on 15th October, 1999. The Commission will suggest rationalisation of the existing laws relating to

labour in the organised sector and also an umbrella legislation for ensuring a minimum level of protection to the workers in the unorganised sector. The Commission would submit its report within two years i.e. by 15.10.2001.

CHILD LABOUR

21. According to the 1991 Census, the number of working children in the country was of the order of 11.28 million (State-wise details are available in Annexure 5.7.7). The existence of child labour in hazardous industries is a great problem in India. Non-availability of accurate, authentic and up-to-date data on child labour has been major handicap in planned intervention for eradication of this social evil. Efforts are underway in the Ninth Plan to modify and improve the existing National Child Labour Project. A major activity undertaken under this scheme is the establishment of special schools to provide non-formal education, vocational training, supplementary nutrition, stipends, health care, etc. to children withdrawn from employment in hazardous industries.

22. During 1999-2000 (till end of January, 2000), 91 National Child Labour Projects have been sanctioned, in child labour endemic states for rehabilitation of nearly 1.9 lakh children who were removed from work. State wise coverage under NCLP is as given in Annexure 5.7.8.

23. A review of the implementation of various programmes for elimination of child labour reveals that even though a good beginning has been made from 1994-95 onwards, in order to make a significant dent on this age old social evil a multi-pronged strategy coupled with a massive mobilisation of resources, both physical and financial, is required.

24. Before considering any expansion of the programme, it was considered appropriate to get the existing projects evaluated through independent evaluation agencies. Accordingly, five evaluation agencies were identified for evaluating child labour projects in the States of Uttar Pradesh, Tamil Nadu, Andhra Pradesh, Orissa and Rajasthan. The reports received showed, inter alia, that the magnitude of the child labour problem can be considerably reduced through rehabilitation measures by the projects and that there is need to continue the component of special schools or camp approach. The need for awareness generation among the public has also been highlighted.

REHABILITATION OF BONDED LABOUR

25. The Centrally sponsored Plan scheme for rehabilitation of bonded labour was formulated by the Ministry of Labour in 1978. Under the bonded labour system, the responsibility for identification, release and rehabilitation of free bonded labourers rest entirely with the State Governments. However, with a view to supplementing the efforts of the State Governments, a CSS was launched by the Ministry of Labour in 1978-79. The expenditure is shared equally by the Central and State Governments on 50:50 basis. Under the scheme, a bonded labour on release is immediately paid Rs.1000 as subsistence allowance and he/she is rehabilitated as per situation with a rehabilitation package of Rs.10,000 keeping in view the price escalation and increase in the cost of the rehabilitation package, cost of buffaloes, cows and other inputs during the last four years, the scheme has been modified recently by raising the rehabilitation package from the existing amount of Rs.10,000 to Rs.20,000 per bonded labour and with provision for conducting surveys for identification of

Chapter 5.7: Labour and Labour Welfare

bonded labour, creation of awareness, conducting evaluation studies etc. Planning Commission has also agreed to provide 100 per cent subsidy to the North Eastern States keeping in view the financial constraints faced by these States. The modified scheme would be implemented in the remaining period of the Ninth Plan and a review will be done before the start of Tenth Plan.

26. Since the inception of the scheme 2,80,411 bonded labour have been identified and released, out of which 2,51,569 have been rehabilitated by 31.3.2000 and Rs.50.32 crore have been released to the State Government as Central Assistance up to 31.3.2000. State-wise break-up of achievement is in Annexure 5.7.9.

27. In order to review the progress and proper monitoring of the Centrally Sponsored Scheme and other poverty alleviation programmes which are in operation for the purpose of effective rehabilitation of bonded labourer, it is proposed that monitoring of the schemes may be done at there levels i.e. National State & District Levels. In this regard, at least two workshops/monitoring meetings may be organised by the Ministry of Labour at the Central Level. High Powered committees at district and State levels may be constituted on permanent basis for monitoring the schemes. The monitoring will help in removing the shortcomings noticed in the process of their implementation and bringing improvements and equipping officers with crucial skills needed for identification, release and rehabilitation of bonded labour with extra care and dedication. This is important so that once a bonded labourer is released and rehabilitated, he/she does not go back to bondage once again.

WOMEN LABOUR

28. The Ministry of Labour has set up a Women Labour Cell in 1975. The intention was to focus attention on the lot of working women with a view to improving it. The Government has enacted the Equal Remuneration Act, 1976. The Women Cell has been created in the Ministry to monitor implementation of this Act. A Central Advisory Committee has been set up to advise the Government on providing increasing employment opportunities for women. Similarly, State Advisory Committee has been constituted to monitor the Act at the State level. The Cell also gives grants-in-aid to voluntary organisations to carry out research studies on problems of women workers, their employability and the extent of their displacement on account of technological and various other changes. This scheme was introduced with the intention of furthering Government's policy of helping women to become aware of their rights and opportunities and also to become economically independent.

OCCUPATIONAL SAFETY AND HEALTH

29. The Constitution of India contains specific provisions for the occupational safety and health of workers. The Directorate General of Mines Safety (DGMS) and Directorate General of Factory Advice Service and Labour Institutes (DGFASLI) strive to achieve occupational safety and health in mines, factories and ports. The schemes relating to occupational safety concentrate on improvement of work environment, man-machinery interface, control and prevention of chemical hazards, development of protective gear and equipment, training in safety measures and development of safety and health information system.

DIRECTORATE GENERAL OF FACTORY ADVICE, SERVICE AND LABOUR INSTITUTE (DGFASLI)

30. This organisation functions as the technical arm of the Ministry in matters concerning with safety, health and welfare of workers in factories and ports/docks. Eighty eight seminars/workshops and longer duration training programmes including the one year diploma courses in industrial safety and three months PG certificate course in occupational health have been conducted for over 2055 participants from 772 organisations during January to September, 1999. Labour Institutes in Mumbai, Kanpur, Calcutta and Chennai conducted 339 appreciation programmes for 7878 beneficiaries on safety, health and welfare. Mobile safety exhibitions were set up at 43 factories benefiting 36350 factory workers. DGFASLI completed 45 consultancy studies in the areas of hazardous assessment, environment assessment, safety audit, assessment of occupational health status at the request of various organisations.

DIRECTORATE GENERAL OF MINES SAFETY (DGMS)

31. The Directorate General of Mines Safety which is a subordinate office of the Ministry of Labour is entrusted with the responsibility of enforcing the provisions of the Mines Act, 1952. With a view to ensuring enforcement of necessary safety measures in mines, inspections and enquiries are carried out by the inspecting officers. During the period April to September, 1999, 17 notices and 5 orders were issued to coal mines and 13 notices and 26 orders were issued to non-coal mines. The number of inspections and enquiries carried out during this period were 8179 and 9743 respectively.

LABOUR STATISTICS

32. The Labour Bureau is responsible for collection, compilation and publication of statistical and other information regarding employment, wages, earnings, industrial relations, working conditions, etc. It also compiles and publishes the consumer price index numbers for industrial and agricultural workers. The Bureau further renders necessary assistance to the States for conducting training programmes in Labour statistics of State/District/Unit levels. Data compiled for periodic returns do not meet all the information requirements for planning and policy formulation in the field of labour. With a view to bridge the gap in the availability of labour statistics, the Bureau conducts several periodic/ad hoc surveys on different aspects of labour such as:

- New working class Family Income and Expenditure Survey.
- Rural labour Enquiries.
- House Rent Surveys.
- Occupational Wage Surveys.

33. In the Ninth Plan, many initiatives have been taken by the Government for labour welfare. The Labour Bureau, Shimla has conducted evaluation studies of the Minimum Wages Act, 1948 to determine the degree of implementation in the various scheduled employment categories in different parts of the country. The Bureau has also been studying the working and living conditions of women workers and the extent of the welfare facilities available to them vis-à-vis the various labour laws in mining, plantation and factory sectors as well as in selected unorganised industries.

WORKERS' EDUCATION

34. The Central Board of Workers Education through its regional offices is striving to educate the workers to help to avoid wasteful expenditure, adopting cost effectiveness and by enhancing productivity of qualitative nature. They have been conducting the following programmes:

- Rural Awareness Programme.
- Functional Adult Literacy Classes.
- Short-term programmes for the unorganised sector to educate them on their rights, ethics and hygiene.
- Participative Management.
- Orientation Courses for Rural Educators.
- Leadership Development Programme for Rural Workers.

LABOUR RESEARCH AND TRAINING

35. V.V. Giri National Labour Institute, a fully funded autonomous body of the Ministry of Labour, conducts action-oriented research and provides training to grass root level workers in the trade union movement, both in the urban and rural areas, and also to officers dealing with industrial relations, personal management, labour welfare, etc. The Institute completed the following research projects during 1999-2000:

- Dynamics of Labour Market: Keralia.
- Women and labour Market.
- Labour laws, contractual parameters and conditions of construction workers.
- Adverse sex ratio and female labour force participation.
- Wage determination in rural labour force markets.
- Information on requirements for rural labour.

36. The following study was however of utmost significance

- “ Study on payment of wages wholly in kind and perceptions regarding Mode of payment: A study in selected States”. This Study was undertaken in pursuance of directions of the Committee of Secretaries at a meeting held on 1.4.99 for the purpose of amendment to the Minimum Wages Act, 1948. The study was completed in four states, viz. Tamil Nadu, Maharashtra, Bihar and Punjab.

SOCIAL SECURITY

37. There are also laws enacted and schemes established by the Central/State Governments providing for social security and welfare of specific categories of working people. The principal social security laws enacted centrally are the following:

- The Workmen’s Compensation Act, 1923.
- The Employees State Insurance Act, 1948.

Chapter 5.7: Labour and Labour Welfare

- The Employees Provident Funds and Miscellaneous Provisions Act, 1953.
- The Maternity Benefit Act, 1961.
- The Payment of Gratuity Act, 1972.

38. The E.P.F. & M.P. Act is administered exclusively by the Government of India through the EPFO. The cash benefits under the ESI are administered by the Central Government through the Employees State Insurance Corporation (ESIC) whereas medical care under the ESI Act is being administered by the State Governments and Union Territory Administrations. The Payment of Gratuity Act is administered by the Central Government in establishments under its control, establishments having branches in more than one State, major ports, mines, oil fields and the railways and by the State Governments and Union Territory Administrations in all other cases. In mines and circus industry, the provisions of the Maternity Benefit Act are being administered by the Central Government through the Chief Labour Commissioner (Central) and by the State Governments in factories, plantation and other establishments. The provisions of the Workmen's compensation Act are being administered exclusively by State Governments.

39. Employees Pension Scheme, 1995 was amended in February, 1999 to provide for pension to dependent father/mother in respect of a deceased member, who has no eligible family members and if no nomination was executed by him during his life time. Permanent and totally disabled children of the PF members were made entitled w.e.f. February, 1999 to payment of monthly children/orphan pension irrespective of age and number of children in the family. Disbursement of pension and provident fund benefits on the date of retirement in Public Sector Undertaking and model private sector establishment was introduced. One hundred and thirty six beneficiaries were paid benefits on the date of retirement during the two months December 1998 and January, 1999. Under the Workmen Compensation Act, persons employed as cooks in hotels/restaurants made eligible for benefits of compensation w.e.f. July, 1998.

40. For workers of poor families not covered under any insurance scheme or any law statute, the Central Government has introduced a scheme of Personal Accident Insurance Social Security Scheme. The Scheme is applicable to all persons in the age group of 18-55 who are earning members of poor families and meet with fatal accidents. The quantum of benefits is Rs.3,000. The Scheme is implemented through the General Insurance Corporation.

41. A new initiative has been taken by the Ministry of Agriculture and Cooperation by providing insurance cover to unorganised labour working in construction industry, agriculture fields and forests where the insurance cover will be provided through the Co-operatives on 50:50 basis through the national insurance cover and Labour Co-operatives. A premium of Rs.5.25 per annum will be paid by the Co-operatives. The insurance cover has the provision that in the case of death of a labourer, his family will be paid Rs.25,000.