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**REPORT OF
THE STEERING COMMITTEE
ON
LABOUR AND EMPLOYMENT
FOR
THE TENTH FIVE YEAR PLAN
(2002-2007)**



**GOVERNMENT OF INDIA
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CHAPTER I

BACKGROUND

In the context of the preparation for the Tenth Five Year Plan (2002-07), a Steering Group on Labour and Employment was constituted under the Chairpersonship of Dr. S.P. Gupta, Member, Planning Commission with the following terms of references:

- *To review the projections of labour force and employment made by various studies and agencies to firm up State-wise figures of projections of labour force and work opportunities that should form the basis of 10th Plan exercise.*
- *To project State-wise unemployment among educated youth and suggest the strategies for providing work opportunities to the entrants to labour force.*
- *To take an overview of the existing framework of the Labour Policy and Social Security measures and to suggest appropriate strategy in the context of emerging needs of the market oriented economy so as to ensure healthy employer-employee relations and promote productivity.*
- *To review the role of Government in Labour relations with respect to workers in Public Sector and Government Sector.*
- *To propose a strategy to reduce the gap with regard to administered social security system and welfare measures between the organized and unorganized labour*
- *To review programmes for labour welfare so as to suggest a broad-based social security system for the labour and the unorganized self-employed persons.*
- *To suggest appropriate programmes for promoting occupational health and safety for the workers*
- *Any other issue concerning labour and employment policy, with the consent of Chairman of the Steering Committee*

2. The Steering Committee has also set up 6 Working Groups to look into the various matters relating to labour, labour welfare and employment, in detail, in the Tenth Plan (2002-07):

- i) Working Group on Employment, Planning and Policy;
- ii) Working Group on Skill Development and Training;
- iii) Working Group on Occupational Safety and Health;
- iv) Working Group on Social Security;

- v) Working Group on Labour Laws and Other Labour Regulations
- vi) Working Group on Vulnerable Groups in Labour Force such as Child Labour, Bonded Labour, Migrant Labour, etc.; and

3 The Steering Committee met 4 times and deliberated upon the report of the Working Groups and their recommendations. Taking into consideration the suggestions and recommendations of the Working Groups, the Steering Committee prepared its final report and the same is presented below:

CHAPTER II

Employment Projection

Brief on Labour Force and Employment Projections

The Steering Committee on Labour and Employment for the 10th Five Year Plan (2002-2007) would adopt the employment projections from the "Special Group on Targeting 10 Million Employment Opportunities per year over the 10th Plan Period." The Special Group under the Chairmanship of Dr. S.P. Gupta, Member, Planning Commission is using Current Daily Status (CDS) basis of employment as defined by the National Sample Survey Organization (NSSO) for estimating employment opportunities in the 10th Plan. The difference in the magnitude of unemployment is considerable if CDS and UPSS bases are compared. As per CDS concept, about 26.58 million person years are estimated as unemployed on an average working day in the year 1999-2000 (NSS 55th round). Incidence of unemployment on CDS basis is estimated at 7.3% in 1999-2000 in the country. Incidence of unemployment on CDS basis in 1993-94 (50th round) was estimated at 6%. Compared to 2.2 % unemployment rate on Usual Principal and Subsidiary Status (UPSS) basis in 1999-2000, incidence of unemployment on CDS basis at 7.3% in 1999-2000 is very high.

2. Concept of Usual Principal Status (UPS) has been used in 8th Plan. Concept of Usual Principal and Subsidiary Status (UPSS) has been used in 9th Plan. However, UPSS has been criticized as most liberal approach because a large number of underemployed are included in the definition of employed in this concept. Current Daily Status (CDS) approach includes underemployed in the number of unemployed. In the 10th Plan, where gainful employment has been considered one of the primary objectives, CDS concept is considered better because it not only captures the unemployed persons but also captures underemployed to some extent. CDS is closer to the real situation prevalent in the country on unemployment. It is also closer to the level of poverty in the country.

3. State wise estimates of employment and unemployment are not compiled so far. State wise projections of labour force require age wise projections of population for the 10th Plan period. Technical Group constituted by Registrar General for the projections of population has not submitted its report so far. In the absence of State wise and age wise distribution of population, projections of labour force is difficult. Similarly state wise projection of employment opportunities is difficult without projections of state wise Gross Domestic

product (GDP) by different sectors of the economy, which is being worked by the Planning Commission. So far Planning Commission has circulated projections of GDP for a few sectors only. For the purpose of projections of employment opportunities, projections for at least nine sectors are required.

4. For labour force projection, the available technical group projection on population has been used. Technical Group on Projection of Population has submitted its report in 1996. The results are a bit old now. As mentioned in the earlier paragraph, the new Technical Group formed under RGI is still working on its report. In the mean time, a set of alternative population and labour force projections to be used in the formulation of the 10th Plan are being worked out separately. The present projection on labour force will be replaced with the information on labour force obtained from the above committee whenever it is available.

5. Past trends for labour force, employment and unemployment are given in Table 1 for on CDS basis and Table 2 for on UPSS basis.

Table 1 : Estimates by Current Daily Status

(in million person years)

Estimated Persons	1983	1987-88	1993-94	1999-2000
Labour Force(in million)	261.33	290.50	335.98	363.33
Employed (in million)	239.56	272.32	315.84	336.75
Unemployment Rate* (%)	8.28	6.09	5.99	7.32
Number of Unemployed (in million)	21.77	18.18	20.14	26.58

*As percentage to labour force.

Table 2: Estimates by Usual Principal & Subsidiary Status

(in million person years)

Estimated Persons	1983	1987-88	1993-94	1999-2000
Labour Force(in million)	308.63	333.49	381.46	406.85
Employed (in million)	302.75	324.29	374.27	397.88
Unemployment Rate* (%)	1.90	2.62	1.89	2.20
Number of Unemployed (in million)	5.88	9.20	7.19	8.97

*As percentage to labour force

6. Projections for Labour force, Employment and Unemployment on Current Daily Basis for the 10th Plan is estimated subject to all these limitations and is presented in the Table below. This is based on actual elasticity obtained during 1993-94 and 1999-2000.

**Projections * for Labour force, Employment and Unemployment
on Current Daily Status (CDS) Basis**

(in million person years).

	1999-2000@	2001\$	2002\$	2007**
Labour force (1.8% p.a. growth)	363.33	371.52	378.21	413.50
Employment	336.75	340.82	343.36	373.03
Unemployment rate(%)	7.32	8.26	9.21	9.79
No. of Unemployed	26.58	30.70	34.85	40.47

* As on 1st April

** Based on 8% Growth in GDP during 2002-07

@ As on 1st Jan 2000

\$ Based on 5.2% GDP Growth during 2000-01 and 2001-02.

7. According to a rough estimate made by the Special Group about 5.9 million work opportunities per year will be created by growth process itself. Rest of the employment opportunities will be generated through employment programmes under various Ministries and Departments adding to 10 million person year. It is estimated that about 7.1 million additional persons are expected to join the labour force every year during the 10th Plan period (2002-07), assuming labour force growth at about 1.8% per year.

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CHAPTER III

EMPLOYMENT PLANNING & POLICIES

Policies for Employment Generation

Growth and Employment Generation

Demand for labour or generation of employment opportunities is directly linked to the process of growth in economic activities. Faster growth is , therefore, necessary to productively employ the increase in the labour force and also for improving the quality of existing employment. An employment policy , therefore, must also consider the policies required for accelerating the overall growth in the economy. Some of the issue which need attention during the Tenth Plan and which are necessary for giving a fillip to the growth process in order to achieve the target of 8%, are :

- Increase in the aggregate investment levels by approximately 5 % points through
 - Additional FDI inflows
 - Domestic Savings, especially public sector savings
- Policies to promote efficiency through domestic and international competition
- Infrastructure development
- Credit for informal unorganized sector

Sectoral Policies for employment generation

2. While improvement in the overall growth performance has a direct bearing for faster and better quality employment generation, equally important is the sectoral structure of the growth. To the extent a larger share of growth can be derived from labour intensive sectors/sub-sectors/industries, the pace of generation of employment opportunities for any given overall rate of growth can be increased. The characteristics of the different segment of the labour force in terms of their skill base, residential status, aspirations from the job etc also have implications for the sectoral structure of growth which can most suitably and productively employ the labour force. The requirements of employment opportunities to be created for among the rural unskilled labour force on the one hand and among the educated youth on the other are different and this needs to be kept in mind.

Agriculture

3. Approximately 60% of the work force continues to be employed, though the share has declined sharply during 1993-94 to 1999-2000. The growth of this sector is important not only to support the high growth target for the Tenth Plan but also for the attainment of employment objectives. A large proportion of the labour force in the country is illiterate and does not possess any marketable skill. The chances of this class of labour force to find a decent job outside agriculture are very less. At the most, they can migrate to urban areas and land in urban informal sector where employment conditions are not good. Further such migration puts pressure on the urban civic infrastructure, which has more often than not failed to cope with such rural to urban migration. Therefore, though we may expect that share of agriculture in the total work force will continue to decline, the sector will continue to play the role of single largest employer for the incremental labour force. It is therefore only appropriate that adequate attention is paid to scope of productive employment generation in agriculture sector.

4. While it is true that incidence of underemployment in agriculture is significant, it is basically due to lack of diversification in this sector and concentration on crop production. It is possible to productively employ rural labour force in activities such as development of wasteland, watershed development, forestry, animal husbandry, sericulture, horticulture & floriculture, herbal & medicinal plants etc.

5. Within crop production activities in the rural areas, the crucial issue is improvement in the levels of productivity. The levels of per acre productivity is at a low level compared to international experience and there are also wide inter state and inter region differences in productivity. The improvement in productivity is necessary to improve the wage of workers and earnings of the self employed. Improvement in productivity and generation of employment, however, requires investment in areas such as irrigation, water conservation, land development, drainage etc. The slowing down of the public investment in real terms in agriculture needs to be reversed and also private investment needs to be encouraged. Such investments are specially needed in regions of the country where potential of agriculture sector has largely remained unexploited due to lack of such facilities.

Agro Processing Industries

6. Despite being the second largest producer of fruits and vegetable in the world, the food processing industry in India has not developed to its full potential. Food processing is a high value addition activity and is also very labour intensive. The likely fruits from development of this sector in terms of employment generation, diversification of rural economy and a general improvement in the rural economy is widely known.

7. The exploitation of the growth potential of this sector, however, has not been possible so far due to lack of general physical infrastructure facilities like roads, assured power supply and some of the facilities like establishment of cold chains, specifically essential for the sector.

8. The sector as it exists today is dominated by small and traditional producers, who are not able to make even the minimum investments necessary for a sustainable and profitable unit. There is a need to evolve a comprehensive package to give boost to an organised growth of Food Processing Industry in the Tenth Plan. The elements of the package must include, among other things, promotion to R & D, promotion of a formal relationship between growers of farm produce and the industry, entry of larger units in the food processing activities, credit facilities and support for marketing. The role of cooperatives in development of post harvest preservation, silos & warehouses, cold storage facilities and air conditioned transport should also be encouraged.

Small Scale Industries (SSIs)

9. Promotion of SSIs has been one of the important strategies for employment generation since the early years of planned development process. Small Units have widely been acknowledged to employ more labour per unit of capital invested. However, the ability of the sector to stand up to the competition of more open economy has recently been in question. While the modern SSIs have by and large stood the test of the time, smaller and more traditional units have been facing problems of survival in the new environment. It is essential, therefore for the traditional units, to modernise in terms of technological improvement, managerial practices and quality improvement.

10. International experience suggests that the cluster approach provides the most enabling environment for growth of SSI sector. Government should therefore identify areas where there exists sufficient conglomeration of small scale units for developing common facilities for technical & marketing support, credit facilities etc. Such an approach is not only economical in delivery of the services to the entrepreneurs but also takes care of many obstacles of non economic nature faced by the entrepreneurs.

Construction

11. Construction is one the most labour intensive sector . Also, there exists large unmet demand for housing in both rural an urban areas. The National Building Organisation the urban housing shortage at 8.23 million units in 1991. Similarly in rural areas too there are such shortages. A boost to this sector is necessary to meet the housing demand, which constitute one of the basic necessities. In the process significant employment opportunities can be generated at different skill levels, though largely for unskilled labour.

12. A number of steps have been taken by the Government to promote construction sector. These include fiscal incentives in terms of benefit in personal income taxation and legislative steps like repeal of Urban Land Ceiling and Regulation Act. The repeal Act has , however, not yet been adopted by all States.

13. There is still a lot to be done to remove the constraints which are facing the sector and which need to be addressed to promote faster growth in this sector. Some of these include:

- Ending the monopoly of urban development authorities, like DDA, over city land
- Relaxation in rules regarding land use pattern
- Modernisation of municipal laws and planning practices to provide for private investment in supply of public utilities

Travel and Tourism

14. While Tourism and travel is one of the fastest growing industries in the world and employs close to 11 % of the global workforce, yet it has not found its appropriate place in India's development agenda. This sector has enormous potential for employment generation. In terms of international tourist arrivals India is way behind countries like China or even smaller countries such as Turkey, Thailand, Malaysia and Indonesia.

15. Promotion of domestic as well as international tourism can contribute to substantial expansion in productive employment. Development of tourism industry is linked to provision of necessary facilities. Some of the initiatives required to encourage the growth of the sector are:

- Development of tourist circuits, covering all the infrastructural facilities required, as one investment project and in coordination with concerned agencies. Private sector should be motivated to invest in different types of allied activities.
- Necessary changes in the existing bilateral air service agreements, which are too restrictive in granting additional seats to foreign airlines. This is necessary to introduce competition, which would lead to cut in air travel costs and improved facilities for potential international tourists.
- Increasing the supply of hotel rooms of a reasonable standard, through public and private investment.

Employment Generation in Social Sectors

16. There is vast scope for improvement in the reach and quality of certain services in social sector especially in rural areas, such as -

- Elementary Education Services
- Vocational Training Services
- Skill Development services
- Basic Health Services
- Drinking Water Supply
- Basic Municipal Services

17. Only about 60 % of the children in the age group 6-14 years are in schools and net attendance in primary school is only 66 % of the enrolment. The objective of universalizing access to primary education will huge expansion in the basic infrastructure for education. Similarly there is a need to substantially expand the vocational training facilities. The proportion of vocationally trained among youth in labour force is very low in our country. It is 5 % compared to 96 % in Korea, 78 % in Canada, 75 % in Germany and 69 % in France Even in countries such as Botswana and Columbia it is much higher at 22 % and 28 % respectively (World Employment Report).

18. The reach of the general population to basic health services and access to primary health care facilities is also very narrow. Though substantial infrastructure for health care has been created over the years, large gaps exist between the requirement and the availability of such services. The requirements for health care infrastructure like number of Primary Health Care Centre, Sub Centres, Community Health Centres etc set for the year 1991 has not been achieved. In the years since 1991 requirements must have gone up. Even the infrastructure created over the years is functioning sub optimally; shortage of critical manpower being one of the reasons behind it. Filling the infrastructural gaps in provision of health care facilities and improving the functioning of existing centres will require the trained manpower in these areas. There exists critical shortage of the specialists and paramedical staff. Social sectors like primary education and basic health care has the potential of absorbing a large number of educated manpower, if the Government is committed to universalizing their access.

19. The manpower planning for health sector has not received adequate attention so far. Adopting a normative approach about the requirement of manpower in these areas (by adopting ratios on requirement of such manpower for per 1000 persons in population), it is possible to arrive at some estimates of employment potential in these sectors. This is also important from the point of view of manpower planning in the sense that it gives an idea of manpower requirements of different skills vis a vis the capacity of the existing system to generate such skills in required numbers. This is one of the reasons for dearth of paramedical staff. The facilities for imparting training should be created to meet the manpower requirements of health sector.

20. Gaps exist in many of the municipal services for the population, which need to be expanded and strengthened. The crucial point here is to channelise investment in these areas and to determine the roles of public and private sector in provision of these services.

Employment in Organised Sector

21. More than 90 % of the employment is in unorganized sector. The level of productivity and income in case of such workers is very low. One of the reasons for predominance of unorganized sector in total employment has been the inability of the organised sector to absorb the increase in the labour force.

22. Due to fiscal constraints facing the Governments at all levels, the growth of jobs in public sector declined sharply during the nineties. This led to an overall decline in the rate of growth of employment in the organized sector, despite a much improved performance in organized private sector employment growth..

23. The process of restructuring of economy in general and also within the public sector itself precludes any possibility for growth of employment in the public sector. It is, therefore, imperative to promote the growth of organized private sector to give further boost to momentum that it has picked up in the nineties so that over time the overall share of organised sector in total employment increases. But as of now, the private organized sector cater less than 2.55% of employment, for meeting the demand of the labour force heaving dependence need be made in the growth of the informal sector & its improvement in productivity.

24. The incidence of unemployment among educated youth is very high and they also constitute a very large proportion of unemployed in the country. The growth of employment in the organized sector is very crucial to deal with the problem of unemployment among the educated youth as they have a preference for jobs in the organized sector, especially in the public sector. As the scope for any substantial expansion in public sector jobs is very limited, the private organized sector is required to grow fast to absorb the educated youth in the labour force. All specialized areas of self-employment which have high education requirement should another thrust area. In this context it would be necessary to have a fresh look at some of the interventions in the labour market through various labour regulations.

Special Programmes for Employment Generation

25. Special wage employment programmes serve an important objective in the current employment strategy of the Government in terms of providing relief employment to those in distress. It has another important role of creating durable assets in the areas of implementation, which supports expansion in economic activities and employment generation. The contribution of wage employment programmes in the overall employment generation can at best be marginal. The recurring expenditure made on the wage employment programmes year after year are only able to maintain the same level of employment. The constraints on resources restrict any substantial expansion in the scope and coverage of these programmes.

26. Huge amount of public money is being spent by the Government on recurring annual basis to support wage employment programmes. A constant monitoring of these programmes is necessary to evaluate their contribution to employment generation vis-à-vis expenditure incurred on them. The quality of durable community assets created under these programmes need be assessed and monitored constantly as they are important for the development of the area in the long run as well as employment generation.

27. The employment created through the self employment programmes is more sustainable. Beneficiaries under these programmes get assistance for starting up their own ventures which gives him employment on a sustainable basis. The crucial point here is identification of beneficiaries and proper project formulation.

28. One of the problems facing the self employment programmes is the overlap between the programmes implemented by the Governments at the central and State level. The targeted beneficiaries in most of the programmes are common. It has been the experience in some of the States that the same set of beneficiaries are being assisted under different and often competing programmes in terms of target groups and assistance offered. This has been happening primarily because of lack of proper identification of beneficiaries under different programmes at the household level and also due to lack of proper coordination between different programme administrators. To the extent possible the duplication of efforts by running competing programmes should be avoided. Also, there should be proper identification of beneficiaries in order to ensure proper utilization of subsidized funds made available to targeted households .

29. The problem of over-identification, in the sense of same set of beneficiaries being assisted under overlapping programmes, can be attributed to a large extent to lack of coordination between administering agencies for different programmes. A solution to the problem lies in setting up kind of a clearing house where all the agencies implementing the special employment programmes can share information on beneficiaries assisted under respective programmes. The District Employment Officers at the district level may be entrusted with this work.

Tenth Plan Approach and Strategy

30. One of the important objectives of the Tenth Plan and beyond is to provide gainful high quality employment to the labour force. The main approach in the Tenth Plan would be to bring about a qualitative change in the structure and pattern of employment in terms of promoting growth of good quality work opportunities.

31. While improvement in the overall growth performance has a direct bearing for faster and better quality employment generation, equally important is the sectoral structure of the growth. To the extent a larger share of growth can be derived from labour intensive sectors/sub-sectors/industries, the pace of generation of employment opportunities for any given overall rate of growth can be increased. The characteristics of the different segment of the labour force in terms of their skill base, residential status, aspirations from the job etc also have implications for the sectoral structure of growth which can most suitably and productively employ the labour force. The requirements of employment opportunities to be created for among the rural unskilled labour force on the one hand and among the educated youth on the other are different and this needs to be kept in mind.

32. Creation of good quality work opportunities would be achieved by following a growth strategy in Tenth Plan, which would lay emphasis on rapid growth of those sectors, which are likely to create high quality employment opportunities and would deal with the policy constraints which discourage growth of employment. Particular attention would be paid to the policy environment influencing a wide range of economic activities which have a large employment potential. These include sectors such as construction, financial services, real estate and housing, transport, tourism & IT, crop based agriculture and allied sectors, agro forestry, non farm rural sector including the SSI, which need to be promoted through supportive policies. Emphasis would be laid on Tourism to ensure realization of full potential of this activity.

33. Employment strategy in the Tenth Plan would focus on employment growth and on the qualitative aspects of employment. In order to enable the poor to access the opportunities and to ensure consistency between the requirement and availability of skills, emphasis would be placed on skill development.

34. Keeping in view the above broad approaches for the Employment Planning and Policy, the Steering Committee makes the following recommendations:

Recommendations

- *Private Sector as well as all elements of social groups may be encouraged to invest in infrastructure, including rural infrastructure within a well defined parameters of public-private investments.*
- *The efficiency in the use of available resources in agriculture needs to be substantially improved by way of encouraging investment, in general, and private sector, in particular.*
- *Within agricultural activities other than crop production, certain unexploited areas viz., water shed and wasteland development, forestry, horticulture and floriculture, dairy product based activities, sericulture, etc. may be promoted.*
- *The State Governments may be encouraged to help in arranging credit facilities to the small scale industries either from the States ex-chequer or through the nationalized banks and create necessary forward linkages like marketing as well as create common facilities in areas where cluster of small scale industrial units are located*
- *An organized growth of Agro and Rural Industries may be encouraged for adequate participation of Private Sector.*
- *Research and Development in the area of food processing may be strengthened.*
- *To generate employment for skilled and semi-skilled persons, Private Sector's participation in social services such as health, education, basic municipal services, etc. may be expanded*
- *The existing programmes for infrastructure which have a very high labour intensity may have explicit physical targets for employment generation which may be monitored regularly.*
- *Clearing house arrangement at the District level may be set up for sharing of information by the different agencies administering different special employment programmes so as to avoid duplication.*
- *To promote absorption of labour in organized sector, some of the labour laws may be made more flexible*
- *To asses employment and unemployment situation on yearly basis, annual surveys of NSSO may be strengthened.*
- *Labour Bureau may put effort for faster processing of data and its quick dissemination for wider use through a specially designed web-site and other IT assisted method.*
- *Policy and programmes should be undertaken to improve the productivity of informal sector.*
- *To equip the manpower with the right skills, more emphasis may be for skill development and training.*

- *To bridge the gap of unemployment, emphasis may be given to self-employment programmes Necessary steps in this regard may be initiated for awareness generation regarding the prospects of self-employment in various areas, availability of credit and marketing facilities, etc.*
- *To meet the demand of the educated youth, necessary strategy may be worked out to create more high-quality jobs with higher levels of income.*
- *To bridge the gaps in collection/analysis and dissemination of labour and employment statistics, the computer technology and net-working of the Labour Bureau may be strengthened.*
- *To build up a data-base, the Labour Bureau may continue to have regular inter-action / dialogue with the State Govts. and organize annual workshops and meetings.*

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CHAPTER IV

SKILL DEVELOPMENT & TRAINING

Skill Development refers to develop the ability to pursue any job or service Training is a part and parcel of the skill development process. Although both appears to be two different connotation it cannot be separated from each other. There is a wider gap between the skilled personnel and availability of job in the wider spectrum of labour market. According to NSSO survey on the basis of UPSS, 397 million persons are employed at a point of time whereas the total labour force as on 1.1.2000 is 406 million. It gives an indication that about 9 million persons have open unemployment which is a major concern for skill development and training. Besides, there is a large under employed labour force as revealed on the basis of unemployment estimates on CDS basis. They also need skill so that they can get into gainful productive employment.

Present Scenario

2. The skill level and education attainment of workforce determines the productivity as well as the adoptability of the working class in changing environment. Only 5% of the Indian labour force in the age group of 20-24 has vocational skills. The literate and illiterate upto the primary level of education constitute a very high proportion of the existing work force. While the level of educational attainment of the existing work force is very low, the educated without professional skill on the other hand constitute 69% of the total unemployment. The NSSO survey carried out in 1993-94 on employment and unemployment revealed that majority of the workforce in rural and urban areas does not possesses any identifiable marketable skill. In urban areas, about 19.6% of male and 11.2% of female workers possess marketable skills, whereas in rural areas only about 10% of male and 6.3% of female possess marketable skill. Number of job seekers registered in the employment exchanges were 44.34 million till 31.12.2000. About 80% of the job seekers in employment exchanges are without any professional skills. The growth of labour force 1993-94 to 1999-2000 was 1.03% per annum as against the growth of employment in the same period was 0.98% per annum. 7-8% of the total employed are in the organized sector where additional employment generation is not significant and scope for additional wage employment is limited.

Vocational Training – Review of the Existing Programmes - Gaps & Weaknesses

3. Vocational training being a concurrent Subject, Central Government and the State Governments share responsibilities. At the national level, Director General of Employment & Training (DGE&T), Ministry of Labour is the nodal Dept. for formulating policies, laying down standards, conducting trade testing and certification, etc. in the field of vocational training. A number of training institutions are also run by the DGE&T. At the State level, the State Govt. Departments are responsible for vocational training programmes. The Central Govt. is advised by National Commission for Vocational Training (NCVT), a tripartite body, to have representatives from employers, workers and Central / State Governments.

4. Starting from 54 ITIs in 1953, the number of training institutes functioning have gone upto 4274 (1654 are in the government sector and the remaining 2620 in the private sector) with the increased sitting capacity progressively raising from 10000 to 6.28 lakhs at present. To regulate the programme of Training of Apprentices in the industry, the Apprentice Act, which was enacted in 1961, was amended from time to time. Further, to advise the Government on laying down policies and prescribing norms and standards in respect of Apprentice Training Scheme, etc. the Central Apprenticeship Council has been in operation. The scope of Apprenticeship Training needs to be enlarged by covering more occupations in emerging high-tech areas in service sector and informal sector.

5. The Apprentices Act has essentially a dual purpose to serve – firstly, to regulate the programme of training apprentices in industry so as to conform to the prescribed syllabi, period of training, etc. prescribed by the Central Apprenticeship Council and secondly, to utilize fully the facilities available in industry for workers. As on 31.3.2001, over 17,800 public / private sector establishments were covered under the Act and number of seats located were 2.20 lakh, out of which about 1.58 lakh seats were utilized. The Craftsmen Training relate to theoretical training on any craftsmen-ship with little exposure to practical utility. To reduce unemployment among educated youth by equipping with suitable skills for industrial employment, the Craftsmen training is imparted in 43 engineering and 24 non-engineering trades. In spite of this, a large number of employment in the unorganized sector continue to get their skill development in an unorganized manner. To develop capacity and meet skill development requirement in different disciplines for the unorganized sector, private partnership need to be encouraged. Some avenues and opportunities need to be

articulate in consultation with private entrepreneurs and industrialists in the form of industry institute inter-action. This arrangement could be able to spell out the requirement of trained personnel in desired trade and the institute would be in a better position to provide training facilities, which will suit the industrial requirement.

6. Skill development and employment services, as in the past, continued to be provided to the special needs of the Vulnerable sections like, Women, Schedule Castes/Tribes, Persons with Disabilities and disabled ex-servicemen job seekers. To provide training facilities to women in employable skills, so as to enhance their participation in the industry as skilled workers and / or to help them in acquiring skills for taking up self-employment, income-generating activities. Training facilities, exclusively for women, are being imparted through a National Vocational Training Institute (NVTI) and 10 Regional Vocational Training Institute for Women(RVTI). The present training capacity of these Institutes is 2068. In the State sector there exists a network of 231 ITIs exclusively for women. In addition, there are 534 Special Wings for Women in general ITIs with the sitting capacity of 46,750, offering Craftsmen Training in various engineering and non-engineering trades. Vocational guidance and training are being imparted for confidence building with improved skills and ability for preparing them to face competitive examinations conducted by Staff Selection Commission, Banking Service Recruitment Board, etc. for Group 'C' and equivalent posts. To enable the disabled to become economically independent and contributor to the national economy, 17 Vocational Rehabilitation Centres for Handicapped are functioning in various parts of the country.

7. In spite of infrastructure and facility available, skill development and training in the country is highly inadequate. To substantiate this fact, it may be pointed out that every year 55 lakh students in the country pass out of Class X and out of which 33 lakh go to Class XI and thus, 22 lakhs are left out. Another category is dropouts after Class VIII i.e. about 190 lakh who do not pursue further studies. These are the people who look around for vocational training and self-employment. Therefore, every year, attention has to be paid around 210 lakh target groups. As against this, available formal training capacity of the country is only 23 lakhs. Therefore, the gap is about 187 lakhs. To fill up this gap to a certain extent, ITI system need to be revamped. Further, there is an urgent need to look into training of trainers as a large gap exist. Out of 55,000 instructors, only 40% have undergone a full instructor training course.

8. There are several other programmes and activities under the control of different Ministries and Departments. These include Vocational Education of Ministries Human Resource Development, Rural Areas and Employment and Dept. of Women & Child Development. Training activities of the Ministry of Industries and that of Kadi and Village Industry Commission, etc. All these programmes largely cater to the needs of the informal sector in a limited manner and are required to be expanded to meet the emerging needs.

9. The vital issues for industrial, social and economic development of a country is the development of its human resources, which inter alia give due importance to education and training, and development of skills. In wider spectrum of skill requirement, liberalization of economic policies together with globalization and technological changes bring change in occupational profile and skill requirement. In order to keep pace with accelerated development, it is essential to equip the labour force with right skill and skill development is gradually assuming greater importance.

10. In the context of economic reforms and globalization of trades, structural adjustment in different organized and unorganized sector continue to have focus attention on technological up-gradation, skill development and training. Similarly, in the introduction of information technology and its skill development, several skills become obsolete in organized / unorganized sector which results in reduction of the structure, downsizing of employment etc and finally redundancy of skilled personnel in the organized and unorganized sectors. To tackle such situation, multi skill of such persons assures their sustainability in the sector and training in latest technology may also sustain their survival. Both de-novo training and multi skill call for additional infrastructure in different vocational training institutes. Merger of different skills in single programme may also deserve additional infrastructure either in the form of resource personnel or equipment and machineries.

11. In the context of better utility of Trainers, Trainers be trained in emerging areas of skill development. Trainers will keep themselves abreast of future skill requirement and discard them from obsolete trade in which they impart training. Age-old equipment and machinery need for training may get discarded in the process and modern equipment take place to meet future training need. Thus, the trainee acquires skill in latest trade.

Existing Gaps and weaknesses of NVTS

12. The effectiveness and efficiency of the system is slow because of various reasons viz. – i) there is mismatch between skills requirement and skills produced by NVTS; ii) the unemployment rate of vocational training certificate holders is high; and iii) there is no reliable tracers studies. The infrastructure of ITIs is poorly maintained and many of the State Councils of Vocational Training are not functional or do not exist. The majority of the existing ITIs cater to the needs of traditional manufacturing center which represent less than 10% of the total workforce. The requirement of modern high-tech industries and service sector as well as those of unorganized sector have not been properly taken care of. The curriculum of ITIs are continuing for a long time. However, keeping in view the changing economic as well as technological scenario, there is a need for revision of curriculum.

Strengthening the Skill Development and Training

13. To strengthen the Industry - Institute interactions and assess the skill requirement, labour market information system need to be developed which inter alia will suggest future requirement of skill development. Small and medium industries should be encouraged according to their requirement to develop skill and training programme through their own resources. Similarly to improve governance and management of National Vocational Training Centres, All India Council of Vocational Training need to be established by emerging NCVT and Central Apprentice Council.

14. The capacity building, institution development and sustainability of programmes are crucial to improve effectiveness and relevance of the training programmes. To act as a role model for other institutions, some of the ITIs need to be revamped and attempt should be made to develop at least 1 ITI in each State as Centres of Excellence. Efforts should be made to provide vocational skills to all new entrants to the labour force by expanding skill training capacity especially for high technology and for other areas of employment.

15. To increase training capacity for in-service workers, regular skill up-gradation and training are needed to be organized for meeting the fast changing technology. The scope of apprenticeship training will have to be enlarged by covering more occupations in emerging hi-tech areas, service sector and informal sector. As the women vocational training plays an important role in the social as well as economical empowerment of women, efforts should be

made to extend the existing facilities to a larger group of women and create a conducive atmosphere for their increasing participation in various skill training programmes. Likewise adequate participation of disadvantaged groups and disabled in vocational training will have to be ensured by holistically addressing problems of access to training, to employment opportunities, difficulties in work place and if required, need-based programmes may be considered.

16. To strengthen the funding of the vocational training programmes, a Skill Development Fund may be considered to be set up. This would motivate the employer to pay adequate attention to the development of their employees and would benefit industries as a whole. Step in this regard can be initiated in consultation with the industries. Further, a study may be considered to be undertaken to institutionalize management, collection mechanism, contribution and utilization of skill development fund, etc.

Tenth Plan Approach & Strategy

17. While the initiatives taken through the earlier Plans, Policies and Programmes at the Centre and State level would be strengthened, the following approach would be adopted during the Tenth Five Year Plan:

- Create adequate training facilities for organized sector and develop skill requirement according to demand in industry of use;
- Create more avenues and opportunities for training need for informal sector;
- Increase Industry- Institute interaction for demand driven skill development;
- Create skill development fund mainly funded and managed by industry for improvement and effectiveness of training programme;
- Improve governance and management by creating All India Council of Vocational Training (AICVT);
- Introduce Management Information system for labour market information;
- Modernize and keep latest trade by introducing training for trainers; and
- Introduce multi-level skill training for sustainability of work force in job in the modern age of technological changes and globalization.

18. In order to manage demand driven skill development, the strategy would be to strengthen the industry institute interaction and to assess the requirement of skill development. By introducing AICVT, governance and management of vocational training institutes would be managed. Introducing training for trainers and multi level skill in different institutes, latest technological change and its skill requirement, could be developed.

19. Keeping in view the above broad approaches for the Skill Development and Training, the Steering Committee recommends the following:

Recommendations

- *To increase literacy standards and production skills of persons in the informal sector, facilities at the institutional and community based, may be utilized.*
- *To strengthen the skill development, various associations in the informal sector may be motivated to contribute funds.*
- *Tax and credit incentives may be considered to be extended to the private sector companies those who create training and skill development activities.*
- *The scope of apprenticeship training may be enlarged by covering more occupations in emerging high-tech areas, service sector and informal sector*
- *In view of the fast changing technological scenario, the related curricula and skill areas may be reviewed periodically for assessing the obsolescence and need for diversification in the various training areas.*
- *A mechanism may be evolved to strengthen the inter-action between the industry and industrial training institutes.*
- *As the existing gaps for training and skill development cannot be filled in by single source, efforts may be made to involve all stake holders i.e. employers, government, Voluntary organizations for sharing the cost of training.*
- *Industry may be motivated to take responsibility of training and government may act as a facilitator in the implementation of vocational training programmes.*
- *To enhance confidence building / entrepreneurship development and to give recognition of existing skills, training programmes may be organized with a focus on skilled artisans / crafts persons.*
- *A National Artisan Fund may be considered to be developed by pooling existing available resources from various agencies.*

CHAPTER V

OCCUPATIONAL SAFETY & HEALTH

Occupational Safety and Health (OSH) aspects occupy a very significant position in the policy frame work of Government of India. Although there is no national policy on Occupational Health and Safety, there are certain provisions under the Constitution of India which deals with matter regarding safety and health of workers employed in various occupations. Due to proliferation and increase in severity of hazards in different works of economic activity, the declared objective of our Government is to keep pace with international trends and need for projecting a positive image internationally regarding health and safety concerns of working population. The Constitution of India contains specific provision on occupational safety and health of workers. The Directorate General of Mines Safety (DGMS) and Directorate General of Factory Advice Services and Labour Institutes (DGFASLI), the two field organizations of Ministry of Labour strive to achieve the principles enshrined in the area of occupational safety and health in mines, factories and ports.

Constitutional Provisions

2. The Constitution of India has specific provisions for ensuring OSH for workers in the form the three Article 24, 39 (e and f) and 42. The statues relating to OSH are broadly divided into three - statutes for safety at workplaces (e.g. Factories Act, 1948 and Mines Act, 1952), statutes for safety of substances (e.g. Indian Explosives Act, 1884), and statutes for safety of activities (e.g. Radiation Protection rules under the Atomic Energy Act). According to Article 24, no child below the age of 14 years, shall be employed to work in any factory or mines or engaged in any other hazardous employment. Article 39 (e and f) deals with the policy towards securing - (e) that the health and strength of workers, men and women, and the tender age of children are not abused and that citizens are not forced by economic necessity to enter vocations unsuited to their age or strength; (f) that children are given opportunities and facilities to develop in a healthy manner and in conditions of freedom and dignity and that childhood and youth are protected against exploitation and against moral and material abandonment. Article 42 lays emphasis that the States shall make provision for securing just and humane conditions of work and for maternity relief.

3. The Seventh Schedule of the Constitution lists the jurisdiction of the Centre and the State Governments to legislate in particular subject matters. In terms of List – I, under this Schedule, the Central Govt. is exclusively authorized to make laws for regulation of labour and safety (Item No. 55 in the list) and for safety of workers employed in major Ports (Item No. 27 in the list). In the list of Concurrence subjects, welfare of labour (Item No. 24 in the list) and factories (Item No. 64 in the list) have been included. Thus under the Constitution, it is imperative that measures should be taken to ensure that all the workers irrespective of their place of employment are assured of Occupational Safety and Health..

International Labour Organization (ILO) Conventions

4. Government of India, as one of the Founding Members of the International Labour Organization, derives conclusive guidelines from the conventions, recommendations and code of practices framed by ILO regarding OSH. The ILO has so far adopted 182 conventions and 190 recommendations. In the field of Occupational Safety, Health and Working Environment, ILO has framed 13 conventions and equal number of recommendations so far. Out of these, GOI has ratified 2 conventions viz., Radiation Protection Convention (No. 115), 1960 and Benzene Convention (No. 136), 1971. Some of the recent conventions and recommendations have a strong bearing on emerging occupational health and safety laws in the country. Convention No. 155 requires every member State to look into the policy which should aim at prevention of accidents and injury at work places by minimizing the causes of hazards inherent in working environment. As per the Convention 161, Member country will have to adopt a National Policy on Occupational Health Services with particular reference to prevention of occupational diseases and health surveillance. Convention 174 and recommendation 181 define hazardous substance, major hazardous installation, major accident, etc. While Convention 176 imposes 3 key tasks relating to (i) adoption of a Policy on Safety & Health in Mines (ii) to pass laws for implementing the convention provision and (iii) create an inspectorate to enforce the laws, the Convention 152 of ILO deals with occupational health and safety in dock workers.

Review of the existing Programmes

5. The Mines Act, 1952 and Rules and Regulations framed there under, Factories Act, 1948 and Rules framed there under, Dock Workers (Safety, Health and Welfare) Act, 1986 and Regulations framed there under, Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Rules framed there under,

Dangerous Machines (Regulations Act, 1983 and Rules framed there under, Insecticides Act, 1968 and Rules framed there under, Shops and Establishments Acts of State Governments, Beedi and Cigar Workers' (Conditions of Employment) Act, 1966, Municipal Solid Waste (management and Handling) Rules, 2000 notified under the Environment (Protection) Act, 1986, etc. are the important statutes covering OSH aspects of workers. At present, comprehensive safety and health statutes for regulating OSH of persons at work exists only in four sectors namely, mining, factories, ports and construction.

6. The Central Ministry of Labour and the Labour Department of the States are responsible for the safety and health of workers. DGMS and DGFASLI assist the Ministry in the technical aspects of occupational safety and health in Mines and Factories and Port Sector.

7. The DGFASLI functions as a technical arm of the Ministry in regards to matters connected with safety, health and welfare of workers in factories and ports/docks. It assists the Central Govt. in the formulation and review of policy and legislation on occupational safety and health in factories and ports, maintains a liaison with the Factory Inspectorate of States and Union Territories in regard to the implementation and enforcement of Factories Act, 1948, renders advice on technical matters, enforces the Dock Workers Factories (Safety Health and Welfare) Act, 1986, undertakes research in industrial safety, occupational health, industrial hygiene and industrial psychology, etc. It also provides training mainly in the field of industrial safety and health including one year Diploma courses in industrial safety and 3 months Post-Graduate Certificate Course in Industrial Health. With a view to reach at the practicable solutions to the various problems, the DGFASLI study the problem of safety and health in an integrated manner through its Labour Institutes. In addition, the organization also undertakes developmental activities as identified in various Plan schemes formulated and approved by the Ministry.

8. DGFASLI with its HQs in Bombay, has 5 National Labour Institutes and 11 Inspectorates of Dock Safety Offices in major Ports. The Central Labour Institute at Mumbai started working from 1959. The different division at the Institute undertakes activities such as carrying out studies and surveys, organizing training programmes, seminars and workshops, rendering services such as technical advice, safety audits, testing and issuance of performance reports for personal protecting equipments, etc. The Regional Labour Institutes located at Calcutta, Kanpur and Madras are serving the respective regions

of the country. The Inspectorates of Dock Safety are established viz., at Chennai Cochin, Jawaharlal Nehru Port, Khandala, Kolkatta, Marmagoa, Mumbai, New Mangalore, Paradeep, Tuticorin, Vishakapatnam. Over the years, keeping pace with the industrial development and governmental policies, the Inspectorates of Dock Safety Offices have expanded rapidly.

9. The DGMS, through a variety of promotional initiatives and awareness programmes exercise preventive as well as educational influence over the mining industry, promotes the concept of self-regulation as well as workers participation in the safety management. One of the major responsibility of this organization is to draft appropriate legislation and set standards as well as its compliance through a variety of promotional initiatives and thereby creates an environment to give due priority to safety. The DGMS is a subordinate office of Ministry of Labour and has its HQs at Dhanbad with its Zonal, Regional and Sub-regional offices spread all over mining area, is also entrusted with the responsibility of enforcing the provision of Mines Act, 1952, and the Rules and Regulations framed there under in Coal, Metalliferous and Oil Mines. Apart from inspection of Mines, the DGMS also undertakes investigations into all fatal accidents and certain serious accidents and dangerous occurrences and makes recommendations to prevent recurrence of similar incidents.

10. To ensure enforcement necessary safety measures and mines, DGMS carried out inspections and enquiries . Under Sections 22 and 22A of the Mines Act, 1952, Regulation of 103 of Coal Mines Regulation, 1957 and Regulation 108 of the Metalliferous Mines Regulations, 1961 the DGMS issues notices for improvement and prohibitory orders. With a view to keeping technical and professional competence of the inspecting officers updated and backing the regulatory, enforcement, advisory and promotional roles, the DGMS implements plan schemes viz. Scientific and Technological Support (S&T), Survey of Accident in Mines and Identification of Corrective Measures, Development of Mine Safety Information System, Development of Mines Rescue Services, etc.

11. To generate, develop and sustain a voluntary movement of safety, health and environment at the national level, the National Safety Council (NSC) at Navi Mumbai, is functioning as an autonomous and self-supporting institution. To achieve its objective, the NSC conducts a variety of training, educational, promotional and consultancy activities. The Council regularly brings out periodicals on industrial safety and promotional materials like technical manuals, booklets, posters, etc. Chief Labour Commissioner (CLC) enforces

the 'Building and Other Construction Workers (Regulation of Employment & Conditions of service) Act, 1996' and the central rules framed there under. DGFASLI provides technical support in drafting model rules, carrying out surveys and conducting training programmes in construction sector. The Directorate General, Labour Welfare under the Ministry of Labour deals with the welfare aspect of workers employed in beedi and cigar manufacturing. In spite of various agencies involved in regulating work place safety and health issues in the unorganised sector, the efforts are by no means comprehensive and unified. Besides, the Central Insecticides Board under Ministry of Agricultural and Cooperation regulates safety aspects regarding manufacturing, packaging, labeling, distribution, handling and use of pesticides. The State Agriculture Departments are engaged in enforcing the Provisions of the Insecticides Act related to agricultural operation.

12. The unorganized sector which contributes about 92% of the total workforce in the country, despite its significance and contribution in the economy remained a neglected lot, especially for the safety and health during the course of their employment. Absence of comprehensive labour laws or ineffective enforcement of such laws expose the unorganized workers to exploitation. The most important and labour intensive unorganized sectors, which employs about 50-70% of the workforce of the unorganized sectors are from agriculture, construction, shops and establishments, beedi and cigar manufacturing and home workers. Though these sectors have provided employment for many for a livelihood no organized attempt has so far been made to improve their working conditions. The employees in some of the sectors have some protection for welfare but occupational safety and health measures are totally absent except for agriculture sector. Agriculture, being the major sector, number of enactments like Dangerous Machines (Regulation) Act, 1983, the Insecticide Act, 1968, the Plantation Labour Act, 1951, came into being from time to time. However, since the agriculture is a concurrent subject on par with the labour, the enactment part, though with the Government of India, the enforcement part is with the respective State machinery.

13. To provide for regulation of employment and conditions of services of building and other construction workers including fixing of hours of work, wages and overtime, dispute, resolutions and welfare amenities, the Building and Other Construction Workers, (Regulation of Employment and Condition of Services) Act, 1996 is in force. On safety aspects, constitution of Safety Committees in larger establishment, provision of notification of fatal accidents have been provided. In respect of the workers of Beedi and Cigar

manufacturing Industry, the Beedi and Cigar Workers (Condition & Employment) Act, 1966 and the Factories Act, 1948 is applicable. The Act is for regulating the conditions of work in beedi and cigar manufacturing establishments and provide for welfare of workers employed therein. Likewise, the Shops and Commercial Establishments (Central and State) Act are mainly related to payment of wages, overtime, holidays with pay, annual leave, etc. and the provision for other safety and health aspects are absent.

Existing Gaps and Weakness

14. Presently there is no agency or department of the Government of India exclusively for dealing with the matters of occupational safety and health. Comprehensive safety and health statutes for regulating safety and health of persons at work exists only in respect of 4 sectors viz. – Factories, Docks, Mines and Construction. In addition, there are a number of other statutes for regulating safety in particular activity, operations, sectors such as Transport, Storage and handling of Explosives, Petroleum, Insecticides, Radio-active materials, operations of Railways, Shipping and Aviation, etc. The approach in existing statutes for regulating safety at work is to lay down specific and detailed requirements to prevent risks of injuries in specific operations or circumstances. This approach lacks uniformity and well-coordinated approach to safety and health in all sectors of economy. In addition, there are many activities like soft-ware development units, hotels, handling of hazardous chemicals employing less than 10 workers are also outside the scope of safety and health legislations. There are also problems regarding procedures in amending the existing statutes. Further, the administrative procedures to effect the amendments to the existing statutes is so long drawn that quite often there is a time lag between the notification of the amendment and existence of the situation requiring such amendments.

15. Further, there is a lack of enforcement strategy through collective deliberations and analysis of the situation. Inspections have been generally left to the individual inspectors without much of guidelines and the major issues concerning a particular sector can be resolved only through the directions and initiatives of the enforcement agency from the highest level. In terms of administration of OSH legislation, there has been a lack of educational and awareness effort. However, super-specialization training activities for enhancing competence of inspectors of Mines are to some extent conducted by DGMS but there is no academics for imparting such training. There is also shortage of manpower for enforcement of statute in Mines. Mining activities of minor minerals have also increased

and increasingly large workforce consisting of men and women are being deployed in such operation with very little concern on matters connected with the occupational safety and health. The challenges posed by mechanization and new technology will have to be addressed through up-liftment of technical skill of inspectors and frequent inspections so that safety and health of workers get its due priority. The Mines Act has given major power to DGMS for ensuring compliance with the provisions statute. However, due to shortage of officers in the legal cell, the DGMS is not in a position to follow up all the cases. Small Mines growing into an important component in the mineral sector in the form of value of output, contribution to the economy and employment. However, the operational safety and health in such mines is a big problem because of lack of enforcement of legislation, inadequate number of inspecting officers in the DGMS, non-availability of documentary evidence, etc.

16. As far as factories, ports and docks are concerned, the manpower and enforcement are insufficient. New techniques are very important but lot of chemical industries, where risks are involved, have come up in the recent times. In the light of new hazards being introduced in the manufacturing sector with the use of modern technology, new products & new processes, there is no organized training programme for enhancing the competence of Inspectors of Factories. The functioning of safety officers in factories is also not very satisfactory. There are number of areas where studies are required for determining the problem of safety and health such as safety and health in export processing zones, soft-ware development units, ship breaking power generating units, multi-national enterprises, etc.

17. In the unorganized sector, very few sample surveys have been carried out to identify the occupational and health hazards. The Dangerous Machines (Regulation) Act, 1983 can not be effectively enforced in the agricultural sectors as its coverage extends besides the use of dangerous machines in agriculture, to production, supply and distribution which are carried out in factories and sales departments. In the area of construction activities, very few State Governments have so far notified the rules and identified the Enforcement Agencies under the Building and Other Construction Workers Act, 1996. Further, inspection officials have not so far been given proper training for enforcement of the above statute. The Shops and Establishment Acts do not cover a variety of operations which pose safety and health hazards carried out in such premises. Similarly, safety and health aspects for the home-based workers, eating places, waste management are virtually insignificant and specific guidelines applicable to the hazards have not been developed.

Tenth Plan Approach & Strategy

18. The approach in the Tenth Plan (2002-07) would be to extend operational safety and health (OSH) to workers both in organized as well as unorganized sectors. While the existing safety and health statutes for regulating safety and health measures to persons at work in respect of factories, docks, mines and construction sectors would be strengthened, efforts will be made to improve OSH in the unorganized sectors in line with government's declared objectives. Taking the existing situation into consideration, a holistic approach needs to be adopted through a coherent National Policy on Occupational Health and Safety of Workers employed in all sectors of the economy.

19. A number of legislations which guide the operational safety and health aspects are applied only in the organized sectors and covered only 8% of the workforce. In this sector, a large number of operational safety and health regulations are applicable in a fragmented manner and has been developed in a piecemeal manner resulting in duplication in some areas and gaps in others. At present, there is no single unified legislation which can take care the basic responsibility of operational safety and health in all sectors. In view of this, the Tenth Plan commits itself to bring a General Legislation (Umbrella) on OSH. This will help for reduction in multiplicity of enforcement agency and will have proper coordination among them with a view to provide a focus on OSH measures in industry.

20. Occupations and industries not covered by any mechanism of safety surveillance of workers include – dhaba workers, shop workers, road transport workers, unorganized mining, restaurants, etc. The Tenth Plan approach would be to create awareness generation amongst the employer and workers regarding various occupational health hazards and accidents and the adverse effect and possible protective measures.

21. It is not appropriate to leave the large working population in the unorganized sectors unprotected. Most of the workers in the unorganized sectors are exposed to a variety of hazards and are compelled to accept employment for reasons of poverty. The enormity of task of applying OSH legislation to such a vast workforce spread far and wide is challenging and need a huge infrastructure and manpower for its effective implementation. Therefore, the approach of the Tenth Plan would be to provide short and long term measures required for OSH improvements in a steady and phased manner. On the other hand, a particular unorganized sector under the purview of a OSH legislation can not be brought

without giving time to the employers, self-employed and employees in the concerned sector for shouldering such responsibilities. Therefore, one of the important and priority measures shall be to launch a well-designed awareness campaign.

22. In view of the increasing number of industries, it is not becoming possible to increase the number of inspectors who would be going around for checking safety aspects. Therefore, the responsibility of safety of units should be given to owners of the factories and some system of given accreditations who would be required to carry out safety audit at periodic intervals. The responsibility should be of owners of business units and be inspected by some agency, which would be a part of legal arrangement. Alternatively, a self-certification by the industries would be introduced. Further, to integrate occupational safety and health in the manufacturing / processing / service sector, an independent accreditation agency consisting of eminent professionals for establishment of national standard on OSH and development of an audit mechanism for assessing effectiveness of OSH status in industries, ports, mines and unorganized sectors through external safety audits, would be created.

23. To deal with the gaps arising out of changes in technology, introduction of new type of chemicals and sophisticated machinery, efforts would be made to equip the enforcement agency with latest techniques and skills that are required in the area of safety measures. Likewise, knowledge of safety inspectors at State level would be updated through identified training of skill development and knowledge to the inspectors. Support of industry and technical expertise would be mobilized through awareness generation and ensure the participation of workers. To develop trained personnel in the area of OSH, efforts would be made to include occupational safety and health aspects in the professional courses like Engineering and Medical.

24. To meet the growing demand, mining activity of minor minerals has also increased and many new mines have been opened up. Accidents in Mines occur due to unsafe acts and unsafe conditions of work. Most of the accidents are preventable because directly or indirectly, these are due to human failures. To deal with the increasing mine accidents, effective measures should be taken for stringent enforcement of mines act. Further, the challenges posed by the mechanization and new technology would be addressed through up-liftment of technical skill of inspectors and frequent inspections so that safety and health of workers gets due priority. DGMS, a specialized organization, engaged in the area of mines

safety would be strengthened in terms of infrastructure facilities to enable it to provide better services towards operational safety aspects of the mines.

25. Keeping in view the above broad approaches for the occupational safety and health aspects, the Steering Committee recommends the following :

Recommendation

- *A coherent National Policy on Occupational Safety and Health of workers employed in all sectors of economy may be formulated through tri-partite consultation.*
- *To reduce multiplicity of enforcement agencies and to have proper coordination among them, a single unified General Legislation (Umbrella) on Occupational Safety and Health may be adopted. The enforcement of the provisions of legislations may be carried out by existing machinery available at Centre/States.*
- *To assess effectiveness of OSH in industries, an independent national level accreditations of eminent professionals for establishment of national standards on OSH and development of an audit mechanisms, may be created.*
- *The DGMS, DGFASLI, CIFs and State Agricultural Departments may be strengthened for enhancing the technical skills of their personnel and exposing them to latest techniques in the field of OSH.*
- *There is a need for constitution of an Apex Body at the national level to deal with the matter connected with safety and health of workers in all sectors of economy.*
- *To build up effective inter-ministerial coordination, a Core Group on OSH at work place under the Ministry of Labour may be constituted.*
- *To create universal awareness regarding OSH, responsibility may be left to the owner of the business agency and also system of self-certification by the industries may be introduced.*
- *Support of industry and technical expertise may be mobilized through awareness generation and ensure the participation of workers.*
- *To improve the existing occupational safety and health scenario in mines, factories, ports, docks and unorganized sectors of economy, the government enforcement agencies and the management may jointly undertake substantial strengthening in the area of development of standard work procedure, public awareness about safety, safe work procedure, etc.*
- *Syllabus of engineering and medical courses at college/university level should be modified to include occupational safety and health as a compulsory subject.*
- *Internal safety organizations of mining sector may be suitably strengthened and third party safety audit system may be introduced for assessing status of safety in mines.*

- *DGMS may be restructured for its effective functioning and optimal utilization of the existing resources, replacement of human efforts through automation, strengthening and planning and prioritization of inspections with the bear minimum increase in strength of inspectorate.*
- *Considering the strength of enforcement agency with DGMS, the responsibility of inspection of small mines may be delegated to the State Governments and the Mines Act may be amended.*
- *To meet the challenges posed by latest technology effectively, the Labour Institutes under DGFASLI may be granted autonomy in its functioning. Also they should generate their own resources under the principal of 'users pay'.*
- *Factories involving hazardous processes as defined under Section 2(cb) may conduct safety audit.*
- *Inland container depots may be brought under the purview of Dock Workers (Safety, Health and Welfare) Act.*
- *A data-base may be created for various ports containing information on handling of containers and dangerous goods, hazardous installations, inland containers depots, minor and inter-mediate ports, etc.*
- *To provide safety and health cover, amendments to the Dangerous Machines (Regulation) Act, 1983, amendments to the Section i36 of the Insecticides Act, 1968, may be made.*
- *As a statutory obligations, Safety Officers for units employing 100 and above workers, may be appointed by the employers.*
- *To incorporate safety and occupational health aspects, amendments may be carried out to the Beedi and Cigar Workers Act, 1966.*
- *Material to awareness on OHS aspects may be developed in joint collaboration with the professional bodies/agencies concerned. The material thus developed in national and regional languages may be telecast on T.V. channels and broadcast on radio for creating mass awareness on occupational safety and health to the persons involved in all the segments.*
- *Video film, leaflets, safety posters etc. may be prepared as publicly material for dissemination of occupational safety and health issues.*
- *To over come the weaknesses in the enforcement of the statutes, wherever applicable, a comprehensive enforcement strategy and guidelines on OHS aspects may be developed at the national level.*
- *Central Board of Workers Education may be entrusted to organize training programmes of construction workers in the area of occupational safety and health in collaboration with professional independent institutes involved in construction safety.*

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CHAPTER VI

SOCIAL SECURITY OF WORKERS

Social Security in India was traditionally the responsibility of the family / community in general with the gradual process of industrialization / urbanization. Break up of the joint family set up and weakening of family bondage; the need for institutionalized and State-cum-society regulated social security arrangement to address the problem in a planned manner in wider social/economic interest at national level, has been felt necessary. Currently, ongoing measures towards transformation, process for trade and industry, increasing role of market forces and increase in longevity in general world over, have added a new dimension to the issue and enhanced the requirement further towards a planned and regulated institutionalized measure in the form of social security .

2. The concept of social security is to provide protection provided by the society to its members through a series of public resources against the economic and social distress that otherwise is caused by the stoppage or substantial reduction of earnings resulting from sickness, maternity, employment injury, occupational distress, unemployment, invalidity, old age and death.

3. The ILO concept of 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. At the international level, the preamble of the Constitution of ILO also referred to the need and protection of workers from sickness, disease and injury arising out of their employment, pension for old age, protection of the interest of the workers who were employed in countries other than their own.

Constitutional Provision

4. Constitution of India is yet to recognize Social Security as a fundamental right. However, there are constitutional provisions for Right to an adequate means of livelihood. According to Article 39(a) and under Article 41 of the Constitution, it requires that the State should within the limits of its economic capacity make effective provision for securing the right to work, to education and to public assistance in case of unemployment, old age,

sickness and disablement. Article 42 requires that the State should make provision for securing just and human conditions of work and for maternity relief. Article 43 states that States shall endeavour to secure to all workers – agricultural, industrial or otherwise, a living wage, conditions of work, ensuring a decent standard of life. Article 47 requires that the State should raise the level of nutrition and the standard of living of its people and improvement of public health as among its primary duties.

Legislative Support

5. Presently, there are contributory and non-contributory social security laws in our country. The contributory laws are those which provide for financing of the Social Security programmes by contributions paid by workers and employers and in some cases supplemented by contribution / grants from the government. The important contributory schemes include the Employees State Insurance Act, 1948 and the Provident Fund, Pension and Deposit linked Insurance schemes framed under Employees Provident Funds and Miscellaneous Provisions Act, 1952. The major non-contributory laws are Workmen's Compensation Act, 1923, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. Because of the scattered and dispersed nature and high unemployment levels, the unorganized sector workers get low level of legislative protection.

Existing Social Security Schemes

6. The Social Security scheme in India cover only a very small segment of the organized work force. As per the Survey carried out by the National Sample Survey Organization in the year 1999-2000, the total employment both in the organized and unorganized in the country was in the order of 397 million. Out of this, 28 millions are in the organized sector and the balance 369 million in the unorganized sector. Only the organized sector workers are having the benefit of formal social security protection.

7. Our country, being the welfare State has taken upon extending various benefits of Social Security and Social Assistance to its workforce. The major Social Security mechanism are provided through – i) Workmen's Compensation Act, 1923; ii) Maternity Benefit Act, 1961; iii) Payment of Gratuity Act, 1972; iv) ESI Act, 1948; and v) EPF and M.P. Act, 1952. whereas the major Social Assistance are extended through – i) Welfare Funds of Mine Workers, Beedi Workers, Cine Workers and Construction Workers; ii) Welfare Fund of State Governments for the Unorganized Sector Workers; iii) Subsidized Insurance Scheme administered by LIC and GIC; iv) Other forms of Social Assistance like old age benefit.

maternity benefit, survivors benefit, assistance for employment, training, education, etc. being administered and financed departmentally. Programme specific details of Social Security measures as exist today in the organized and unorganized sectors are as follows:

Programmes in the Organized Sector

8. Our country has enforced a few national laws for extending certain mandatory benefits. While some of them like provident fund, pension, insurance, medical care and sickness benefits are contributory either by employees or by both employees and employers and sometimes supplemented by the Government; the others like employment injury benefit, gratuity, maternity benefit are purely non-contributory and met by the employers alone.

Programmes in the Un-organized Sector

9. The Social Security for the unorganized sector is being provided through centrally funded Social Assistance Programmes, Social Insurance Scheme, social assistance through welfare funds of Central and State Governments and public initiatives. The centrally funded Social Assistance programmes include a scheme called National Social Assistance Programme (NSAP) was launched through 3 Sub-schemes of - i) National Old Age Pension Scheme (NOAPS); ii) National Family Benefit Scheme; and iii) National Maternity Benefit Scheme. In providing social assistance benefits to poor households, NSAP supplements the efforts of the State Governments with the objective of ensuring minimum national levels of well-being. To ensure creation of adequate employment opportunities to provide social security to the people in the unorganized sector, NSAP also provides opportunities for linking social assistance package to schemes for poverty alleviation and provision of basic minimum services. In this direction, the important schemes being implemented by the Government are - Employment Assurance Scheme (EAS); Swaran Jayanti Gram Swarozgar Yojana (SGSY); Jawahar Gram Samridhi Yojana; etc.

Review of the Existing Programmes

10. Out of 397 million, only 28 million workforce enjoy worthwhile social security cover. Out of this, 25 million workers are covered by Employees Provident Fund (EPF) and the rest are covered either by Government or by Employees State Insurance Corporation (ESIC). This clearly brings out that about 90% of the workforce in the unorganized sector is unattended.

11. The Employees Provident Fund Act and Miscellaneous Provision (EPF & MP) Act, which was passed in 1952 is basically for security of workers. Presently, 3 schemes are in operation under the Act viz., i) The Employees Provident Fund Scheme, 1952; ii) The Employees Deposit Linked Insurance Scheme, 1976; and iii) Employees Pension Scheme, 1995. The Act initially apply to factories / establishments falling within 6 specified industries, which have completed 3 years of existence and employed 50 or more workers. The Act is now applicable to Factories / establishments engaged in 177 industries / establishments employing 20 or more workers. The wage ceiling for covering under Employees Provident Fund was enhanced from Rs. 5000 to 6500 per month. At the end of March, 2001, 3.26 lakh establishments with 24.53 million subscribers were covered under the Employees Provident Fund scheme. With the help of information technology, Employment Provident Fund Organization (EPFO) has taken up a very ambitious programme where they will use a smart card which will enable the subscriber to access to his account from any place of the country. Also, modernization of working facilities of EPFO and ESIC would help in a very big way in projecting a better image and confidence among the members.

12. Employees Deposit Linked Insurance Scheme, 1976, which came into force w.e.f. August, 1976. All the employers who are members of the Provident Fund are members of this scheme also. Under the scheme, employers are required to pay contribution to the Insurance Fund @ 0.5% of the pay of the employees. During 1999-2000, there were 2550 claims settled and an amount of Rs. 42.25 crore dispersed. The Employees Pension Scheme is compulsory for all the persons who were members of the Family Pension Scheme, 1971. It is also compulsory for the persons who have become members of the Provident Fund from 16-11-1995 i.e. the date of introduction of the scheme. As on 31-12-2000, there were 2,99,640 widows, 1,62,096 children, 2497 orphans and 3,78,349 retired persons getting pension under the scheme.

13. The ESI Act, which provides for health care and cash benefit in the cases of sickness, maternity and injury during the work period, is applicable to non-seasonal factories using power and employing 10 or more persons and non-power using factories and certain other establishments employing 20 or more persons. The Act is being implemented area-wise in a phased manner. The ESI scheme is operated in 655 Centres situated in 22 States/UTs. As on 31-3-2000 there are 8.60 million employees and 33.37 million beneficiaries are covered

under this scheme. The number of factories and establishments covered under the years has gone upto 2,25,076.

14. In the EPF & MP Act, there are constraints like wage ceiling limit, the threshold limit of employment, strength of the establishment and schedule of industries restrictions. In the case of Employees State Insurance scheme, also there is a wage ceiling limit as well as a cap on threshold of employment strength. Under the ESI Act, the responsibility for providing medical care is vested in with the respective State governments. The total expenditure incurred in administering the medical benefit in each State is shared by the respective State Govts. and respective Corporation in the ratio of 1:7. The Employees State Insurance Corporation (ESIC) has issued norms and guidelines both for staffing and equipping ESI hospitals under the scheme. Though the health delivery system is the responsibility of the State by way of ensuring availability of drugs, posting of specialists, medical officers and paramedical staff in the ESI hospitals, the health delivery system has been found unsatisfactory.

15. The effective implementation of social security law viz., Workmen's Compensation Act, 1923, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972 and Minimum Wages Act, 1948 would lead to improvement of standard of living of the workers. The benefits available under the Employees State Insurance Act and those available under Workmen's Compensation Act for compensation due to injury at work as well as under Maternity Benefit Act are similar. Implementation of Workmen's Compensation Act, Maternity Benefit Act and Payment of Gratuity Act are not satisfactory due to the reason that implementations are the responsibility of the employers and the process of getting redressal for the beneficiaries is too complex and time consuming, whereas under ESI Act, ESIC assumes responsibility for paying the benefit. In case of Payment of Gratuity Act, 1972, an amendment was made and a new Section 4(A) has been inserted to make it obligatory on the part of the employer to obtain an insurance against his liability for payment towards the gratuity under the Act from the Life Insurance Corporation of India. However, this provision has not been given due effect from the appropriate government. In the case of Workmen's Compensation Act, 1923, workers in remote areas find it difficult to approach the Workmen Compensation Commissioner because of their locations.

16. The unorganized sector workers which comprise 90% of the total workforce are engaged as agricultural labour, cultivators, small traders and hawkers, porters, auto rickshaw

drivers and other transport workers, etc. So far, an organized social sector coverage could not be extended to this sector because of their seasonal intermittent nature of work, low level irregular patterns of earning and employment, absence of employer-employee relationship and weak administrative structure at the rural areas. Under the Employees State Insurance Scheme and Employees Provident Fund Scheme, very small segment of workers in the unorganized sector workers are covered. Therefore, the huge gap in coverage in the unorganized sector would require a focused attention.

17. The Social Insurance Schemes available to the unorganized sector are operated through the LIC such as Social Security Group Insurance Scheme. All persons in the age group of 18 to 60 years belonging to the 24 approved occupation groups i.e. Beedi Workers, Brick-Kiln Workers, Carpenters, Cobblers, Fishermen, Hamals, Handicraft Artisans, Handloom Weavers, Handloom & Khadi Weavers, Lady Tailors, Leather & Tannery Workers, Papad Workers attached to SEWA, Physically Handicapped Self-employed persons, Primary Milk Producers, Rickshaw Pullers/Auto Drivers, Safai Karmcharis, Salt Growers, Tendu Leaf Collections, Urban Poor, Forest Workers, Sericulture, Toddy Tappers, Power-loom Workers, Women in Remote Rural Hilly Areas. The premium under the Social Security Group Insurance Scheme is Rs. 10 per thousand sum assured, of which 50% is paid out of Social Security Fund and rest 50% is paid by the beneficiaries or the nodal agency. The benefits available include payment of Rs. 25,000 in case of death or permanent total disability or loss of limbs and Rs. 12,500 in case of loss of one eye or one limb in an accident. During 1998-99, 1.28 lakh new lives were covered and 47.72 lakh lives covered earlier were renewed under the Social Security Group Insurance Scheme.

18. At present, to provide social security to some of the unorganized sector workers, welfare funds for various target groups have been set up by the government without burden on the budget. The Central Government through the Ministry of Labour, also operates at present Five Welfare Funds for Beedi workers, Limestone & Dolomite Mine workers, Iron ore, Chrome ore & Manganese Ore Mine workers, Mica Mine workers, Cine workers. These welfare funds have been developed by way of collecting Cess from the persons who are selling the finished products. This type of welfare funds provide a good model for extending benefits to other areas like fish processing workers, salt workers etc. In respect of handloom workers, Ministry of Textiles extends financial assistance to handloom weavers and artisans under a Central Plan Scheme, the work shed-cum-housing scheme which is having subsidy, loan and beneficiaries contribution component. However, there is a need to take stock of the existing scheme and to ensure that some element of social security is brought for this group.

19. To extend social security to the rickshaw pullers in Jaipur, an experiment has been carried out by ESIC and if it gets successful, throughout the country this group can get benefit. In addition to the Central Govt., a number of State Govts. have also taken several initiatives to extend social security for unorganized sectors. Recently, the Government of West Bengal introduced State Assisted Scheme of Provident Fund for Unorganized Workers (SASPFUW). The scheme covers all wage employed and self-employed workers between the age of 18 to 55 years in the unorganized sector having an average family income of not more than Rs. 6500 per month. Each subscriber workers contribute a sum of Rs. 20 per month and equal matching amount contributed by the State Government. Similarly, the Govt. of Punjab has been implementing a Social Security scheme for farmers and labourers in case of death or injury on duty. To extend social security cover to manual worker, auto-rickshaws, washermen, tailoring workers, handcraft workers etc. the Govt. of Tamil Nadu has introduced a new Social Security and Welfare Scheme-2001. In addition to Governmental efforts, several public institutions and agencies are also providing various kinds of social security benefits to the selected groups of workers. Two of the outstanding examples are those of Self-Employed Women's Association (SEWA) and the Mathadi Workers Board in Maharashtra. These are some of the attempts where funds are being collected from outside the budgetary system for extending social security measures to unorganized sectors.

20. To provide Social Security to the Agricultural workers, the Government of India has launched a scheme viz. Krishi Shramik Samajik Suraksha Yojana, 2001 through the Life Insurance Corporation of India. This scheme envisage to cover 20,000 agricultural labourers from each of the selected 50 blocks/districts, taking at least one from each State over a period of 3 years during the first phase. The benefits available under the scheme include Life-cum-Accident Insurance, Money-back and the superannuation benefit.

21. A sizeable number of workers engaged by various contractors for the purpose of loading/unloading, receiving canteen facilities, doing cleaning and sweeping of the premises, rendering security services etc. have been removed out of the ambit of the ESI scheme on the ground that they are working in premises which are not covered by ESI scheme such as Railway stations, harbours, point tourists etc. Steps should be taken to assess these number and to implement the various social security schemes in such areas so that these contract workers are able to receive social security benefits.

22. At present, the money spent for the Social Security is very low. According to World Labour Report of 2000, expenditure on social security in India was 1.8% of GDP in 1996. Corresponding figures in other countries was - Sri Lanka 4.7%, China 3.6%, Malaysia 2.9%, Argentina 12.4% and Brazil 12.2%. This clearly indicates that whether it is organized or unorganized sector, focus attention has not been given. For e.g. there is no budgetary support from the budget for running ESIC. Even for EPFO, the Government's contribution of 1.16% is being met from the Non Plan only. At present, the Non-plan provision for this purpose is Rs. 600 crore, which is insufficient to cover all. Therefore, due to resource constraints, it is becoming difficult to enlarge the scope of this scheme. In view of this, it is desirable that to cover larger section of workers, plan funds may be provided to the EPFO subject to the availability of resources.

Tenth Plan Approach and Strategy

23. While the efforts made through earlier plans to extend the coverage of social security through various Acts and laws as well as through programmes viz. Social Insurance schemes, Centrally Funded Social Assistance Programmes, Social Welfare Funds, etc., would be consolidated, the approach of the Tenth Plan would be to provide social security to the organized as well as the unorganized sector workers on self-sustaining and self-financing basis without putting any additional pressure on the budget of the government. In this direction, Social security measures in association with Self-help Groups, Non-government Organizations, would be encouraged.

24. The agenda of liberalization and globalization adopted by our country over the last one decade underscore the need for comprehensive social security policy for a large section of the society including specific vulnerable groups like the aged, women, the disabled, tribal and scheduled caste. To provide social security cover to these vulnerable groups, the approach would be to integrate and converge the services of the existing schemes and projects of various Ministries and Departments. To extend protection from illness, injury at the time of work and pension, basic minimum social security cover would be given in accordance with the availability of resources

25. An approach to the challenge of closing the coverage gap in social security provisions has to be developed at two levels. In order to remove existing inefficiencies, redundancies and existing gaps and weaknesses, the first level approach would be to strengthen the institutional arrangement in the organized sector. The second level would be to create a

legislative and administrative frame work for significant penetration of social security cover in the unorganized sector. In this regard the strategy would be to motivate and encourage the State Governments for formulating and implementing schemes and programmes targeted to certain occupational groups in the unorganized sector as per their requirement and without putting any additional pressure on the budget.

26. In order to extend wider coverage of social security measures of the unorganized sector workers, the strategy would be to encourage the Cooperatives, Self-help Groups, Mutual Benefit Association set up, managed and financed by the occupational groups / workers of unorganized sectors and voluntary health insurance and pension scheme. Also focused attention would be paid towards alternative income generating activities with provision of credit arrangement for supply of raw materials, etc.

27. Awareness generation campaigns and dissemination of information to unorganized workers would be strengthened. To improve the efficiency of delivery mechanism of existing programmes to reach the workers in the unorganized sector, local institutions like Panchayati-Raj Institutions, Civic Bodies, Municipalities would be involved for monitoring the social security programmes.

28. Keeping in view the above broad approaches for the social security measures for organized and unorganized sector workers, the Steering Committee recommends the following :

Recommendations.

Common to both Organized and Unorganized Sectors

- *Considering the size of the massive workforce in the country, a Policy framework at the national level on the provisions of social security to different groups of workers and employees in the country may be formulated and adopted.*
- *The Minimum Wage Act may be amended enhancing the penalty so that the violation of the provisions under the Act is made costly to the employers. A national minimum wage be pursued. Further, procedure of this Act should be strictly adhered to.*
- *Presently, there are inter-state variations in the minimum wages. Even for the same occupations, variations in wages have been quite significant. To minimize such disparities, a National Policy on Minimum Wages may be evolved.*

- *The enforcement machinery in the Central and the State Governments may be strengthened and involvement of NGOs, Panchayati Raj Institutions and Cooperatives may be encouraged at the rural areas .*
- *To prevent exploitation of workers in the unorganized sector, awareness generation may be stepped up in close collaboration with the voluntary organizations, trade unions and other committed individuals. The work of awareness generation may be vigorously undertaken by the Central Board for Workers Education.*

Organized Sector

- *Employees Provident Fund Organization and the Employees Deposit Linked Insurance Scheme may be strengthened to improve its efficiency and performance and streamline its operation for better customer services.*
- *The delivery of services in Social Security instrument in Provident Fund and Employees State Insurance Scheme (ESIS) may be improved and expanded by adopting information and communication technology in the over all interests of the workers.*
- *To improve the health delivery system under ESIS, different options may be explored. Whenever necessary, collaboration with Private Sector for running hospitals may be considered.*

Unorganized Sector

- *Priority attention may be given to those Social Security cover for the unorganized sector which can look after medical care, accident benefits and old age pension and maternity benefit.*
- *Provident Fund Schemes and Employees State Insurance Schemes may be extended to the workers in the unorganized sector through innovative approaches that would cater to the requirements of the workers in local conditions.*
- *Innovative schemes under the Employees State Insurance Scheme may be launched on experimental basis targeting groups like rickshaw puller, auto rickshaw driver, head loader, etc.*
- *Emphasis may be given for the convergence of services for various social security measures undertaken by Ministries/Departments, in an integrated manner*
- *Community based and location specific social security measures may be encouraged through Self-Help Groups, Voluntary Organizations, Panchayati Raj Institutions, etc.*
- *Based on the experience of the existing welfare funds for Beedi, Mine and Cine workers, efforts may be made to constitute similar welfare funds for fish processing, salt workers, etc.*
- *In the case of Construction Workers Welfare Fund, in particular, only 2 States have taken steps to create welfare fund as per the Act. A small CSS be considered to motivate the States to set up such welfare funds for the construction workers.*

- *State Governments may be motivated and encouraged to formulate and implement social security schemes for the unorganized sector as per their requirements without putting burden on the budget.*
- *Concerted efforts may be made to enhance the coverage under National Social Assistance Programmes for providing old age pension, maternity and other benefits to the workers in the unorganized sector.*

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CHAPTER VII

LABOUR LAWS AND OTHER LABOUR REGULATIONS

Constitutional Framework

Labour is in the concurrent list of our Constitution allowing a limit autonomous to States to frame legislations for achieving their socio-economic objectives like employment generation. The Constitution of India contains reference to work in some articles relating to the Directive Principles of State Policies. These articles relate to rights to: adequate means of livelihood, equal pay for equal work, humane conditions of work, living wage and participation of workers in management. Taking cue from the Directive Principles, a system of protective labour legislation has been evolved. Most of the legislations are related to provide certain minimum standards of employment and social security to the working class. In plan after plan, labour laws were emphasized as the means of social justice to the working class.

2. To safeguard some of the fundamental rights with reference to work as mentioned in the Constitution, a number of labour laws has been enacted in India with their basis in the Directive Principle. Labour laws were expected to be supplemented by the instrumental role of an expanding labour bureaucracy. However, over the years, the employers and workers have reacted differently to these laws and it is bound to be so in the nature of things. The feeling is that while employers have taken labour laws as so many impediments to different management of activities, the working class have seemingly remained critical of the government for not going for enough enumerating their sufferings and improving their standard living. Often, this divergence of opinion has prevented clear thinking on the various issues. In that process, industry has failed to achieve the desired rate of growth.

Plan Dimensions

3. Reforms in the labour markets and especially labour laws must now be addressed urgently. Economists have long known that India's labour laws deny firms the flexibility they need to operate successfully in highly competitive markets. Enterprises do not have the flexibility to retrench labour or to close down a particular unit in the company in response to changing market conditions without getting prior government permission. The labour laws also specify the 'service rules' which govern employment and which cannot be changed very

easily. This can make it difficult even to re-deploy workers to different activities when needed.

4. The intention behind these laws was to protect employment. However, in trying to protect existing employment they actually discourage growth of new employment. This was less of a problem in earlier years, when the economy was closed and even domestic competition was limited, and the additional costs could simply be passed on to consumers in the form of higher prices. This is no longer possible in an open economy, especially one subject to strong competition from imports. Indian industry needs flexibility to deal with the new and much more competitive situation. They need flexibility to downsize when needed and also to restructure and reorganize business through sale acquisition and merger. The present labour laws are a serious impediment to this process. The resulting inflexibility discourages business from expanding freely, and also prevents restructuring which would improve efficiency and create a basis for future expansion of employment.

Implementation

5. The CLC(C) Organization also known as the Central Industrial Relation Machinery (CIRM) is responsible for prevention and settlement of industrial disputes and administration and enforcement of a number of enactments and rules framed there under in the industrial and other establishments for which the Central Government is the appropriate Government. The Important functions of CIRM are : i) Verification of Central Trade Union Organizations; ii) Enforcement of labour laws in organized sector; iii) Monitoring and reporting; and iv) Inspections.

6. Out of 50 labour related statutes enacted by the Central Government, there are 13 labour laws where Central Govt. is directly responsible for enforcement and in another 13 both Central and States are appropriate Governments. and for the rest, the State Governments. are solely responsible As regards the feasibility of implementing the labour laws (as per the terms of the reference of the Working Group) such as Factories Act, Industrial Disputes Act, Central Labour (R&A) Act, the Workmen's Compensation Act, ESI Act, Employees Provident fund Act, etc. it is noted that the Factories Act and the Workmen's Compensation Act are enforced exclusively by the State Governments. The Payment of Wages Act is also enforced by the State Governments except in respect of /Railways, mines, oilfields, Air Transport Services (ATS). Both the enactments in respect of Employees State Insurance (ESI) and Employees Provident Fund (EPF) Acts provide

creation of an autonomous agency for implementation and administration of the ESI and EPF. The power to enforce and administer provisions of these enactments is with the State Governments and the Autonomous Agencies, created by the statutes. In respect of Industrial Disputes Act, the Central Govt. has delegated its powers to the State Governments in respect of 133 industrial establishments. However, no such provision for delegation of power exists under the Contract Labour (Regulation and Abolition) Act. Various trade unions have endorsed the existing arrangement of administration and enforcement of labour laws in the central sphere establishments by the CIRM.

7. As regards the remaining enactments i.e. the Industrial Disputes Act and the Contract Labour (Regulation & Abolition) Act, it is stated that the Industrial Disputes Act contains a provision for delegation of power by the Central Government to the State Government. However, no such provision for delegation of power exists under the Contract Labour (Regulation & Abolition) Act. Thus, the Central Government has delegated its power to the State Governments under industrial Disputes Act in respect of 133 industrial establishments.

8. The State enforcement machinery is already over burdened since they have a huge number of establishments under them. In addition to industrial establishments the same State machinery also enforces laws pertaining to shops and establishments. The State Labour Departments and the officers have been entrusted with quasi-judicial work such as Presiding officers of Labour Courts, Commissioners for Workmen's Compensation, authorities under Payment of Wages Act and Minimum Wages Act, Registrar of trade unions, etc.

9. Although the Central Government has delegated its power to State Governments under Industrial Disputes Act in respect of about 133 industrial establishments, it has been observed that some State Governments namely, Maharashtra, Jharkhand etc. are not keen to exercise the power delegated to them under the Industrial Disputes Act. As a result CIRM officers are forced to handle the Industrial Disputes in respect of the establishments for which the power has been delegated to the State Governments. The existing arrangement of administration and enforcement of labour laws in the Central Sphere establishments by the Central Government i.e. LCIRM has proved to be quite useful. This has been endorsed by the trade union leaders of repute and CPSUs who are of the opinion that the quality of the

services rendered by CIRM is far superior to the quality of services rendered by any State Governments.

Review of Labour Laws

10. There are large numbers of legislations to cover the subject matter and over a period of time, depending upon the requirement, these legislations have been put in place. In the field of Industrial Relations, there are 3 major legislation viz. – i) Trade Unions Act, 1926; ii) Industrial Employment (Standing Orders) Act, 1946; and iii) Industrial Disputes Act, 1947. In relation to Wages, there are 4 legislation viz., - Payment of Wages Act 1936; Minimum Wages Act, 1948; Working Journalist (Fixation of Rates of Wages) Act, 1958, Payment of Bonus Act, 1965. In the case of working journalists, the Govt. has taken up the responsibility for fixing wages to the journalists and non-journalists under working journalists & other Newspaper Employees (conditions of service & miscellaneous provisions) Act, 1955. There are about 16 legislations specifying the working hour conditions of services and employment and they cover large variety of situation from plantation, mines, ports and docks, motor transport, beedi, shops and establishments, construction workers etc. Factories Act is a very important legislation which generally has maximum application to the length and breadth of industries in the country. This Act also lays down the safety requirements that need to be adhered to in the running of an industrial unit. In addition, there are 2 laws related to quality and empowerment of women, 2 laws related to deprived and disadvantaged sections of the society, 4 laws related to social security, 2 laws related to employment and training, 10 laws related to others and 9 laws related to labour welfare. The labour welfare laws mostly deal with certain welfare funds that have been put in place where some Cess is being collected and then utilized for the welfare of the workers without putting any burden on the government's budget.

11. As regards implementation of labour laws, it becomes difficult from the administrative point of view as both from the management side and workers side big demands are put forth that these laws are not being enforced properly. All these lead to a very complicated system and therefore, for effective enforcement, simplification of laws is needed.

12. While carrying out the amendments in various labour laws, requirement to comply with ILO conventions is also to be kept in view. India is a permanent and founding member of the ILO. Of the 184 ILO Conventions adopted so far, India has ratified as many as 39. There are

8 core Conventions identified by the ILO as part of the Declaration of Fundamental Principles and Rights at Work. Out of three 8 core Conventions India has ratified 4 relating to Forced Labour [Conventions No.29 & 105] and Equal Remunerations and Discrimination in Employment [Convention No.100 & 111]. Due to certain difficulties, The ratification of other 4 core Conventions namely, Child Labour (Convention No. 138 & 182) and Collective Bargaining & Freedom of Association (Convention No. 87 & 98) has not taken place so far. However, a significant progress has been made in respect of Convention No. 182 relating to worst form of child labour which would prohibit employment of children. These core conventions constitute one of the main components of decent work. The other components are safety at the workplace, employment generation and social security. In this background, India is coming in for intense pressure internationally to move forward towards ratification of the core Conventions and also take steps towards promotion of the decent work agenda. There is also an attempt in WTO to link trade with adherence to labour standards. For the present the question of up gradation of labour standards has been given to the ILO. In this regards India will be put to greater pressure in the coming years to come up with certain basic minimum levels of performance in relation to various components of the decent work agenda.

13. A number of laws has been enacted which need simplification. Keeping this in view, the GOI has constituted a Second National Commission on Labour and it is expected to give its report shortly. The first term of reference given to Commission is to review the existing law and rationalize them and suggest simplification wherever they require. The second important term of reference is to suggest umbrella legislation for unorganized sector for ensuring a certain minimum level of protection. The Commission has made extensive consultations with State Govt. and all the interested groups.

14. There is a great need to amend various labour laws as many of these laws have become very old and they may have served for a particular purpose when they were enacted. Keeping in view the fast changing environment taking place all over the world and in our country, they have to be amended. The Jain Commission set up in 1998 by the Government of India for review of administrative laws, suggested that amendments to 18 laws. Major Acts, viz., Factories Act 1948, ESI Act, 1948, Minimum Wage Act 1948, Payment of Wages Act, 1936, Contract Labour Regulation and Abolition Act, 1970, Industrial Dispute Act, 1947, the Bonded Labour System Act, 1976, the Equal Remuneration Act, 1976. need to be amended immediately pending the views of the second NCL.

15. Though the Small Scale Industries (SSIs) sector plays an important role in the economic development of the country and contributes significantly to its industrial output, employment and export, the various associations of SSIs are of the view that they are being unduly burdened with the maintenance of an unmanageable number of various forms and registers under different labour laws. In view of this, there is a need to evolve a different approach for the SSI as they are not in a position to undergo the process of so many inspections. The present inspection system is a big burden on the SSI, who does not have the capabilities to handle so many returns and inspectors. The inspection may be done only based on complaints. Some of the laws which can not be diluted, particularly, laws pertaining to safety of workers or payment of wages, a system of self certification may be considered to be introduced where units have to fill up simplified returns and system of random check should be evolved.

16. The Information Technology Sector and the Special Economic Zones (SEZs) are the fast growing sectors which have potential for further growth and investment. The growing demand is that the inspection procedure needs to be simplified, particularly, the IT Sector where people employed are fairly educated and large number of laws are not required. While simplification of the arrangements are required, it should be seen that SEZs are not completely exempted from the purview of Labour Laws. SEZs/EPZs have been set up as enclaves separated from domestic tariff area by fiscal areas with a view to provide internationally duty free environment for export production. This has created a competitive environment both quality-wise and price-wise in the international market.

17. The State Governments are coming forward to bring out amendments to many of the labour laws. They are demanding authorization to carry out amendments according to their specific requirements. As labour laws are in the concurrent list of Constitution of India, it may be appropriate to allow the State Governments to make amendments to the labour laws as per their requirements.

18. The National Renewal Fund (NRF) was created in 1992 with the objective of rehabilitating the VRS optees and to provide a safety network for such employees from the organized sector. The activities relating to retraining and redeployment of such employees were being administered by Dept. of Industrial Policy. Under NRF, Employees Assistance Centre was set up to provide counseling, retraining of rationalized workers to facilitate their deployment upto January, 2001. The number of workers counseled, number of workers

retrained and number of workers redeployed were 73194, 55374 and 19458 respectively. This position refers to the VRS optees in the organized sector comprising Central PSUs, State Sector PSUs and Private Sector Corporate bodies. Government has recently introduced Ashraya Bima Yojana under which it provides compensation upto 30% of the last pay drawn (annual pay) for a period of one year to workers who lose their jobs and drawing salary Rs. 10000 p.m. This would help the process of reforming and improving industrial relations.

19. The existing laws apply only to the organized sector labour force, which constitute only 8% of the total labour force, thus leaving behind as much as 92% of the labour population with no benefit from these laws. In fact these laws actually discourage the growth of high quality employment in the organized sector and to some extent are against the interest of those who are seeking employment.

Tenth Plan Approach and Strategy

20. Law has some purpose and it must serve its purpose. Besides, law is not only the reflection of the society but it also acts as its educator. In a dynamic society, law and the social institutions mutually react on each other. It is necessary to know how far law has served the purpose for which they were enacted. Being a progressive society, we must continuously engage itself in modifying the existing laws and incorporating new ones whenever such action is necessary. While these may provide protection to the existing labour force, the inflexibility of laws hinder new employment. Therefore, to achieve sustainable growth and higher employment, to make Indian industries efficient, cost-effective and internationally competent in the face of globalization process, we need to modernize our labour laws for the largest benefit of our economy. While carrying out the requisite amendment, adequate safety net for the workers for sustainable growth will have to be kept in mind.

21. To deal with problems of SSI Sector regarding maintenance of unmanageable number of various forms and registers under the different labour laws, the approach during the Tenth Plan would be to exempt it from the rigor of the various labour laws and make it vibrant and efficient. In this regard, efforts will be made to conduct proper orientation and training programmes for the officers of the labour law enforcement machinery and create a positive climate for growth in this sector.

22. The enforcement of various labour laws pertaining to SSI units falls under the jurisdiction of State Governments. The entire onus of compliance for furnishing the returns and inspections falls on the SSI entrepreneurs. Most of the SSI entrepreneurs cannot afford to engage a person exclusively for this purpose. Therefore, the present system may be replaced by a system of Self-Certification wherein returns submitted on various labour laws by SSI units may be treated as prima facie compliance. Alternatively, the approach may be to introduce a system of random inspection of certain percentage of units on annual basis with a well-defined criteria.

23. Labour laws are being implemented both by the Centre /State or by the State Govts. which have added to the dimension of labour law complexities. According to the situation and prevailing socio-economic conditions, the State Governments are in a better position to enforce the labour laws appropriately. Therefore, the approach of the Tenth Plan would be to authorize the State Governments to make amendments to the labour laws as per their requirements.

24. In view of the increasing industrial disputes, Industrial Tribunals or Labour Courts are over burdened and the desired results of resolving the disputes within a time frame are becoming difficult. In view of this, for speedy and timely disposal, the approach would be to set up Lok Adalats, wherever necessary. In addition, the concept of social dialogue would be introduced where all concerned can participate for a meaningful discussion and amicable solution to major problems/issues involved in labour market reforms.

25. Keeping in view the above broad approaches for the Labour Laws and Other Labour Regulations, the Steering Committee suggests the following recommendations :

Recommendation

- *In the interest of the larger benefit of the economy, labour laws are to be modernized through suitable amendments and make them more harmonious;*
- *As labour laws are in the concurrent list, the State Governments may be permitted to make amendments to the labour laws as per their requirement.*
- *While carrying out amendments, adequate safety net for the workers may be kept in mind.*
- *Scheme for pension and unemployment benefit for the unorganized sector workers may be considered to be formulated depending upon the availability of resources*

- *To avoid regulatory burden on small scale units, the present system for maintenance of various forms and registers under different labour laws may be replaced by a system of Self-Certification and treated as prima-facie compliance. In the case of default/misinformation, provision may be made for stringent punishment*
- *Inspection under the labour laws in SSI units may be conducted only on the basis of complaints by stake holder like workers, employer etc. or when absolutely essentially in the interest of safety of workers in industry.*
- *Routine and periodic inspections of Information Technology Establishments may not be necessary.*
- *Special Quasi-judicial Tribunals manned by Departmental officers of Labour Dept. may take up hearing of the disputes in the case of conciliation talks fails.*
- *Inspection of an establishment may be conducted at the level of an inspector. Superior officer can inspect the establishments only when there are complaints against inspection and where the question of safety of worker is involved.*
- *Evolve a scheme so as to pull a part of VRS ex-gratia received by such restructured employees to enable them to get regular monthly remuneration.*
- *Health, safety and welfare of the workers may be given due importance while reviewing the labour laws.*
- *With a view to have wider coverage including workers in State PSUs and Private Sector, National Renewal Fund may be reviewed.*
- *Amend Contract Labour Act to introduce greater flexibility in hiring labour, and at the same time assuring quality of employment.*

CHAPTER VIII

VULNERABLE GROUPS IN LABOUR FORCE

The unorganized sector which comprises 90% of the workforce has several vulnerable groups such as Child Labour, Bonded Labour and Migrant Labour, etc.. Migrant labourers are scattered, highly unorganized and prone to migration and on occasion they are compelled to work as bonded labours. This chapter deals with the magnitude of the problems, various on-going programmes and their gaps and weaknesses as well as approach and strategy to eliminate the Child Labour and Bonded Labour and also to improve the working conditions and other benefits of the migrant workers.

I. Child Labour

2. A working child is a child of age between 5 to 14 years who is doing labour either paid or unpaid and is kept working at any hour of the day within or outside the family, i.e. a child who is deprived of the right to education and childhood. In a stricter sense, those children who are, working in factories, workshops, establishments, mines and in the service sector such as domestic labour, paid or unpaid, are child labour. The most vulnerable among these children are those who work in hazardous activities.

3 The concern for children and the problem of child labour continue to pose challenges in our country. According to the 1991 census, the estimated figure of working children in our country was 11.28 million as against the 13.4 million in 1981 census. As per the 55th Round of NSSO Survey, the number of working children is 10.5 million. Although Government's interventions have been able to tackle the problem of child labour significantly, particularly, the organized sector, efforts are required to address the problem in the unorganized sectors. The State with the highest child labour population in the country is Andhra Pradesh, which according to the 1991 census had 1.66 million working children. Other States where the child labour population is more than one million are Madhya Pradesh, Maharashtra and Uttar Pradesh. More than 90% of child labour is engaged in rural areas, in agriculture and allied activities.

Constitutional Provision

4. There are Constitutional guarantee under Articles 24 and 39 and legal provisions under Child Labour (Prohibition and Regulation) Act, 1986 and various other Acts, such as the Factories Act, 1948; the Mines Act, 1951; the Beedi and Cigar Workers (Condition of Employment) Act, 1960 etc. to stop child work. However, for millions of working children, these Acts have no meaning. Acts and Directives already exist at present. Article 24 provides that children below the age of 14 years shall not be employed to work in any factory, mine or any other hazardous employment. Article 39 (i) lays down that no one would be forced by economic necessity to enter into a vocation unsuited to health or strength of a child. In spite of all these, children are employed in industries, which are legally prohibited to employ children. The real issue is implementation of various Acts. At present, there is no need for any further enactment on Child Labour.

Programmes for Rehabilitation

5. The programme continuing for rehabilitation of child labour is the National Child Labour Project (NCLP). This followed from a National Policy on Child Labour announced in 1987. The action plan under the National child Labour Policy comprises:

- (i) A legislative action plan;
- (ii) Focusing of general development programmes for benefiting children wherever possible; and
- (iii) Project based action plans in areas of higher concentration of child labour engaged in wage/quasi-wage employment.

6. Accordingly, the scheme of NCLP was formed in 1988 for rehabilitation of child labour a few hazardous industries like carpet industry, lock industry etc. The Cabinet approved NCLP on 25.1.99 and permitted the Ministry of Labour to expand the existing number of projects up to 100.

7. As a follow up, a series of steps have been taken by the Government. A high powered body, the National Authority for the Elimination of Child Labour (NAECL) was constituted on 26th September, 1994 under the Chairmanship of Labour Minister. The functions of NAECL are: -

- (i) to lay down policies and programmes for elimination of child labour particularly in hazardous industries;
- (ii) to monitor the progress of implementation of programmes, projects and schemes for elimination of child labour;
- (iii) to coordinate implementation of child labour related projects of the various sister Ministries of the Government of India (to ensure convergence of services for the benefit of the families of child labour).

8. Secretaries to Government of India in the Ministry of labour, Information & Broadcasting, Welfare, Rural Development, Textiles and the Departments of Expenditure, Education, Health, Family Welfare and Women & Child Development are the members of the National Authority for the Elimination of Child Labour. The NAECL in their meeting on 16th January, 1995 adopted a programme of securing convergence of services of the Ministries of Government of India and Departments of the State Governments which implement child related programmes at the national, state and field levels. The purpose of securing convergence of services is to provide education, health, and other inputs to children taken out of schools in a cost effective manner by pooling the resources of various ministries.

9. A major activity undertaken under this scheme is the establishment of special schools to provide non-formal education, vocational training, supplementary nutrition, stipend, health care, etc. to children withdrawn from employment. The broad features of the revised scheme are given below:

- i) Child Labour Rehabilitation-Cum-Welfare Centres- These centres act as a bridge institution to enable children withdrawn from work to join mainstream education.
- ii) Awareness Generation - A sustained awareness generation campaign will continue.
- iii) Convergence of Services - Benefits available to poor parents of working children from all other scheme should be converged.

10. Under the scheme, target groups are the children below 14 years of age and working in occupations/processes listed in the schedule to the Child Labour (Prohibition & Regulation) Act; or occupation which adversely affects their health and psyche. In the later category, the hazardous nature of the employment for the children should be reasonably established.

Review of Existing Policy and Programmes

11. As a follow up, a series of steps were taken by the Government including setting up a National Authority for Elimination of Child Labour and sanctioning 64 additional area based projects (in addition to 12 continuing project) under the scheme of NCLP. As on date, there are 100 National Child Labour Projects in 13 child labour endemic states for rehabilitation of about 2.13 lakh working children.

12. Apart from NCLP, the Government has been implementing a Grant-in-aid scheme for assisting NGOs/voluntary organisation for taking up action-oriented programmes in the field of child labour since 1979-80. Under the scheme voluntary agencies are given financial assistance directly by the Ministry of Labour to the extent of 75% of the project cost for the rehabilitation of working children.

13. The main thrust of the National Child Labour Project is to reduce the incidence of child labour in the project areas, thereby, encouraging the progressive and sequential elimination of child labour. It was envisaged that the project activities would include:

- Stepping up enforcement of child labour laws
- Non-formal education
- Income and employment generation
- Raising public awareness, and
- Survey and evaluation

14. In terms of operationalisation of the projects, the main objective of the National Child Labour Project was to withdraw children working in hazardous occupations and reducing the incidence of child labour in areas of known concentration of child labour. It was envisaged that all children withdrawn from work would be put into NCLP rehabilitation schools/centers for a maximum period of three years and thereafter mainstreamed into the formal primary school system.

15. Under the Grant-in-Aid scheme, Voluntary Organisations are being financially assisted to the extent of 75% of the project cost for taking up welfare projects for rehabilitation of working children. The projects are monitored through field visits, periodic reports, etc.. The National Resource Centre on Child Labour set up in V.V. Giri National Labour Institute in Noida, UP in March, 1993, continued to extend support to create data bank on child labour, research and training, documentation, media management and technical support, etc

16. In addition, India is participating in the ILO's International Programme for the Elimination of Child Labour (IPEC). Altogether 165 action programmes have been taken up for implementation under IPEC during 1992-2001. While the programme initially focused on small initiatives through NGOs and other social partners, an area based approach through the National Child Labour Project (NCL) is being implemented. The long-term objective of the IPEC is to contribute to the effective abolition of child labour through enhancement of the capability of ILO constituents and non-government organizations to design, implement and evaluate programmes as well as to create awareness and social mobilization for securing elimination of child labour.

17. Existing Gaps and Weaknesses

- i) 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.
- ii) A scheme like National Child Labour Project (NCLP) cannot solve all the problems relating to child labour. The basic solution lies in education for all the children
- iii) 83rd Constitutional Amendment Act is still in the Bill form. Only upto 81st Amendment is passed into Acts. This 83rd Bill is relating to compulsory education as mentioned in Directive Principles. The Bill seeks provision of compulsory education at the age of 6-14 years for all (primary education).
- iv) Poverty has been identified as a major factor compelling parents to send their children to work. An integrated approach, which is needed to tackle the problem, is almost absent.
- vi) Lack of awareness and educational opportunities and ineffective enforcement of child labour related laws has failed to combat the problem as envisaged in the Policy.

Tenth Plan Approach and Strategy

18. To eliminate the problem of child labour while policies and programmes initiated during the previous Plans, particularly, during the Ninth Plan would be continued in a more focused and holistic manner, the approach for the Tenth Plan would be universalization of primary education thereby reducing the occurrence of child labour. Also, effective implementation of minimum wages would be ensured. In addition to the universalization of primary education, an effective area-based methodology for pre-vocational education would be worked out and the existing technical training institutions would be utilized to impart vocational skills to all students before they attain 14 years of age. To achieve this, an appropriate area-based

curricula for pre-vocational / skill training in the NCLP schools would be adopted / developed.

19. To eradicate the child labour from the hazardous occupation and progressively move towards complete elimination of child labour, the strategy would be to effectively implement the existing scheme of National Child Labour Project. In order to formulate suitable project as well as strengthen the on-going projects, a continuous survey would be carried out to assess the number of working children including those who are working in hazardous occupations and children working for a wage.

20. At present there is no legislation for compulsory education in our country. Further, the quality of school available for children, particularly, schools in villages are in poor condition and most of the buildings are in a very dilapidated condition with no provision for drinking water etc. The strategy during the Tenth Five Year Plan would be focused on improvement of schooling, adult wages, poverty reduction, etc. Also complimentary strategies and involvement of all sections of society i.e. Government, Non Governmental Organizations, Trade Unions, Media, employer's organization, etc. would be pursued.

21. To ensure that the project is able to attain objectives within the time frame, an effective monitoring system would be established. Utmost effort would be made to effectively implement the Child Labour Act by propagating strong awareness generation programmes at various levels, particularly, in rural areas and urban slums.

22. Keeping in view of the above broad approaches for elimination of child labour, the Steering Committee recommends the following:

Recommendations

I. Central Plan

- *As NCLP is the back-bone for elimination of child labour activities, an effective convergence may be established with the schemes of Dept. of Education, Rural Development, Ministry of Social Justice & Empowerment and other related programmes of various Ministries / Departments.*
- *The NCLPs may be expanded to cover all child labour endemic districts.*
- *The NCLP Society may be made more broad based to include representatives of employers, Trade Unions, all concerned Government Departments – Education, Rural Development, Health, social welfare and Non-governmental Organisations with an effective grass root presence. The meetings of the NCLP society may be held at least once in every quarter.*

- *During the Tenth Five Year Plan, the NCPL may be continued with the target to eliminate child labour from hazardous occupations by 2005.*
- *To ensure effective delivery in a time bound manner, focus may be given on important components of the project.*
- *NCLP schools / centers may attempt to target only those children who have been withdrawn from hazardous occupations in the age of 9 to 14 years.*
- *The District Administration may ensure that children from NCLP schools are given priority in admission to Government run schools as soon as they are ready to take the examination.*
- *The Project Society may maintain complete details of the children mainstreamed to formal schools and those who have joined the vocational programmes after completing their education in the NCLP centers.*
- *NCLP center may provide a nutritious cooked Mid Day Meal to all children, which should be better than the normal schools. The amount currently provided for nutrition needs to be up scaled. The helper provided for each center could be used for cooking/serving the meal in addition to the regular duties.*
- *To ensure that the project is able to attain its objectives within the given period, an effective monitoring system may be established.*
- *To avoid children entering the workforce and to encourage them to go to school, awareness generation through print media, electronic media, etc. may be given top priority.*
- *Necessary steps at the Centre / State level may be taken to free all the districts hazardous occupation from child labour.*
- *To facilitate concerted action by all concerned, Union Ministry of Labour may identify and announce for each year of Tenth Plan, the names of districts which may be declared, as having all children working in hazardous occupation at home or elsewhere, placed in school*

II. State Plan

- *At present, there is no effort from the States / UTs regarding elimination of child labour. To motivate the States / UTs, a CSS on Child Labour may be considered*

II. Bonded Labour

23. The system of debt bondage in India is an outcome of certain categories of indebtedness, which are prevailing since long involving certain economically exploited, helpless and weaker sections of the society. The system of bonded labour originated from the

uneven social structure characterized by feudal and semi-feudal conditions. Bonded labourers constitute the most vulnerable section of rural poor.

Constitutional provisions

24. The constitution of India guarantees all its citizens – justice, social, economic and political freedom of thought, expression, belief, faith and worship, equity of status and opportunity and fraternity. Under Article 23 of the Constitution, Traffic in human beings and other similar forms of forced labour are prohibited and any contravention of this provision, shall be an offence, punishable in accordance with the law. Under the Bonded Labour System (Abolition) Act, 1976, identification and release of bonded labourers and rehabilitation of freed bonded labourers is the direct responsibility of the State Government concerned. The Act does away with every obligation of the bonded labourer to repay any bonded debt; and also dispenses with future liability of repaying a bonded debt.

Programmes for Rehabilitation

25. To assist the States for rehabilitation of released bonded labourers, a Centrally Sponsored Scheme (50:50 basis) viz. Rehabilitation of Bonded Labour is in operation since 1978. Over the year, the scheme has undergone a lot of qualitative changes from time to time, and procedures for operating the scheme have been simplified. The rehabilitation assistance has been enhanced to Rs. 20,000/- for bonded labourer w.e.f. May, 2000 and in the case of 7 North Eastern States, the assistance is upto 100%. Under the modified scheme, provision has been made for grant to the State Govt. for conducting district-wise survey, evaluatory studies, awareness generation activities, monitoring and review of implementation of the Bonded Labour System (Abolition) Act, 1976.

26. The existing scheme for rehabilitation of bonded labourers which was modified in May 2000 to enlarge its scope for covering activities relating to survey of bonded labourers, awareness generation and evaluation studies, would continue during the 10th Five Year Plan. The task of identification, release and rehabilitation of the freed bonded labourers has to be simultaneous. The Panchayati Raj institutions would need to be actively involved in rehabilitation efforts. The rehabilitation programme should be such as to meet the need of the whole family, integrating the poverty alleviation and employment generation programmes. The rehabilitation programmes need to be effective, multi-dimensional covering a wide range of items such as:

- Allotment of homestead and agricultural land
- Provision of low cost dwelling units

- Provision of input and back-up services for agricultural and allied activities
- Easy access to credit for meeting ceremonial, consumption and developmental needs.

Review of Existing Policy and Programmes

27. Since the enactment of Bonded Labour System (Abolition) Act, 1976, as many as 2,80,411 bonded labourers have been identified upto March, 2001 in 13 States. Out of these, 2,56,825 bonded labourers have reportedly been rehabilitated by the State Governments under the Centrally Sponsored Scheme. All concerned State Governments have Constituted Vigilance Committees which are meeting periodically as per Section 13 of the Bonded Labour System (Abolition) Act, 1976.

28. The implementation of the Bonded Labour System (Abolition) Act, 1976 and Centrally Sponsored Scheme for Rehabilitation of Bonded Labour are being monitored by the Central Government. A compendium of Guidelines and instructions for identification, release and rehabilitation of bonded labour have been issued to the State Governments for their guidance. It has been emphasized that the rehabilitation process should have 2 components – i) Psychological rehabilitation; ii) Physical and economic rehabilitation. In so far as psychological rehabilitation is concerned, the released bonded labourers, who had been used to the world of domination and bondage, need to be made aware / educated and assured that they are entitled to earn their economic livelihood and decent living. To pull the resources for meaningful rehabilitation of bonded labourer, the State Govts. have been advised to integrate and dovetail the Centrally Sponsored Scheme for rehabilitation of bonded labourer with other on-going poverty alleviation scheme Swaran Jayanti Swa Rojgar Yojana (SJSRY), Special Component Plan for Scheduled Caste, Tribal Sub-plan etc.

29. Existing Gaps & weaknesses

- i) The Bonded Labour System (Abolition) Act, 1976 do not have any provision relating to identification of bonded labourers. Acts and Rules are silent on the methodology for conducting surveys for identification of bonded labour system. As a result, the State Governments are following an approach according to their conditions.
- ii) Vigilance Committees in District and Sub-Division in various States have not been reconstituted.
- iii) The long term solution to complete eradication of bonded labour system is linked with effective steps to eradicate poverty in the country. However, there is no

coordinated effort amongst the various Depts / Ministries in the State/Central Government to implement the poverty alleviation programme effectively.

- iv) There is no arrangement to rehabilitate migrant workers, who are identified as bonded labourers.
- v) Infrastructure at the village level is highly inadequate to deal with the implementation of asset based programmes. Rehabilitation effort can not be successful in the absence of proper infrastructure and with the existence of the net work of mal-functional middle-man who operates like parasites to take away the fruits and benefits of rehabilitation to their advantage.
- vi) The freed bonded labour who come from the lowest strata of the society and represent the extremes of poverty and destitution are unable to exercise the choice of a particular scheme, which may be more suitable for his economic independence and livelihood.
- vii) To with-stand the organized on-slaughts against bonded labour, community approach to rehabilitation is absent in the present scheme

Tenth Plan Approach & Strategy

30. While the strategy for effective implementation of the Bonded Labour (Abolition) System Act, 1976 and Centrally Sponsored Scheme for Rehabilitation of the Bonded Labour would be continued to be implemented effectively, the Tenth Plan Approach would be to enlarge the scope for covering activities relating to survey of bonded labourers, awareness generation and evaluation studies. The scheme for Rehabilitation would be taken up in consultation with the beneficiary. Effective management of the project and training programme would be encouraged to be implemented through the self-help groups comprised of beneficiaries.

31. Priority would be given to identify the drought prone and poverty stricken areas where the incidence of bonded labour system had taken place. Also, a survey would be undertaken on selective basis to identify the bonded labour system. Special efforts should be made to rehabilitate these labourers on priority basis and remove the general economic backwardness of such areas by focused integration on various ongoing plan programmes through inter-Ministerial / Departmental coordination and convergence of services.

32. The institutional mechanism in the shape of Vigilance Committee is important. The Vigilance Committee would be improved to make it broad-based so as to boost up its effectiveness. To ensure the proper functioning, all Vigilance Committees would be

reconstituted by inducting a few thinking and progressive minded individuals as well as representatives from Trade Union organizations and local NGOs.

33. To ascertain the actual figure of bonded labour, the strategy would be to undertake a comprehensive survey using valid statistical methodology to identify the bonded labour system on regular basis in all the sensitive districts. The bonded labour so identified would be released and rehabilitated on priority basis. Besides special efforts would be made to remove the general economic backwardness of such area by focused integration of various ongoing plan programmes. The scheme for bonded labour needs to be well implemented and if need be, reformulated.

34. Keeping in view the above broad approaches for rehabilitation of bonded labour, the Steering Committee recommends the following:

Recommendations

- *The effectiveness of the Bonded Labour Act primarily depends upon the identification of bonded labourers. Except in terms of the functions of the Vigilance Committee, there is no inherent provision in the Act to force identification of bonded labourer. Therefore, the institutional mechanism in the shape of Vigilance Committee would improve considerably if these bodies were broad based. Accordingly, it would be appropriate to induct a few right thinking and progressive minded individuals including representatives from trade union organizations and local NGOs as co-opted members in these committees. In order to ensure their proper functioning, all Vigilance Committees should be reconstituted once in two years.*
- *Complete documentation of all bonded labourers identified and released, as also those who have been fully rehabilitated and who are awaiting rehabilitation is necessary. This is particularly important in the case of migrant bonded labourers, who on their identification are in some cases repatriated to their home state. On their repatriation, their name may be included in the list of released bonded labourers being maintained in the home state, so that necessary follow up action can be taken for their rehabilitation & as the feed back to improve design of the Centrally Sponsored Scheme.*
- *The formal credit delivery system has not been able to keep pace with the actual demand for small credit. Therefore, the micro credit, which provides a broad range of financial services such as deposits, loans, repayment services, money transfer and insurance to poor and low income house holds including micro enterprises, has been considered as an effective and viable tool for eradication of poverty as also for elimination of debt bondage. In this regard, the State can take the primary initiative by enlisting the involvement and support of reliable and committed NGOs and providing a conducive environment to the self help groups.*
- *There is a need for strengthening and activating the machinery for ventilation and redressal of grievances of the aggrieved. The Camp Approach adopted by the Government of Rajasthan in 1980s was an excellent example of a proper mechanism*

and procedure for ventilation and redressal of complaints by an aggrieved person in a totally open and transparent manner. Such an approach may be revived and applied all over the country. There is a need for continuous surveillance over the functioning of such mechanisms at appropriate levels.

- *Priority may be given in developmental efforts to the pockets in different parts of the country which are dry, drought prone and poverty stricken, prone to other natural calamities, migration, indebtedness and from where the incidence of bonded labour system have been reported on one time or the other.*
- *Locational differentiation in design and implementation of Centrally Sponsored Scheme may, therefore, be necessary.*
- *The existing Centrally Sponsored Scheme of Rehabilitation of Bonded Labour should continue in the Tenth Plan.*
- *To assess the progress and effectiveness of the implementation of Rehabilitation of the Bonded Labour scheme, the Ministry of Labour may carry out evaluation through leading socio-economic research establishments viz. Programme Evaluation Organization, Planning Commission, Indian Institute of Public Administration, NCAER, etc. and also through the State Governments.*
- *The Central Government may take up awareness generation programme for familiarization, orientation and sensitization of functionaries dealing with the identification, release and rehabilitation of bonded labour at all levels through periodic training programmes / workshops*

III. Migrant Labour:

35. The concern for vulnerable condition of migrant labour continues to pose challenges before the developing nations including India. Labour migration affects the socio-economic development of the country. Migrant labourers are marginalized landless farmers who leave rural areas to come to urban cities to get work. They are deprived section of the economy and needs attention.

Magnitude of Migration

36. Migration has been a regular phenomena in recent times involving people within a given geographical area or beyond the boundaries of a State or nation. According to 1961 Census, 144.8 million persons were enumerated at places other than their birth places. 1971 Census 166.8 million persons were counted as migrants. The number of migrant labour during 1981 Census, rose to 204.2 million. According to 1991 Census 226 million persons have changed their places of residence within the country. According to National Commission on Rural Labour (1991) there are more than 10 million circular migrants in the rural areas alone out of which, 4 million are inter-state migrants and 6 million are intra-state.

Existing Legislation

37. The Inter-State Migrant Workmen (ISMW) (Regulation of Employment and Condition of Service) Act, 1979 is the existing Legislation. The Act aims at regulating the employment of Inter-State Migrant Workmen and to provide for their conditions of services and other related matters. It applies to every establishment in which 5 or more inter-state migrant workmen are employed or were employed on any day of the preceding 12 months and to every contractor who employs or who employed 5 or more inter-state migrant workmen on any day of the preceding 12 months.

Principal steps being taken through planning process

38. Presently there is no scheme for the benefit of migrant labour. However, the Migration Act which safeguard the interest of the migrant labour is being implemented effectively. The responsibility for enforcement of the provisions of the Act in establishment where the Central Government is the appropriate government lies with the Office of the Chief Labour Commissioner (Central) and the responsibility for enforcement of the provisions of the Act in establishments located under the State sphere lies with the respective State governments.

Tenth Plan Approach & Strategy

39. To reduce the vulnerability of the migrant labourers and protect them from conditions of extreme exploitation, the Tenth Plan approach would be to tackle the problem through a multi-dimensional course of action like effective implementation of various employment generation rural development programmes, provision of improved infrastructure facility, land reforms, universalization of education, etc.

40. Key actions are required both at the destination as well as at the point of origin of migration in order to reduce vulnerability and increase the capacities of the targeted social groups. During the Tenth Plan, concerted efforts would be made to generate data base of migrant workers

41. Most of the migrant workers being poor and illiterate are not aware of their rights under the law. The vast majority of migrants do not obtain adequate shelter or even toilet facilities. They do not have the access to the Public Distribution System and other municipal services. Lack of information about labour market conditions and the basic rights as per the

provision of the constitutions lead them to more vulnerable. To deal with such problems the strategy would be to create strong awareness generation amongst the migrant labourers and ensure effective implementation of the Inter-State Migrant Workmen Act, 1979.

42. Keeping in view of the above broad approaches for migrant labour, the Steering Committee recommends the following :

Recommendations

- *The first and foremost requirement for effective action lies in the creation of a reliable information system for labour migration, as macro level data is often inadequate to capture the flow and pattern of migration. Apart from estimating the magnitude of migration, the database may cover the vital aspects like: causes of migration; processes of recruitment; occupational profile of migrants; working and living conditions of migrant workers; skill profile of migrants; expenditure and remittance patterns of migrant workers; status of enforcement of legislations like the Minimum Wages Act, Equal enumeration Act etc. Initially such survey may be undertaken in the major lending and borrowing districts in the States and thereafter in other districts during the Tenth Plan.*
- *Awareness generation programme on the need to provide equal treatment to migrant workers may be taken to protect the interests of migrant workers. This will include incentive to the NGOs and Trade Unions to focus attention on migrant workers' problem at the destination. The Government may provide financial assistance to the State Governments, Trade Unions, NGOs and other agencies to organize awareness camps in the areas of origin and destination of migrant workers so that they are familiar with various labour laws and protection available to them. A scheme may be prepared and some provision may be kept for this purpose during the Tenth Plan. Concerted efforts may be made more vigorously towards enforcement of ISMW Act, 1979 so that the interests of the migrant workers are protected.*
- *Emphasis may be made for creation of awareness generation regarding the social and living conditions of migrants in various parts of the country, particularly, to those origin districts from where most migration takes place.*
- *Key actions are required both at the destination as well as at the point of origin of migration in order to reduce vulnerability and increase the capacities of the targeted social groups. During the 10th Plan, concerted efforts may be made to generate database of migrant workers, generate awareness among the workers about the legal and other measures available to them.*

IV. Building and Other Construction Workers

Magnitude of Construction Workers

43. The construction workers constitute the second largest category of workers in the unorganized sector. As per the estimates of National Sample Survey (1999-2000), there are more than 17.62 million building and other construction workers in India. A large number of multi-national, national and local companies are employing lakhs of workers in construction and allied activities like white washing, painting, plumbing and fixing of electrical fixtures.

Present Scenario

44. The environment of construction is subjected to vagaries of nature such as rains, floods, elevations and depressions, uncertainties of geological and soil conditions and exposure to extreme temperatures and weather. Construction jobs are highly labour-intensive and also highly mechanized. The entire activity is mobile, seasonal, intermittent and mostly inter-connected. The completion period of projects ranges widely and calls for engagement of labour from various trades, skills and professions. The duration of employment, quantum of work (work pressure) and arduousness differ from one extreme to another.

45. Construction labour is basically unskilled, more often than not, migrant with high turnover and frequently seasonal, drawn from agriculture. The workers are usually socially backward and uneducated with low bargaining power. One of the major features of construction industry is that it is prone to risks of accidents. Although it is difficult to obtain accurate statistics due to non-detection and non-reporting, the number of such accidents in most countries frequently exceeds in manufacturing industry. Factors contributing to this include:

- The high proportion of small firms and of self employed workers;
- The variety and comparatively short-life of construction sites;
- The high turnover of workers;
- The large numbers of seasonal and migrant workers many of whom are unfamiliar with construction processes;
- Exposure to the vagaries of the weather;
- Too many different trades and occupation

Existing Legislation

46. Although, the provisions of various labour laws i.e. the Workmen's Compensation Act, 1923, the Contract Labour (Regulation & Abolition) Act, 1970 and the Inter-State

Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979, Minimum Wages Act, 1948, Industrial Disputes Act, 1947 etc. are applicable to the building and other construction workers, two more Central legislations viz., i) the Building and other Construction Workers (Regulation of Employment and conditions of Service) Act, 1996; and ii) The Building and Other Construction Workers' Welfare Cess Act, 1996, were enacted.

Principal Steps through legislation

47. The legislation provides for regulating the employment and conditions of service, safety and health and welfare measures for the construction workers. In respect of safety provisions, the legislation conforms to ILO Convention No. 167 concerning Safety and Health in construction work. The Act also provides for creation of Welfare Fund at State level to be financed by contribution made by beneficiaries, levy of cess on all construction works at rates from 1-2 % of the construction cost incurred by an employer and non mandatory grants/loans by the State / Central Governments. The Act also provides certain other welfare amenities like temporary accommodation at or near work sites, crèches, canteen, first-aid, etc.

48. Enforcement of this legislation is the responsibility of the appropriate government as per the distribution of functions between unions and States. A Monitoring mechanism by the Central Ministry of Labour, has been set up to oversee the implementation of the provisions of law by the State Governments, who are required to frame necessary State Rules and set up Building and Other Construction Welfare Board. These legislations are expected to improve the living conditions of workers engaged in the construction activities.

Tenth Plan Approach and Strategy

49. The approach of the Tenth Plan would be to create a strong awareness generation amongst the building and other construction workers regarding their protection of rights and provisions made in various labour laws and schemes for their welfare. This awareness generation may also include the provisions in the legislations regarding conditions of services, safety, health and welfare measures for them. The strategy of the Tenth Plan would be to create a strong data base regarding the number of building and construction workers, welfare measures, social security measures, etc. and to strengthen the enforcement of the 2 enactments viz., i) Building and Other Construction Workers (Regulation of Employment and Other Conditions of Service) Act, 1996; and ii) The Building and Other Construction Workers Welfare Cess Act, 1996.

50. Keeping in view the above broad approaches for building and other construction workers, the Steering Committee recommends the following:

Recommendations

- *Most of the workers employed in the construction work are illiterates, migrants and are not aware about various labour laws/welfare schemes available to them. For this, awareness generation camps/seminars, publicity through electronic and print media may be undertaken. Reputed Research Institutes, State Governments, NGOs, trade unions may be entrusted with the responsibility of undertaking the relevant advocacy and awareness generation campaign.*
- *Concerted efforts may be made to motivate the State Governments to implement the provisions of the Building and Other Construction Workers Act, 1996 so that Construction Workers Welfare Fund is constituted and various schemes and programmes are put in place for the benefit of the construction workers.*
- *Emphasis may be given on skill up-gradation of the manpower engaged in the construction works to enhance competitiveness of the sector, productivity and thereby income of the workman.*

V. Landless Agricultural Workers

Present Scenario

51. Landless agricultural workers constitute a very significant percentage of the total workforce in India. Out of 397 million total workforce as per survey conducted by the NSSO in 1999-2000, about 237 million workers are employed in the agriculture sector alone. Marginalized social and economic existence and the resultant weak bargaining power denies them stable and durable employment opportunities. Their indigent and poor economic condition many a times forces them to take loans at higher rate of interest leading to bonded labour situation. The Green Revolution, which has made our country self sufficient in food production, however, has not contributed much towards the betterment of the social and economic conditions of the agricultural workers.

Existing Legislation

52. Various labour laws such as Minimum Wages Act, 1948; Bonded Labour System (Abolition) Act, 1976, Workmen's Compensation Act, 1923; Inter-state Migrant Workers (Regulation of Employment & Conditions of Service) Act, 1979, etc. have not been able to adequately safeguard the interests of agricultural workers and provide any specific welfare measure to them.

Present Plans and Programmes

53. The Government of India and many State Governments have implemented various promotional social development schemes as well as protective social security schemes for the families below the poverty line and people in low-income brackets. Some of the promotional schemes are Swarna Jayanti Gram Swarozgar Yojana, Jawahar Gram Samridhi Yojana, Indira Awas Yojana etc. and protective social security schemes are Janshree Bima Yojana by LIC, National Social Assistance Programme (includes the earlier National Old Age Pension Scheme and National Maternity Benefit Scheme) and various financial assistance schemes being run by the State Governments.

54. In order to specifically address the needs of agricultural workers, the Government of India has launched a new Pilot scheme viz. 'Krishi Shramik Samajik Suraksha Yojana – 2001' for agricultural workers, the largest segment in the unorganized sector. The main provisions of social security under the scheme are as under:

- (a) Life-cum-accident insurance
- (b) Money back, and
- (c) Pension and superannuation benefits.

The Pilot scheme will cover 1 million landless rural labour in 100 districts. Government of India's matching contribution of premium/contribution risk coverage/pension is paid from LIC's Social Security Fund.

Tenth Plan Approach and Strategy

55. To eradicate poverty amongst the landless agricultural labourers, the Tenth Plan Approach would be to converge various services like education, employment generation etc. Implementation of programmes of the Dept. of Rural Development would be strengthened based on approaches and method which involve the poor themselves in the process of poverty eradication and economic growth. Also a strong awareness generation would be created amongst the landless agricultural workers regarding the scope of various welfare and employment generation schemes being implemented by the Government.

56. To provide social security to landless agricultural workers, the Tenth Plan approach would be to motivate the State Governments to initiate programme, which would be focused on economic up-liftment of landless agricultural workers.

57. Keeping in view of the above broad approaches for landless Agricultural workers , the steering group recommends the following:

Recommendations

- *To assess the magnitude of the problem of agricultural landless workers, a periodical survey and building up of data base would be necessary. Further, to arrest this problem, there is a need to ensure the effective implementation of Minimum Wages Act, up-gradation of skill development, creation of awareness generation and introduction of social security measures without putting burden to the government budget and introduction of legislative measures for compulsory education for all.*
- *To assess the effectiveness and functioning, the Pilot scheme Krishi Shramik Samajik Suraksha Yojana, 2001 may be evaluated.*
- *The State Governments may be motivated to formulate and launch schemes to provide social security benefits to the agricultural landless workers. The possibility to share the contribution on account of the State Governments by the Central Government at initial stage and then reducing it on tapering basis in a phased manner, may be explored.*

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CHAPTER IX

FINANCIAL IMPLICATIONS

Allocation of Plan resources for the Labour and Employment Sector in the past, although was not very substantial in terms of size and percentage to the total Public Sector outlay, it has been progressively increasing from Plan to Plan. In a way, allocation of resources for the Labour and Employment Sector has been responding to the emerging needs of its target groups as is evident from the data given below:

Rs. in million			
	Total Public Sector Outlay	Outlay for Labour & Emp. Sector	%age
Fifth Plan (1974-79)	388532	501	0.13
Sixth Plan (1980-85)	975000	1996	0.20
Seventh Plan (1985-90)	1800000	3337	0.19
Eighth Plan (1992-97)	4341000	13140	0.30
Ninth Plan (1997-2002)	8592000	20793	0.24

Source: Five Year Plan Document, Planning Commission.

2. Taking into consideration of the expansion of the on-going programmes and new starts in the Tenth Five Year Plan, the following Working Groups have recommended outlay as detailed below:

Outlay for the Labour & Employment Sector-Central Plan

(Rs. in lakhs)

Sl.No.	Name of the Working Group	Funding Pattern	Outlay recommended for 10 th Plan by Respective Working Groups		
			For Cont. Schemes	For New Schemes	Total
1.	Employment Plg. & Policy		2500	10000	12500
2.	Skill Development & Trg.	CS CSS	15315 10000	26630 211974	41945 221974
3.	Occupational Safety & Health i) DGMS ii) DG(FASLI) iii) Unorganized Sector	CS CS CS	4150 3680 0	1500 1150 900	5650 3830 900
4.	Social Security i) Krishi Shramik Samajik Suraksha Yojana, 2001		300000	-	300000
5.	Labour Laws & Other Regulations		-	-	-
6.	Vulnerable Groups in Labour Force				
	i) National Child Labour Project (NCLP)	CS	66082	-	66082
	ii) Rehabilitation of Bonded Labour	CS CSS	50 5880	-	5930
	Total		407657	252154	586799

3. Keeping in view the likely level of achievement by the end of the Ninth Five Year Plan for the continuing schemes and also taking into account the outlays recommended by the Working Groups for their expansion in the Tenth Plan plus the new starts, the Steering Committee recommends an amount of Rs. 3500.0 crore for the Labour and Employment sector in central plan as against the total recommended outlay of Rs. 5742.99 crore, by the various groups. This is besides the requirements of this sector under the state plans and through other central Government Departments, and the resources to be mobilized outside the Government.

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N O T E :- The big jump in the recommended outlay for the Tenth Plan is mainly due to the Social Security cover to the unorganized sector workers as well as programmes for eradication of Child Labour and Skill Development & Training.

No.M-13015/9/2000/LEM/LP
 Government of India
 Planning Commission
 (LEM Division)

Yojana Bhavan, Sansad Marg,
 New Delhi-110001.

6.2.2001

ORDER

Sub: Constitution of Steering Committee on Labour and Employment

.....

In the context of the formulation of the Tenth Five-Year Plan (2002-2007), it has been decided to set up a Steering Committee on Labour and Employment. The composition of the Steering Group will be as follows: The terms of reference and composition of the Steering Committee will be as follows:

1. Dr. S.P. Gupta, Member, Planning Commission	Chairman
2. Principal Adviser (LEM) Planning Commission	Member
3. Secretary, Labour	Member
4. Secretary, Rural Development	Member
5. Secretary, Urban Employment & Poverty Alleviation	Member
6. Secretary, Small Scale and Agro and Rural Industries	Member
7. Secretary, Social Justice and Empowerment	Member
8. Director General, National Sample Survey Organisation (NSSO)	Member
9. Secretary, Labour (Assam)	Member
10. Secretary, Labour (West Bengal)	Member
11. Secretary, Labour (Uttar Pradesh)	Member
12. Secretary, Labour (Gujarat)	Member
13. Secretary, Labour (Kerala)	Member
14. Director General, FICCI	Member
15. Secretary General, CII	Member
16. Shri Umraomal Purohit	Member
17. Shri I.P. Anand, Permanent Member of ILO Governing Board. (or Sh. Vineet Virmani, Council of Indian Employers, 15, Golf Links, New Delhi as an alternate)	Member

18. Prof. S. Sundaram, Delhi School of Economics	Member
19. Chairman, KVIC	Member
20. Adviser (LEM) Planning Commission	Member-Secretary

2. The Steering Committee will be taking an overview and giving general guidance for working out the actual plans, programmes and policy guidelines for the 10th Plan. The terms of reference of the Steering Committee are as follows:

- a) To review the projections of labour force and employment made by various studies and agencies to firm up Statewise figures of projections of labour force and work opportunities that should form the basis of 10th Plan exercises;
- b) To project State-wise unemployment among educated youth and suggest the strategies for providing work opportunities to the entrants to labour force;
- c) To take an overview of the existing framework of the Labour Policy and social Security measures and to suggest appropriate strategy in the context of emerging needs of the market-oriented economy so as to ensure healthy employer-employee relations and promote productivity;
- d) To review the role of Government in Labour relations with respect to workers in Public Sector and Government Sector;
- e) To propose a strategy to reduce the gap with regard to administered social security system and welfare measures between the organized and unorganized labour;
- f) To review programmes for labour welfare so as to suggest a broad-based social security system for the labour and the unorganized self-employed persons;
- g) To suggest appropriate programmes for promoting occupational health and safety for the workers;
- h) Any other issue concerning labour and employment policy, with the consent of Chairman of the Steering Group.

3. The Steering Committee may co-opt such official(s) or non-official(s) as member(s) of the Committee as may be considered necessary. The Steering Committee may also constitute Working Group(s), if so desired.

4. The expenditure on TA/DA of official members in connection with the meetings of the Committee will be borne by the parent Department/Ministry to which the official belongs. The non-official members of the Committee will be entitled to TA/DA as permissible to Grade I officers of the Government of India and this expenditure will be borne by the Planning Commission.

5. The Steering Committee, will work through a set of Working Groups which will be given 3 to 4 months' time to report on the respective areas. The Steering Committee, after considering the reports of the Working Groups, will submit its report to Planning Commission by the end of November 2001.

6. The Labour, Employment and Manpower Division of the Planning Commission will provide the Secretariat for the Steering Committee.

(K.K. Chhabra)

Under Secretary to the Government of India

Copy to: Chairman and Members of the Steering Committee

Copy also forwarded to:

1. Private Secy. to Deputy Chairman, Planning Commission
2. Private Secy. to Minister of State (Planning)
3. Private Secretaries to all Members of the Planning Commission
4. Sr. PPS to Secretary, Planning Commission
5. Pr. Adviser/Advisers/HODs in the Planning Commission
6. Joint Secretary to Prime Minister
7. Information Officer, Planning Commission
8. Pay and Accounts Officers, Planning Commission

No. M-12015/9/2000-LEM/LP
 Government of India
 Planning Commission
 (LEM Division)

.....
 Yojana Bhavan, Sansad Marg,
 New Delhi-110001, dated 27-4-2002

ORDER

Sub: Constitution of Working Group on Employment Planning and Policies

.....

In the context of preparation of the Tenth Five Year Plan, it has been decided to set up a Working Group on Employment Planning and Policy. The composition of the Working Group will be as follows:

1. Principal Adviser (LEM Planning Commission	Chairman
2. Secretary, Ministry of Rural Development or his nominee	Member
3. Secretary, Ministry of Urban Development or his nominee	Member
4. Secretary (Labour) Uttar Pradesh	Member
5. Secretary (Labour), Kerala	Member
6. Secretary (Labour), Gujarat	Member
7. Secretary (Labour), Maharashtra	Member
8. Representative of Federation of Association of (FASII) Small Industries of India	Member
9. Representative of FICCI	Member
10. Representative of Chairman, Khadi & Village Industries Commission	Member
11. Chairperson, SEWA	Member
12. Smt. Amarjeet Kaur, INTUC	Member
13. Joint Secretary & Director General (Employment), Ministry of Labour	Convener

2. The terms of reference of the Working Group will be as under:

- a) To review the employment situation in general and in respect of specific groups like women and educated persons, and in different regions of the country;
- b) To review the available projections of labour force and unemployment and to firm it up to become the basis of Tenth Plan exercise;

- c) To project state-wise differences in labour force growth and incidence of unemployment;
- d) To assess the unemployment situation in groups such as youth and the educated, all India and State-wise, and to suggest ways to deal with it;
- e) To suggest policies/programmes for accelerating the pace of generation of productive employment;
- f) To quantify the potential of different sectors for labour absorption and suggest criteria for investment allocation in the Tenth Plan to accelerate employment generation so as to attain the goal of full employment within a specified time-frame;
- g) To recommend appropriate systems and techniques for review of employment generation on an annual basis during the course of the Plan period;
- h) To examine the difficulties in implementation of laws concerning employment services, including the Compulsory Notification Vacancies Act, 1959 and make suggestions for attaining the objectives of the laws;
- i) To suggest measures to strengthen statistical system and research studies in labour related matters;
- j) The Chairman of the Working Group may include additional term(s) of reference in consultation with Member (LEM), Planning Commission; the Chairman of the Steering Committee on Labour and Employment

3. The Chairman of the Working Group may co-opt any other person as Member of the Working Group.

4. The Working Group will submit its report by 30th July, 2001. The Ministry of Labour will provide the Secretaries for the Working Group.

5. The expense towards TA/DA of the official members will be met by respective Government Departments/Institutions to which they belong. The TA/DA of the official Members will be paid by Planning Commission as admissible to Grade I officers of the Government of India.

6. Smt. Padmaja Mehta, Director, Room No. 561, Yojana Bhavan, Sansad Marg (Tel.3325978) will act as Nodal Officer and any further communication in this regard may be made with Nodal Officer.

(T.R. Meena)
Deputy Secretary (Administration)

Copy to: Chairman and all the Members and Convener of the Working Group

Copy for information to:

1. PS to Deputy Chairman, Planning Commission
2. PS to MOS (Planning)
3. PS to Members, Planning Commission
4. PS to Secretary, Planning Commission
5. Principal Advisers/Advisers, Planning Commission
6. Pay & Accounts Officer, Planning Commission
7. Under Secretary (Admn.) Planning Commission
8. Planning Commission, Nodal Officer, vide paragraph 6
9. Deputy Secretary ;(Administration), Planning Commission.

No. M-12015/9/2000-LEM/LP
 Government of India
 Planning Commission
 (LEM Division)

.....

Yojana Bhavan, Sansad Marg
 New Delhi-110001, dated 27-4-2001

ORDER

Sub: Constitution of Working Group on Skill Development and Training

.....

In the context of preparation of the Tenth Five Year Plan, it has been decided to set up a Working Group on Employment Planning and Policy. The composition of the Working Group will be as follows:

1. Secretary, Labour, Govt. of India	Chairman
2. Secretary, Ministry of Tourism or his nominee	Member
3. Secretary, Ministry of Health or his nominee	Member
4. Secretary, Ministry of Railways or his nominee	Member
5. Secretary, Department of Secondary Education and Higher Education or his nominee dealing with Technical Education	Member
6. Prof. Ashok Chandra, Special Secretary, Department of Education	Member
7. Development Commissioner, SSI	Member
8. Development Commissioner, Handlooms	Member
9. Secretary in charge of Vocational Training, Government of Bihar	Member
10. Secretary in charge of Vocational Training, Government of Assam	Member
11. Secretary in charge of Vocational Training, Government of Andhra Pradesh	Member
12. Chairman, HUDCO	Member
13. Chairman, CAPART	Member
14. Representative of Chairman, Khadi & Village Industries Commission	Member
15. Shri S.M. Krishna, Trading Adviser, ASSOCHAM	Member
16. Joint Secretary and Director General (Training) Ministry of Labour	Member

2. The terms of reference of the Working Group will be as under:

- a) To review the on going programmes for skill development under different streams like craftsmen and vocational training including non-formal training system and skill development efforts in the unorganized sector and assess their relevance in the context of technological change taking place in the economy as also objectives like productivity and incomes, specially in the unorganized sector of the economy;
- b) To identify emerging requirements of training, both formal and non-formal;
- c) To assess the capacity and potential of the existing institutional set up both in public and private sector in relation to the emerging skills requirements, both in quantitative and qualitative terms;
- d) To recommend suitable strategies and mechanisms for achieving a better matching of demand and supply of skills in the medium term;
- e) To suggest appropriate measures so as to improve the working conditions of industrial labour and provide basic amenities of life by that process and to create industrial peace which could in its turn accelerate productive activity of the country resulting in prosperity;
- f) To evaluate the feasibility of providing vocational skills to all entrants to labour force and the feasibility of attaining this target by the end of Tenth Plan and to suggest a strategy for accomplishing this objective;
- g) To examine the functioning of the existing institutions, at national and state level, such as National and State Councils for Vocational Training, Apprenticeship Council, etc.;
- h) To examine the functioning of the Apprenticeship Act at the Central and the State level and suggest appropriate measures to attain the social objectives underlying the Act;
- i) To examine the Central and State Governments rules and regulations concerning vocational training in sectors other than 'Labour' such as catering and nutrition, medical services, tourism, vocational education, etc.
- j) The Chairman of the Working Group may include additional term(s) of reference in consultation with Member (LEM), Planning Commission; the Chairman of the Steering Committee on Labour and Employment

3. The Chairman of the Working Group may co-opt any other person as Member of the Working Group.

4. The Working Group will submit its report by 30th July, 2001. The Ministry of Labour will provide the Secretaries for the Working Group.

5. The expense towards TA/DA of the official members will be met by respective Government Departments/Institutions to which they belong. The TA/DA of the official Members will be paid by Planning Commission as admissible to Grade I officers of the Government of India.

6. Smt. Padmaja Mehta, Director, Room No. 561, Yojana Bhavan, Sansad Marg (Tel.3325978) will act as Nodal Officer and any further communication in this regard may be made with Nodal Officer.

(T.R. Meena)
Deputy Secretary (Administration)

Copy to: Chairman and all the Members and Convener of the Working Group

Copy for information to:

1. PS to Deputy Chairman, Planning Commission
2. PS to MOS (Planning)
3. PS to Members, Planning Commission
4. PS to Secretary, Planning Commission
5. Principal Advisers/Advisers, Planning Commission
6. Pay & Accounts Officer, Planning Commission
7. Under Secretary (Admn.) Planning Commission
8. Planning Commission, Nodal Officer, vide paragraph 6
9. Deputy Secretary ;(Administration), Planning Commission.

No. M-13015/9/2000-LEM/LP
 Government of India
 Planning Commission
 (LEM Division)

Yojana Bhawan, Sansad Marg,
 New Delhi-1 dated 27/4/2001

ORDER

Subject: Constitution of Working Group on Occupational Health and Safety

.....

In the context of preparation of the Tenth Five Year Plan, it has been decided to set up a Working Group on Occupational Health and Safety. The composition of the Working Group will be as follows:

- | | |
|---|----------|
| 1. Secretary (Labour),
Government of India | Chairman |
| 2. Adviser (Health), Planning Commission | Member |
| 3. Director General, FASLI
Ministry of Labour. | Member |
| 4. Director General, Mines Safety
Ministry of Labour. | Member |
| 5. Sh. K.C.Gupta, Director General
National Safety Council, Navi Mumbai | Member |
| 6. Dr. Padam Singh,
Director, ICMR | Member |
| 7. Secretary (Labour), Tamil Nadu | Member |
| 8. Secretary (Labour), Karnataka | Member |
| 9. Secretary (Labour) Bihar | Member |
| 10. Secretary (Labour), Punjab | Member |
| 11. Joint Secretary (Industrial Safety & Health)
(Labour Welfare), Ministry of Labour. | Convener |

2. The terms of reference of the Working Group will be as under:

- a). To review the existing set up for Occupational Safety and Health in the work place.
- b) To assess the weaknesses of the existing set up and suggest ways to improve it.
- c) To suggest ways to improve occupational safety standards in the large segments of work force not included so far.
- d) To examine the efficacy of the administrative machinery under the State Governments to ensure occupational health and safety to the workers in factories and other non-agricultural establishments through the institution of "factory Inspector" which exists under the Factories' Act.

e) To suggest such other measures as are necessary to ensure occupational health and safety of workers in (I) the agricultural occupations and (ii) non-agricultural occupations, in particular, workers in non-registered factories, road transport, shops, eating establishments, printing, dyeing chemical storage and handling etc.

f) To examine the efficacy of regulations concerning the health and safety implemented by Government Department other than 'Labour' such as Explosive Act, Boiler Act, etc.

g) The Chairman of the Working Groups may include additional term(s) of reference in consultation with Member (LEM), Planning Commission, the Chairman of the Steering Committee on Labour and Employment.

3. The Chairman of the Working Groups may co-opt any other person as Member of the Working Group.

4. The Working Group will submit its report by 30th July, 2001. The Ministry of Labour will provide the Secretariat for the Working Group.

5. The expense towards TA/DA of the official members will be met by respective Government Departments / Institutions to which they belong. The TA/DA of non-official Members will be paid by Planning Commission as admissible to Grade I officers of the Government of India.

6. Sh. Shyam Sunder, Deputy Adviser, Room No. 526-A, Yojana Bhawan, Sansad Marg (Tel. 3752468) will act as Nodal Officer and any further communication in this regard may be made with Nodal Officer.

(T.R.Meena)
Deputy Secretary (Administration)

Copy to: Chairman and all the Members and Convener of the Working Group.

Copy for information to:

1. PS to Deputy Chairman, Planning Commission.
2. PS to MOS (Planning).
3. PS to Members, Planning Commission.
4. PS to Secretary, Planning Commission.
5. Principal Advisers / Advisers, Planning Commission.
6. Pay & Accounts Officer, Planning Commission.
7. Under Secretary (Admn.) Planning Commission.
8. Planning Commission, Nodal Officer, vide paragraph 6
9. Deputy Secretary (Administration), Planning Commission.

No. M-13015/9/2000-LEM/LP
 Government of India
 Planning Commission
 (LEM Division)

Yojana Bhawan, Sansad Marg,
 New Delhi-1 dated 27/4/2001

ORDER

Subject: Constitution of Working Group on Social Security

.....

In the context of preparation of the Tenth Five Year Plan, it has been decided to set up a Working Group on Social Security. The composition of the Working Group will be as follows:

1. Secretary (Labour), Government of India	Chairman
2. Secretary, Ministry of Social Justice and Empowerment or his nominee	Member
3. Director General, ESIC	Member
4. Central Provident Fund Commissioner	Member
5. Secretary (Labour), Kerala	Member
6. Secretary (Labour), Uttar Pradesh	Member
7. Secretary (Labour), Punjab	Member
8. Secretary (Labour) Karnataka	Member
9. Secretary (Labour), Uttaranchal	Member
10. Sh. Sharad Pathak Employees Federation of India	Member
11. Joint Secretary (Social Security) Ministry of Labour.	Convener

2. The terms of reference of the Working Group will be as under:

- a) To suggest an accepted definition of social security and the minimum acceptable services to be covered under it.
- b) To assess the existing social security measures both in organised and unorganised sectors.
- c) To suggest ways to extend the coverage of social security to a wider segment of work force.
- d) To suggest division of responsibility for implementation of a wider social security system among Centre, State and Workers.
- e) To review the implementation of Minimum Wages Act at the State Level and recommend institutional mechanism and legislative measures that enables the minimum income to most of the wage employed.

f) To examine the functioning of the relevant Acts, which seek to extend social security to the workers, such as those concerning welfare of the workers, provident fund, workmen compensation insurance against accident in the occupation, etc.

g) To examine the feasibility of using existing institutions such as ESIC, EPFO, Welfare Boards, etc. to extend social security to bulk of the non-agricultural work force.

h) To examine and recommend the measures to extend social security to agricultural workers.

i) The Chairman of the Working Group may include additional terms(s) of reference in consultation with Member (LEM), Planning Commission, the Chairman of the Steering Committee on Labour and Employment.

3. The Chairman of the Working Groups may co-opt any other person as Member of the Working Group.

4. The Working Group will submit its report by 30th July,2001. The Ministry of Labour will provide the Secretariat for the Working Group.

5. The expense towards TA/DA of the official members will be met by respective Government Departments / Institutions to which they belong. The TA/DA of non-official Members will be paid by Planning Commission as admissible to Grade I officers of the Government of India.

6. The Working Group on Labour Laws & Other Regulations and the Working Group on Social Security can hold joint meetings, if required.

7. Sh. Shyam Sunder, Deputy Adviser, Room No. 526-A, Yojana Bhawan, Sansad Marg (Tel. 3752468) will act as Nodal Officer and any further communication in this regard may be made with Nodal Officer.

(T.R.Meena)
Deputy Secretary (Administration)

Copy to: Chairman and all the Members and Convener of the Working Group.

Copy for information to:

- 1.PS to Deputy Chairman, Planning Commission.
- 2.PS to MOS (Planning).
- 3.PS to Members, Planning Commission.
- 4.PS to Secretary, Planning Commission.
- 5.Principal Advisers / Advisers, Planning Commission.
- 6.Pay & Accounts Officer, Planning Commission.
- 7.Under Secretary (Admn.) Planning Commission.
- 8.Planning Commission, Nodal Officer, vide paragraph 6
- 9.Deputy Secretary (Administration), Planning Commission.

No. M-13015/9/2000-LEM/LP
 Government of India
 Planning Commission
 (LEM.Division)

Yojana Bhawan, Sansad Marg,
 New Delhi-1 dated 27/4/2001

ORDER

Subject: Constitution of Working Group on Labour Laws and other Labour Regulations.

In the context of preparation of the Tenth Five Year Plan, it has been decided to set up a Working Group on Labour Laws and other Labour Regulations. The composition of the Working Group will be as follows:

- | | |
|---|----------|
| 1. Secretary (Labour),
Government of India | Chairman |
| 2. Secretary, Department of Public Enterprises
or his nominee | Member |
| 3. Secretary, Department of Small Scale and
Agro Industries or his nominee | Member |
| 4. Director V.V.Giri National Labour Institute | Member |
| 5. Development Commissioner, SSI | Member |
| 6.. Secretary (Labour), West Bengal | Member |
| 7. Secretary (Labour), Andhra Pradesh | Member |
| 8. Secretary (Labour) Maharashtra | Member |
| 9. President, Laghu Udyog Bharti | Member |
| 10. Sh. Michael Dias, Advocate
13/16,WEA Karol Bagh, New Delhi-110005 | Member |
| 11. Labour and Economic Adviser,
Ministry of Labour. | Convener |

2. The terms of reference of the Working Group will be as under:

- a). To review the existing framework of Labour Laws and to suggest appropriate modifications in the context of emerging needs of the market oriented economy.
- b) To suggest appropriate measures so as to ensure healthy industrial relations and promote productivity among workers.
- c) To suggest appropriate measures so as to improve the working conditions of industrial labour and provide basic amenities of life by that process and to create industrial peace which could in its turn accelerate productive activity of the country resulting in prosperity.
- d) Identify the Laws, which are no longer needed and need to be repealed.

e) Identify the Laws which are in harmony with the climate of the economic liberalisation and hence need no change.

f) Identify the laws, which require changes and revise the rules, regulations, orders and notifications etc.

g) To examine the nature of existing labour laws to be examined in relation to regulatory activities, social security and welfare.

h) To examine the extent of coverage of labour through the monitoring and reporting system at state and Central Government level in regard to the implementation of labour laws.

i) To examine the feasibility of implementing the labour laws, in particular, the Industrial Disputes Act, Contract Labour Regulation Act, the Workmen's Compensation Act, ESI Act, the Provident Fund Act, Factories Act, etc. through the administrative machinery/.Procedure existing at present under the State Governments.

j) The Chairman of the Working Group may include additional term(s) of reference in consultation with Member (LEM) Planning Commission, the Chairman of the Steering Committee on Labour and Employment.

3. The Chairman of the Working Groups may co-opt any other person as Member of the Working Group.

4. The Working Group will submit its report by 30th July,2001. The Ministry of Labour will provide the Secretariat for the Working Group.

5. The expense towards TA/DA of the official members will be met by respective Government Departments / Institutions to which they belong. The TA/DA of non-official Members will be paid by Planning Commission as admissible to Grade I officers of the Government of India.

6. The Working Group on Labour Laws & Other Regulations and the Working Group on Social Security can hold joint meetings, if required.

7. Smt. Padmaja Mehta, Director, Room No.561 Yojana Bhawan, Sansad Marg (Tel. 3752468) will act as Nodal Officer and any further communication in this regard may be made with Nodal Officer.

(T.R.Meena)

Deputy Secretary (Administration)

Copy to: Chairman and all the Members and Convener of the Working Group.

Copy for information to:

1. PS to Deputy Chairman, Planning Commission.
2. PS to MOS (Planning).

3. PS to Members, Planning Commission.
4. PS to Secretary, Planning Commission.
5. Principal Advisers / Advisers, Planning Commission.
6. Pay & Accounts Officer, Planning Commission.
7. Under Secretary (Admn.) Planning Commission.
8. Planning Commission, Nodal Officer, vide paragraph 6
9. Deputy Secretary (Administration), Planning Commission.

No. M-13015/9/2000-LEM/LP
 Government of India
 Planning Commission
 (LEM Division)

Yojana Bhawan, Sansad Marg,
 New Delhi-1 dated 27/4/2001

ORDER

**Subject: Constitution of Working Group on Vulnerable Groups in Labour Force
 such as Child Labour, Bonded Labour, Migrant Labour etc.**

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In the context of preparation of the Tenth Five-Year Plan, it has been decided to set up a Working Group on Vulnerable Groups such as Child Labour, Bonded Labour, Migrant Labour etc. The composition of the Working Group will be as follows:

1	Secretary (Labour), Government of India	Chairman
2.	Secretary, Ministry of Social Justice And Empowerment or his nominee	Member
3.	Secretary, Department of Education or his nominee	Member
4.	Secretary, Rural Development or his nominee	Member
5.	Joint Secretary (Child Labour) Ministry of Labour	Member
6.	Secretary (Labour), Tamil Nadu	Member
7.	Secretary (Labour), Karnataka	Member
8.	Secretary (Labour), Bihar	Member
9.	Secretary (Labour), Andhra Pradesh	Member
10	Secretary (Labour) Orissa	Member
11.	Secretary (Labour), West Bengal	Member
12.	Secretary (Labour), Uttar Pradesh	Member
13.	Sh. John Director, Centre for Education & Communication	Member
14.	Representative of Centre for Rural Education and Development Action, Uttar Pradesh	Member
15.	Representative of M.V.Foundation Andhra Pradesh	Member
16.	Joint Secretary and Director General (Labour Welfare), Ministry of Labour	Convener

2. The terms of reference of the Working Group will be as under:

a) To review the stock of child labour in the country, industry wise and region wise and to suggest appropriate measures for mitigating the evils of child labour.

- b). To review the existing programmes for rehabilitation of child labour.
 - c) To assess the stock of Bonded Labour and the implementation of schemes for their rehabilitation at the State level.
 - d) To assess the magnitude of migrant labour in the country and the problems specific to such groups.
 - e) To suggest appropriate measures to deal with the problems of child labour, bonded labour and migrant labour.
 - f) To examine the working of relevant Act(s), the manner of their implementation in particular, those concerning child labour, bonded labour, migrant labour, construction labour etc.
 - g) To examine the feasibility , either at national or at State level of introducing statutory measures concerning social security to land-less agricultural labour.
 - h) The Chairman of the Working Group may include additional terms(s) of reference in consultation with Member (LEM), Planning Commission, the Chairman of the Steering Committee on Labour and Employment.
3. The Chairman of the Working Group may co-opt any other person as Member of the Working Group.
4. The Working Group will submit its report by 30th July,2001. The Ministry of Labour will provide the Secretariat for the Working Group.
5. The expense towards TA/DA of the official members will be met by respective Government Departments / Institutions to which they belong. The TA/DA of non-official Members will be paid by Planning Commission as admissible to Grade I officers of the Government of India.
6. Smt. Padmaja Mehta, Director, Room No. 561, Yojana Bhawan, Sansad Marg (Tel. 3325978) will act as Nodal Officer and any further communication in this regard may be made with Nodal Officer.

(T.R.Meena)
Deputy Secretary (Administration)

Copy to: Chairman and all the Members and Convener of the Working Group.

Copy for information to:

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- 5. Principal Advisers / Advisers, Planning Commission.

6. Pay & Accounts Officer, Planning Commission.
7. Under Secretary (Admn.) Planning Commission.
8. Planning Commission, Nodal Officer, vide paragraph 6
9. Deputy Secretary (Administration), Planning Commission.