

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:3898
ANSWERED ON:22.08.2003
SCRUTINY OF FCI
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Union Government are aware that recent scrutiny of the records of the Food Corporation of India has revealed that the labourers on an average get four lakhs rupees per annum and that `proxy labourers` have also been noticed;
- (b) if so, the factors responsible for such huge earnings;
- (c) whether the Union Government have investigated the position so far;
- (d) if so, the details thereof; and
- (e) the steps taken/being taken to address these issues?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI S L MAHARIA)

(a),(b),(c),(d)&(e): The Food Corporation of India has informed that the annual earning of the Departmental Labour including wages, incentive wages and overtime allowance during the year 2002-03 is about Rs.4 lakhs for a Handling Labour in one depot of the Food Corporation of India i.e. Sirsa situated in Haryana Region. This was due to the enormous workload which resulted in increase in their `Incentive-wage Earnings` as per Incentive scheme which is linked with their output per shift/day. On an average, the total wages of a departmental labour ranges between Rs.1.70 to Rs.1.80 lakhs, annually.

The FCI is having sufficient labour force for food handling operations in various depots of the FCI and the FCI does not need the services of any outside labour for the operations.

No specific cases regarding proxy labour has come to the notice of the Food Corporation of India. Steps have been taken to avoid the alleged system of proxy labour, if any, by exercising strict supervision and control by issuing instructions to all the District Managers of the Food Corporation of India, Haryana Region.

In order to accelerate the productivity of the labourers, the existing Incentive Scheme for the labourers of the Food Corporation of India is being regulated as per the agreement signed with the FCI Workers' Union on 13.03.1999. The incentive earnings are paid to the workers for handling of bags/height/lead beyond the prescribed norms. The scheme provides for extra percentage over the normal wages for these three operations. The incentive earnings of the labourers depend upon their output during the shift hours and beyond the shift hours. Due to handling of more bags than the fixed norms and payment of incentive and overtime allowance as per the provisions of the local shops & Establishment Act of Haryana State to the labourers, the combined earnings of the labourers increase.

Payment of wages, incentive wages and Over Time Allowance with reference to the output of the labourers within the framework of the rules cannot be termed as illegal payment. In order to keep expenditure on Over Time Allowance/Incentive to the minimum, instructions have been issued to the Field Officers of the Food Corporation of India for deployment of labourers on Tour from the depots with relatively lesser work to the depots where sufficient work is available, as the expenditure on Traveling Allowance is lesser in comparison to the actual incentive/Over Time Allowance. Thus, expenditure on account of Incentive and Over Time Allowance has been curtailed to a considerable extent.