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**STANDING COMMITTEE ON  
LABOUR AND WELFARE  
(1998-99)**

**TWELFTH LOK SABHA**

**MINISTRY OF LABOUR  
DEMANDS FOR GRANTS  
(1998-99)**

**FOURTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*July, 1998/Asadha, 1920 (Saka)*

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**LABOUR AND WELFARE**  
**(1998-99)**  
**(TWELFTH LOK SABHA)**  
**MINISTRY OF LABOUR**  
**DEMANDS FOR GRANTS (1998-99)**

*Presented to Lok Sabha on 7 July, 1998*  
*Laid in Rajya Sabha on 7 July, 1998*



**LOK SABHA SECRETARIAT**  
**NEW DELHI**

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COMPOSITION OF THE STANDING COMMITTEE ON  
LABOUR AND WELFARE (1998-99)

Shri Harin Pathak—*Chairman*

MEMBERS

*Lok Sabha*

2. Shri Surender Singh Barwala
3. Smt. Sandhya Bauri
4. Shri Manibhai Ramjibhai Chaudhuri
5. Shri Jaysinhji Manshingji Chauhan
6. Shri Chinta Mohan
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41. Shri Chimanbhai Haribhai Shukla
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SECRETARIAT

1. Shri John Joseph — *Joint Secretary*
2. Shri J.P. Sharma — *Deputy Secretary*
3. Shri R.S. Misra — *Under Secretary*
4. Shri S.K. Saxena — *Committee Officer*

## INTRODUCTION

1, the Chairman of the Standing Committee on Labour and Welfare (1998-99) having been authorised by the Committee to submit the Report on their behalf, present this Fourth Report, on the Demands for Grants, 1998-99 on Ministry of Labour.

2. The Committee considered the Demands for Grants pertaining to the Ministry of Labour for the current year *i.e.* 1998-99 which were laid on the Table of the House on 11 June, 1998. Thereafter, the Committee took evidence of the representatives of the Ministry of Labour on 23.6.1998.

3. The Committee wish to express their thanks to the Officers of the Ministry of Labour for placing before them the detailed written notes on the subject and for furnishing the information the Committee desired in connection with the examination of the Demands for Grants.

4. The Report was considered and adopted by the Committee at their sitting held on 3 July, 1998.

NEW DELHI;  
July 3, 1998  
*Asadha 12, 1920 (Saka)*

HARIN PATHAK,  
*Chairman,*  
*Standing Committee on Labour and Welfare.*

## CHAPTER I

### INTRODUCTORY

1.1 The Shram Mantralaya (Ministry of Labour) is responsible for laying down policy in respect of labour matters including industrial relations, cooperation between labour and management, settlement of labour disputes, regulation of wages and other conditions of work and safety, women labour and child labour, labour welfare, social security etc. besides development and administration of employment, service and training of craftsmen on national level.

1.2 The implementation of the policy in regard to the above matters is also the responsibility of the State Governments concurrently with the Central Government.

1.3 To achieve the objectives, funds are required by the Ministry for their following functional divisions:—

1. Welfare of SC/ST and other Backward Classes.
2. Labour, Employment and Training.
3. Grants-in-aid to State Governments.
4. Grants-in-aid to Union Territory Governments.
5. Aid material and equipment.
6. Capital outlay on other social services.
7. Loans for other social services.

1.4 The Demands for Grants asked by the Ministry are given under revised Demand No. 58.

1.5 It has been stated in the Performance Budget that the Planning Commission made an allocation of Rs. 192.10 crore during the year 1997-98 of which Rs. 14.56 crore were transferred to the Ministry of Urban Affairs and Employment.



1.6 Budget Estimates of the Ministry for the year 1998-99 are placed at Rs. 775.54 crore (Plan 176.64 crore and Non-Plan Rs. 598.90 crore). The Planning Commission made an allocation of Rs. 198.00 crore for the year 1998-99 out of which Rs. 21.36 crore have been transferred to the Ministry of Urban Affairs and Employment for incorporation in the Budget document of that Ministry for Capital Works to be executed during 1998-99.

1.7 The Ministry has furnished the following statement showing Budget Estimates/Revised Estimates and expenditure for the year 1997-98 alongwith percentage of expenditure *vis-a-vis* the Budget Estimates.

### Plan Scheme

(Rs. in Crore)

S.No.	Activity	B.E.97-98	R.E.97-98	Expend. 97-98	%over B.E. 97-98
1.	Research and Statistics	3.62	5.12	4.68	129.28
2.	Industrial Relations	1.60	1.98	1.44	90.00
3.	Working Conditions and Safety	6.57	5.03	3.86	58.75
4.	Labour Education	2.59	2.59	2.59	100.00
5.	Rehabilitation of Bonded Labour	1.07	3.00	3.00	280.37
6.	Improvement of working conditions of Child/ Women Labour	78.63	35.93	13.57	17.25
7.	Other items	3.90	1.86	0.01	0.25
8.	Employment	2.35	1.09	0.48	20.42
9.	Training	76.59	62.11	47.31	61.77
10.	N.R.F.	4.50	1.50	0.23	5.11
11.	Welfare of SC/ST and other backward classes	0.62	0.57	0.16	25.80
	<b>Total</b>	<b>182.04</b>	<b>120.78</b>	<b>77.33</b>	<b>42.47</b>

**Statement showing Budget Estimates/Revised Estimates  
for the year 1997-98**

**Non-Plan**

(Rs. in Crore)

S.No.	Activity	B.E.97-98	R.E.97-98	Expend. %over 97-98	B.E. 97-98
1.	Sectt. Social Services	6.47	7.92	7.91	122.25
2.	Research and Statistics	2.66	3.21	3.09	116.16
3.	Industrial Relations	8.77	11.08	10.84	123.60
4.	Working Conditions & Safety	13.15	16.58	16.38	124.56
5.	Labour Welfare schemes	49.60	48.70	38.84	78.30
6.	Transfer to Reserve Fund	51.62	46.12	46.39	89.86
7.	Social security	391.43	375.93	376.37	96.15
8.	Labour Education	9.40	10.40	10.40	110.63
9.	International Cooperation	3.54	3.54	2.77	78.24
10.	Other items	5.89	1.53	0.96	16.29
11.	Employment	7.81	10.10	10.10	129.32
12.	Training	15.91	18.05	16.22	101.94
13.	Welfare of SC/ST and other backward classes	0.85	1.23	0.99	116.47
<b>Total</b>		<b>567.10</b>	<b>554.39</b>	<b>541.25</b>	<b>95.44</b>

1.8 Giving reasons for under utilisation of funds, the Secretary, Ministry of Labour stated during evidence:—

“We are not satisfied with the slow pace and progress of expenditure and also the percentage of expenditure which we incurred against the eleven plan schemes during the year

1997-98. We had two important schemes. One is the elimination of child labour and the other is vocational skill training project. As far as the second scheme is concerned, it is a World Bank assisted project. It accounts for a major share of the total outlay in the vocational skill training project. We have had several cycles of ups and downs in the implementation of that programme which was actually to come to a close by December 1996. Because of the vigorous steps taken by the Ministry in pursuing the pace and progress of implementation of this World Bank assisted programme with the State Governments, the Union territories, other undertakings like the DGS&D, NTPC, we have succeeded in persuading the World Bank to allow us to continue the Scheme till December, 1998."

1.9 The Committee note with distress that the overall expenditure position of the Ministry during the financial year 1997-98 in both Plan and non-Plan schemes have declined from the previous financial year. The reasons put forth by the Ministry for under utilisation of funds such as delay in clearing bills for consultancy services under Hi-tech schemes, DGS&Ds inability to procure requisite equipments in time, non-clearance of proposals in regard to child labour projects by Expenditure Finance Committee of the Ministry of Finance and delay in sanction of posts are not acceptable to the Committee. In the opinion of the Committee, the Ministry lacks proper coordination with the States and other Central Ministries and its monitoring is not upto the mark. The Committee, therefore, recommend that the Ministry of Labour should have a thorough monitoring over the Central as well as Centrally sponsored schemes and should ensure that the funds allocated for various schemes are utilised during the financial year. Also the Ministry should improve its monitoring mechanism to avoid delay in approval of schemes by Central Ministries and other concerned agencies.

1.10 The Committee note that though the Ministry of Labour has addressed itself to the welfare of workers falling in the organised sector yet much is needed to be done for the workers in the unorganised sector who constitute around 60% of the total available Indian work force. The Committee, therefore, recommend that the Ministry of Labour should devise steps in consultation with the State Governments to bring these labourers into the mainstream, i.e. in organised sector in order to protect their interest and also to bring them under social security schemes already extended to labourers in the organised sector.

1.11 The Committee further note that some of the State Governments have formulated labour welfare schemes for the labourers in the unorganised sector in their respective States. The State Governments are liable to pay income tax on accrued interest on labour welfare funds being collected from the employers. In the opinion of the Committee the welfare funds are to be utilised for extending the social security coverage over the poor and needy labourers and as such it should not be subjected to levying of income tax. The Committee, therefore, urge the Ministry to take up the issue with the Ministry of Finance urgently.

1.12 The Committee regret to note that the Ministry of Labour has not been able to get clearance from the Ministry of Finance in regard to their proposal for opening of 2 Central Government Industrial Tribunals at Lucknow and Nagpur during the year 1996-97. The reply of the Ministry that due to economy measures, no new Central Government Industrial Tribunal could be opened during 1997-98, is not satisfying to the Committee keeping in view the piling up of pending cases in various Labour Courts. The Committee, therefore, strongly recommend that the matter should be taken up at the highest level and the Ministry should ensure that new Central Government Industrial Tribunals at Lucknow, Nagpur, Hyderabad, Chennai and Bhubaneswar are opened during the year 1998-99. Also vigorous efforts should be made by the Ministry to get its proposal cleared from the Fifth Central Pay Commission allowing them to grant flexibility in the scale of pay of Presiding Officers to enable the Ministry to have a wider field of choice for timely filling up of the post of Presiding Officers.

1.13 The Committee are deeply concerned at the employment scenario in the country especially in view of the fact that the quantum of unemployment has increased from one Plan period to another. The Committee further observe that the Ministry does not have a clear idea of the number of jobs generated during the entire duration of the Eighth Plan. The Committee, therefore, fail to understand as to how the Ministry would be able to fulfil its goal of reducing unemployment to a negligible proportion by 2002 A.D. They are of the view that the Ministry should pursue its primary objective of generating greater productive employment in the growth process of the Ninth Plan wholeheartedly. The Committee also urge the Ministry to make sincere efforts in coordination with other Central Ministries and State Governments to increase the coverage

**of families under target oriented employment programmes such as IRDP, JRY, EAS, etc. substantially during the Ninth Plan period.**

**1.14 As regards modernization of Employment Exchanges through computerisation and functioning of Self-Employment Cells, the Committee are of the firm view that the matter should be vigorously pursued with the State Governments pending revival of the scheme as a Centrally Sponsored Scheme during the Ninth Plan.**

## CHAPTER II

### REPORT

**Major Head 2230**

**Sub Head 05**

#### **(A) World Bank-Assisted Vocational Training Project**

2.1 The Vocational Training Project formulated with the World Bank Assistance closed on 31.12.1997. However the Schemes relating to (i) Modernisation of Equipment; (ii) Establishment of Hi-Tech Training Centres; (iii) Establishment of MIS; and (iv) Technical assistance (Fellowship and Expert Services) would continue to be funded by the World Bank till 31.12.98.

2.2 The total approved DGETs outlay during the Eighth Five Year Plan was Rs. 241.92 crore and the expenditure against this outlay was Rs. 131.62 crore. Major reasons for under utilisation have been:

delay in implementation of Hi-Tech Training component.

delay in setting up 4 new Regional Vocational Training Institutes.

delay in finalising foreign agency for technical assistance under Hi-Tech component.

delay in procurement and supply of equipment for modernisation of ITIs.

2.3 The Committee have been informed that an outlay of Rs. 255.60 crore has been kept for the Ninth Five Year Plan. The activities introduced/expanded during the implementation of the project are proposed to be sustained and consolidated during the Ninth Plan.

2.4 The Ministry has informed that the Expenditure Finance Committee (EFC) in its meeting held on 05.03.1998 has accorded their approval to continuation of the activities and incurring of expenditure from Plan funds during the remaining period of the Ninth Plan in

respect of schemes already approved by CCEA in May, 1997 (In respect of the four components agreed to be extended by the World Bank upto 31.12.1998, partial external support will be available).

*Apex Hi-Tech Institute at Bangalore*

2.5 When asked about the latest position in regard to construction of Hi-Tech Institute at Bangalore, the representative of the Ministry of Labour stated during evidence:—

“The land was transferred free of cost by the Government of Karnataka to us. Out of 50 acres, we have demarcated certain amount of land for Apex Hi-Tech Institution. The land is available. The concept drawings as also the floor drawings and the course to be run, all these are available with us. We are in the process of looking for external aid. In fact, we had gone to Germany to get hold of assistance package for this. But it happened on the 12th of May, 1998. They cancelled the negotiations. But our understanding is that the Germans are still interested in giving assistance. Their assistance will be required as the project is of fairly large magnitude. It is a temporary set back. It happened because of the fall out of sanctions. That is why they suspended it temporarily. But informally our understanding with the officers indicate that they are still interested. They will perhaps continue it at a more opportune time.”

2.6 Detailing the manner in which the Ministry will complete the implementation of Hi-Tech component after termination of World Bank assistance, the Ministry of Labour in a subsequent note furnished to the Committee has stated that the project is still being examined by GTZ and KFW (Germany Agencies) who have requested for more details which are being supplied.

**2.7 The Committee note that the total approved outlay for DGET during the Eighth Five Year Plan was Rs. 241.92 crore and the expenditure against this outlay was Rs. 131.62 crore. The reasons put forth by the Ministry for less utilisation of funds earmarked under the Plan viz. the delay in implementation of Hi-Tech component, delay in setting up of new RVTIs, delay in procurement and supply of equipments, etc. are not satisfying to the Committee. In the opinion of the Committee, the monitoring of the Ministry in this regard has not been upto the mark.**

2.8 The Committee further note that the Expenditure Finance Committee of the Ministry of Finance has since accorded their approval for continuation of the activities and incurring of expenditure from Plan funds during the remaining period of Ninth Plan in respect of schemes already approved by CCEA in May, 1997. The Committee, therefore, urge the Ministry to make all efforts for early completion of the schemes already undertaken during the Eighth Five Year Plan. Also special efforts should be made by the Ministry to complete in time the four schemes for which the World Bank has agreed to extend their assistance upto 31.12.98.

2.9 The Committee note with distress that though the Apex Hi-Tech Institute at Bangalore was designed with the intention that the workers and the industry should not lag behind the best in the world and was accorded priority by the Ministry yet the proposal remained on paper only which clearly indicates the level of monitoring the Ministry is having over the scheme. The Committee, therefore, strongly recommend that the Ministry should improve its monitoring mechanism and make all out efforts to get the proposal cleared by GTZ and KFW (German Agencies) for providing assistance so that the Hi-Tech institute is established for the benefit of workers and industry. Steps taken and progress achieved in this regard should be communicated to the Committee periodically after every six months.

Major Head 2230

Sub Head 05.02

### (B) Strengthening of RVTIs/NVTI

2.10 Under the strengthening of RVTIs/NVTI, the Budget Estimates for the year 1997-98 was Rs. 1,27,00 thousand but the amount was reduced in the Revised Estimates to Rs. 1,26,00 thousand. And the amount has further been reduced to Rs. 78,50 thousand in the Budget Estimates 1998-99.

2.11 On being asked about the reasons for reducing the amount in Budget Estimates for the year 1998-99, the Ministry, in a written reply furnished to the Committee, has stated that out of a provision of Rs. 1,27,00 thousand Rs. 75,00 thousand was for Tools, Equipments and Machinery for trades to be introduced under the scheme. The



items for Machinery and Equipments for the trade of Desk Top Publishing worth Rs. 60,00 thousand were to be procured through DGS&D and this work was pending with it since 1995. Reduced provision was made in B.E.1998-99 anticipating that the supply of equipments being procured through DGS&D would be completed by December, 1997, which was the terminal date for the World Bank assisted project. However, the DGS&D could not effect supplies during that year. Procurement action for some other items of equipment could not be completed by December, 1997. These items could not be procured during the financial year as the approval for the revised EPC proposal could be obtained only in March, 1998. Additional fund will be requested for at the Revised Estimate stage.

### *Training for Women*

2.12 The Ministry of Labour has furnished the following data regarding the number of women trained in National Vocational Training Institute/Regional Vocational Training Institutes during the last three years:

#### *Trainees Trained*

Region	Institute	1995-96	1996-97	1997-98
NORTH	NVTI Noida	409	537	374
	RVTI Hissar	11	58	54
	RVTI Allahabad	37	81	74
	RVTI Indore	12	55	80
	RVTI Jaipur	25	89	117
SOUTH	RVTI Bangalore	252	346	311
	RVTI Trivandrum	89	176	169
WEST	RVTI Mumbai	161	201	168
	RVTI Vadodara	177	17	31
EAST	RVTI Calcutta	27	62	48
	RVTI Tura	13	67	21
TOTAL		1213	1689	1447

2.13 Ad hoc courses were/are organised in the Institutes mainly to optimally utilize the available infrastructure partly created or created between the regular training sessions.

2.14 When asked the reasons for decline in the number of women trainees trained in NVTI and RVTIs, the representative of the Ministry stated during evidence:—

“RVTIs and NVTI have been set up and they supplement the vocational training facilities that are available in the States and in those areas where the State Government is found lacking. These are meant exclusively for women vocational training. In the initial years when sufficient number of people were not coming forward for regular courses we utilised the teaching infrastructure fully by having ad hoc modular courses based on the local needs. As we went on further we were able to get more and more number of people interested in long term courses. Long term courses will have lesser number of people. It does not appear to be a uniform declining trend. What has happened is that in the initial stages we run more of short term modular courses.”

*RVTIs at Jaipur/Allahabad*

2.15 Asked whether it was due to administrative delays by the Ministry that the proposed construction of RVTIs at Jaipur and Allahabad under the World Bank assisted project could not be completed, the Secretary, Ministry of Labour stated during evidence:—

“Basically the issue was of availability of land. The land was not available and therefore, the World Bank imposed embargo that the building cannot be completed by December, 1997 by which time the project was to be completed. The land was available at much later stage. It took a lot of time for the State Government to allot land. The CPWD took its own time to formulate the plans and estimates”

2.16 Regarding proposed construction of RVTI at Allahabad, the representative of the Ministry further added:

“The Scheme was started in 1989. When the World Bank reviewed the Project in the middle of the project period, they found that they have not even obtained the land from the State.

It is not very desirable thing, but this is exactly how it has happened."

2.17 Detailing the latest position in regard to construction of RVTIs at Allahabad & Jaipur, the Ministry in a written reply furnished to the Committee has stated that a proposal for construction of the building with the Government of India funds was taken up in the revised EFC in March, 1998. Keeping in view the different stages of implementation of the Project, the EFC has recommended that the approval of EFC/SFC be processed separately for individual RVTIs. The proposal for RVTIs at Jaipur and Allahabad have since been drafted and will be processed for necessary approval.

*RVTI at Munnar (Kerala)*

2.18 When asked about the steps taken by the Ministry in persuading the State Government of Kerala to allot land for construction of RVTI at Munnar, the Secretary, Ministry of Labour stated during evidence -

"They have not yet allotted the land which was identified at Munnar in Idukki District of Kerala. They have not made the land available which was identified despite a number of requests and reminders. Until and unless we have the land, we cannot make a beginning in having Plan and estimates."

2.19 He further added :

"The State Government had offered us different sites and said you choose whichever site you want. We selected a site. Thereafter, we have not yet got confirmation from the State Government. We have been trying with the State Government. If we resolve the issue, we will be happy."

2.20 The Committee note with distress that though the indent for equipment for computers for the desk top publishing unit for the scheme of strengthening of NVTI/RVTI under the World Bank Assistance worth Rs.60.00 lakh was placed by the Ministry to DGS&D in July, 1995 yet the equipments could not be procured by DGS&D till 31.12.97, the date on which the World Bank had imposed an embargo on the expenditure to be incurred under the scheme. The reply of the Ministry that it has been making regular follow up with the DGS&D but that the matter was not taken up at the

Minister's level is not satisfying to the Committee. In the opinion of the Committee, Ministry's monitoring over the entire World Bank scheme has not been upto the mark. The Committee, therefore, urge the Ministry to submit fresh proposals for supply of equipment for computers to the Expenditure Finance Committee of Ministry of Finance under Plan Budget and efforts should be made for its early clearance without further loss of time so that women trainees should not suffer further and the very purpose of establishment of Vocational Training Institutes is not defeated.

2.21 The Committee further note that the construction work of RVTIs at various places such as Allahabad, Jaipur, Munnar, etc. have been badly delayed. The Ministry has thrown the onus for delay on the State Governments in allotting land for the construction of RVTIs, which is not satisfying to the Committee. The Committee, therefore, strongly recommend that the Ministry should take up the issue with State Governments as well as the Expenditure Finance Committee at the highest level so that RVTIs are established and become fully functional without further loss of time. Steps taken and progress achieved in this regard should be communicated to the Committee regularly.

**Major Head 2230**

**Sub Head 08.03**

**(C) Reorganisation and Strengthening of the DGFASLI  
Organisation and Establishment of Special Cell**

2.22 Budget Estimates for the year 1997-98 was Rs. 35,00 thousand and Revised Estimates for 1997-98 was Rs. 33,00 thousand. The Budget Estimates for the year 1998-99 is Rs. 13,00 thousand.

2.23 It has been stated in the Performance Budget that the main objective of the organisation is to function as a service organisation and to advise Central/State Governments, trade unions, employers and others in matters concerning safety, health, productivity and working condition in factories and ports and to carry out support research activities for updating the Factories Act 1948, the Dock Workers (Safety, Health and Welfare) Act 1986 and the Rules and Regulations framed thereunder. The above objective is accomplished by the organisation through programmes and activities carried out under various Non-Plan and Plan Schemes.

*R.L.I., Faridabad*

2.24 Asked whether the Regional Labour Institute at Faridabad has been established, the Ministry in its written reply furnished to the Committee has stated that the Regional Labour Institute at Faridabad has not yet been established. Full payment for the land has been made to the Haryana Urban Development Authority. The process of taking possession of the land has been initiated.

2.25 The Ministry has furnished the following statement showing details of the payment made to HUDA for possession of the land:—

Cheque No.	Date of Cheque	Amount	Received by HUDA on
968155	31.3.97	Rs. 2.00 crore	10.4.97
968183	27.3.98	Rs.1,15,32,600.00	31.3.98

Thus on 31.3.98 full payment has been made.

2.26 The Committee have further been informed that the Ministry has written to HUDA to give possession of land immediately, as full and final payment has been made. However, HUDA has further demanded interest of Rs. 17,41,452.00 i.e. 18%. The matter was taken up at the level of Labour Minister on 12.9.91, 2.5.94, 2.6.95, 12.9.95 and 9.1.96. At present since the payment has already been made the matter is being taken up at the Secretary's level for waiving off the interest and taking possession of the land by the Government of India.

*Dock Safety*

2.27 When asked about the number of reported accidents (fatal and non-fatal) in Dock Yards during the last three years and steps taken by the DGFASLI Organisation with the Management for non-recurrence of accidents, the Ministry in a written reply furnished to the Committee has stated that the number of reported accidents, both fatal and non-fatal, during the last three years are as under:

Year	Fatal	Non-Fatal	Total
1995-96	16	386	402
1996-97	18	340	358
1997-98	20	328	348

2.28 All the fatal and serious accidents are investigated by the officials of Dock Safety Division of DGFASLI to find out the causes. On the basis of these findings and analysis of the accidents, appropriate action like issue of warnings, show cause notices and prosecutions is initiated depending upon the seriousness of the contraventions of the provisions under the statutes for avoiding recurrence of accidents.

*Appointment Of Safety Officer in Ports And Dock Labour Boards*

2.29 On being asked about the appointment of Safety Officers in all the Major Ports and Dock Labour Boards the Ministry in a written reply furnished to the Committee has stated that the appointment of Safety Officers in the Ports has not been very satisfactory. The status regarding the appointment of Safety Officers is as under:

Appointment of Safety Officers:  
(Status as on 1.5.1998)

Port Trust	No. of Safety Officers	
	Required	Appointed
1	2	3
1. Mumbai	4	3
2. JNPT	1	-
3. Kandla	1	1
4. Mormugao	2	1
5. Calcutta	2	-
6. Visakhapatnam	1	1
7. Paradip	2	-
8. Chennai	1	1
9. Cochin	1	1
10. New Mangalore	1	-
11. Tuticorin	1	-
	17	8

1	2	3
<b>Dock Labour Board:</b>		
1. Kandla	1	-
2. Mormugao	1	-
3. Visakhapatnam	2	-
4. Chennai	2	1
5. Cochin	1	-
6. Calcutta	2	-
	9	1

2.30 The Ministry has further stated that the DGFASLI is given to understand that the ports are having difficulty in motivating officers to qualify for this purpose and to take up the assignment as Safety Officers as this responsibility is not in the mainstream activities and as this might come in the way of their promotional prospects. In view of this, a suggestion has also been made to the Port authorities and the Ministry of Surface Transport to have a few officers trained in the field of safety and to appoint them on a rotational basis. The suggestion has been accepted by the Ministry of Surface Transport and it is hoped that with such an arrangement, the position regarding appointment of Safety Officers will improve soon.

#### *Safety Audit in Major Ports*

2.31 The Ministry has informed the Committee that the DGFASLI has initiated action to undertake Safety Audits in the major ports on request from the Indian Ports Association and concerned port authorities. The main objective for undertaking the Safety Audit was to know the present status and to suggest remedial measures for the improvement of safety and health of workers.

2.32 The Ministry has further informed that the Safety Audit consists of preliminary visit, field visit and report writing. The preliminary and field visits for the posts of Tuticorin, New Mangalore and Kandla have been completed. The reports in respect of ports of

Tuticorin and New Mangalore have been completed and sent to the concerned Chairmen of the Ports. However, for Kandla Port the report is ready and is being sent to the Chairman, Kandla Port Trust. For the ports of Mormugao, Cochin, JNPT and Paradip preliminary visits have been completed and field visits will be undertaken shortly.

2.33 The Ministry has stated in a written note furnished to the Committee that in the Ports of Calcutta and Mumbai, DGFASLI initiated and conducted the Safety Audits in container handling and handling of dangerous goods respectively. These Audit Reports have already been sent to the Chairmen of the Ports of Calcutta and Mumbai for their compliance.

2.34 The Committee note with concern that though full payment had been made by the Ministry to Haryana Urban Development Authority for the land for the Regional Labour Institute at Faridabad on 31.3.98 yet the possession of the land has not so far been handed over to the Ministry. The Committee have been further informed that the matter was taken up at the Minister's level in the years 1991, 1994, 1995 and 1996 and now the matter will be taken up at Secretary's level for waiving off the interest demanded by HUDA amounting to Rs.17,41,452.00 and taking possession of the land. The Committee fail to understand as to why the matter was not reviewed at the Minister's level in the years 1997 and 1998 and under what circumstances the payment to HUDA was delayed. In the opinion of the Committee the monitoring of the Ministry over the issue has not been satisfactory. The Committee, therefore, urge the Ministry to take up the issue again at the highest level and ensure that the possession of land is handed over to the Government without further loss of time. Also vigorous efforts should be made to make the Institute functional at the earliest. Steps taken and progress achieved in this regard should be communicated to the Committee within three months.

2.35 The Committee note with concern that out of 17 Safety Officers required to be appointed in Major Ports only 8 were in position as on 1.5.98. Some of the Major Ports such as JNPT, Calcutta, Paradip, New Mangalore and Tuticorin have no Safety Officers. The position of dockyards is further grim. Out of 9 Safety Officers required, only one at the Chennai Dock Labour Board was in position as on 1.5.98. The Committee view the situation seriously. In their opinion, no compromise can be made insofar as safety and health of



workers is concerned. The Committee, therefore, strongly recommend that the Ministry of Labour should take up the issue with the Ministry of Surface Transport at the highest level and ensure that the Safety Officers are appointed in all the Major Ports and Dock Labour Boards as required under the statute within three months.

2.36 The Committee further recommend that the DGFASLI organisation should make all out efforts to finalise safety audit reports conducted by them in Major Ports at the earliest. Also effective monitoring should be done by them in regard to compliance of their findings in the audit reports by Port Trust Authorities.

Major Head 2230

Minor Head 02

(D) Child Labour Cell

2.37 The Ministry of Labour has furnished a statement showing the total Plan outlay for Eighth Five Year Plan and the actual expenditure incurred against it scheme-wise under child labour as given below:—

Name of the Scheme	(Rs. in lakh)	
	Outlay	Expenditure
Strengthening of Child Labour Cell	45.00	32.92
GIA to Voluntary Agencies	200.00	133.38
National Child Labour Projects	1185.00	7290.74
Studies relating to Child Labour	20.00	14.10
<b>Total</b>	<b>1450.00</b>	<b>7471.14</b>

2.38 As against an outlay of Rs. 14.50 crore, for all the schemes of child labour taken together, the actual expenditure during Eighth Plan was of the order of Rs. 74.71 crore.

2.39 Asked to state whether the Ministry is satisfied with its performance in regard to child labour schemes, the Ministry has stated

that the shortfall in expenditure is mainly on account of the delay in obtaining necessary approval from the Expenditure Finance Committee/Cabinet for the revised scheme of National Child Labour Project. Therefore, neither the existing National Child Labour Projects were permitted to cover more working children nor any new project could be sanctioned. As a result of this, even though adequate provision was made in the Budget, the required expenditure could not be incurred resulting in shortfall in the utilisation of funds.

2.40 The Secretary, Ministry of Labour stated during evidence:

“First, I would like to say that we are not satisfied with the pace and progress of implementation of this particular programme which is massive in its magnitude.”

*National Child Labour Project*

2.41 Asked to state whether any evaluation study has been conducted by the Ministry on the impact of the scheme, the Ministry has stated that under the existing National Child Labour Project Scheme, children are withdrawn from work and put in special schools with provision for non-formal education, vocational training, nutrition, stipend, etc. So far 76 National Child Labour Projects have been sanctioned. The actual coverage under these projects is 1.04 lakh children. These children are expected to undergo three years of special school education after which they either join the mainstream education or take up other vocations. Most of the children are in their third year of special school education.

2.42 While no evaluation study has been conducted by the Ministry to assess the impact of the scheme as such, evaluation of specific projects has been undertaken. Some of the projects have also been inspected by an Inter-Ministerial Team to make an assessment of the progress made so far and ascertain the strength and weakness of the Child Labour Projects. The major findings of these studies indicate that the National Child Labour Projects have been able to achieve the immediate objective of withdrawal of children from hazardous occupations and their rehabilitation through the special schools. It has also been pointed out that the existing scheme does not provide any institutional monitoring mechanism. It is, therefore, necessary that the monitoring and inspecting mechanism especially at the State level should be created, strengthened and fully integrated. This aspect has

been incorporated in the National Child Labour Project Scheme which is under revision.

2.43 Outlining the future of the National Child Labour Projects, the Secretary, Ministry of Labour stated during evidence:

"As far as the continuance of the National Child Labour Programme is concerned, the Expenditure Finance Committee is meeting on 25.6.98. We had an Inter-Ministerial team comprising of representatives from the Planning Commission, Ministry of Finance and Ministry of Labour. They have gone round and inspected a large number of projects. They have discussed with the State Government representatives and the Collectors. By and large, they are satisfied that the objective of the programme is good and that some of the projects are giving a very good account of themselves. There are lapses and omissions here and there, but they are all correctable. It does not mean that the inspections have established undesirability or non-viability of the projects. The projects are desirable and necessary. Therefore, their continuance also is desirable and necessary. But this will be decided on 25.6.98."

#### *Child Labour Schools*

2.44 Asked to state whether the Ministry of Labour has given a thought to transfer the scheme of child labour schools to Ministry of Human Resource Development keeping in view the fact that universalization of primary education comes under the task of Ministry of Human Resource Development, the Ministry has stated that the issue has already been examined in the Ministry of Labour. Basically, there are two options regarding Departmental responsibility for handling the rehabilitation of child labour. These are as under:

- (i) The Ministry of Labour should continue to take a pro-active role for the identification, release and rehabilitation of child labour by way of continuing and expanding the existing National Child Labour Projects for coverage of more working children; or
- (ii) The Ministry of Labour, being a coordinating and enforcement body should facilitate the identification of child labour through survey, enforcement of relevant child labour related laws,

leaving the special rehabilitation work to the Department of Education, Ministry of Human Resource Development and other concerned Ministries.

2.45 The Department of Education is of the view that it does not have any mechanism to monitor the number of liberated working children and to ensure their rehabilitation. Hence, the proposal for the rehabilitation of working children by the Department of Education and the State Education Departments is neither feasible nor acceptable. Therefore, this would have to be continued as a mandate of the Ministry of Labour.

2.46 The Committee note with concern that the National Child Labour Project introduced in 1995-96 could not make much headway due to non-approval of the scheme by the EFC in 1997-98. This happened in spite of the fact that a good percentage of expenditure was incurred under the scheme during the year 1996-97. In the event of non-opening of any new project or school by the Ministry, the Committee feel that 76 NCLPs and 1800 schools are far too inadequate to cover 2 million children engaged in hazardous occupations. The Committee also express their regret over the time gap involved in setting up an Inter-Ministerial team for evaluating the project as desired by the EFC. The Committee, therefore, recommend that the Ministry should vigorously pursue the matter with the EFC at the highest level so that sanction is accorded for the continuance of the scheme as well as opening up of new NCLPs during 1998-99. The Committee are also of the view that an institutional monitoring mechanism should be evolved under the project by the Ministry as has been advised by the Inter-Ministerial team assessing the functioning of the NCLPs.

2.47 The Committee note that the Expenditure Finance Committee of the Ministry of Finance has raised the issue that the running of special schools should be transferred to the Ministry of Human Resource Development keeping in view the fact that universalisation of primary education comes under the task of the Ministry of HRD. The Ministry of Labour has, however, informed the Committee that the Department of Education, Ministry of HRD does not possess any mechanism to monitor the number of liberated working children and to ensure their rehabilitation and hence this task would have to be continued as a mandate of the Ministry. The Committee, are therefore, of the opinion that the Ministry of Labour should justify

their stand on the issue of running the special schools to the EFC for early clearance of their proposal so that more schools are opened for rehabilitating more children.

### (E) Welfare Of Agricultural Labourers

2.48 Agricultural labour constitutes the largest segment of the workers in the unorganised sector. Problems being faced by them vary from State to State and from region to region because of their agro-climatic, sociological and demographic conditions.

2.49 When asked to state whether the Government has given a thought to bringing these labourers into the main-stream i.e. organised sector in order to improve their working conditions and socio-economic status, the Ministry in its written reply has stated that agricultural workers constitute the largest segment of the unorganized workers in the country. According to 1991 Census, there were 74.6 million agricultural workers in addition to 110.7 million persons listed as cultivators and another 6 million as those engaged in allied activities. Under-employment in the agricultural sector, seasonal nature of employment and other socio-economic factors, result in particularly difficult working conditions and workers of the category have little to fall back upon in later years of life when they are unable to earn their livelihood. Though agriculture is a State subject and Labour is in the concurrent list, the Central Government are aware of the situation and are taking appropriate action to provide for their better working and living conditions.

2.50 The Ministry has further stated that a comprehensive legislation for agricultural workers is already under consideration of the Government. It includes provision for regulating the working conditions, working hours, minimum harvesting wages, speedy dispute resolution, security of employment, etc. It also makes provision for creation of an Agricultural Workers Welfare Fund at district level to be financed by employers' contribution and a token voluntary contribution by workers. The Fund will undertake various welfare/ social security schemes including health, maternity benefit, old age pension, children's education, housing, etc.

2.51 Explaining the progress achieved by the Ministry in bringing out a legislation for agricultural labour, the representative of the Ministry stated during evidence:

“As you are aware, we have been pursuing this matter in right earnest in this Ministry for a number of years. At the moment, it is awaiting the approval of the competent authority. The draft legislation had been made and circulated to the State Governments. Based on the comments received from the State Governments, a new draft legislation was formulated. This was also discussed in a meeting of the State Labour Ministers. After a very detailed examination in the Ministry of Law, Legislative Department, a comprehensive draft legislation has been prepared. It is awaiting approval at the appropriate level.”

2.52 The Committee are distressed to note that though the National Commission for Agricultural Labour set up in 1987, recommended the Government in 1991 for bringing agricultural labour into the mainstream of the organised sector yet the Ministry has not been able to come forward with a legislation even after a lapse of seven years. The reasons put forth by the Ministry that much time was taken in persuading the State Governments to arrive at a decision is not acceptable to the Committee. In the opinion of the Committee, the Ministry has not given due attention to the issue. The Committee, therefore, strongly recommend that the Ministry should make immediate efforts to get the approval of the Cabinet and bring forth a comprehensive legislation during the Current Session of Parliament.

**Major Head 3601**

**Sub Head 04.327**

**(F) Providing Homes for Hamals**

2.53 Under the Housing Scheme for Hamals, Budget Estimates for the year 1996-97 was Rs. 3,32,37 thousand but in the Revised Estimates it stood at Rs. 1,70,00 thousand. The Budget Estimates for the year 1998-99 is Rs. 1,00,00 thousand.

2.54 The Ministry of Labour in their Performance Budget has stated that the scheme is a Plan Scheme introduced in 1996-97 as a pilot project in the States of Karnataka and Madhya Pradesh for providing

residential facilities for Hamals. The term 'Hamals' refers generally to self employed persons who carry head works in public places such as railway stations, bus stands, market yards etc. for a piece rate remuneration. As these workers are generally not organised and have no social security protection, they would rank among the most disadvantaged scheme of our population.

2.55 The Ministry has further stated that the scheme for construction of residential dwelling units to hamals is administered through the State Governments. The land is to be provided by the State Government free of cost and HUDCO has been identified as the nodal organisation for financing and getting this project executed. The minimum accommodation that will be provided in a tenement is a total plinth area of 70 square feet comprising of one room with provision for kitchen and bathroom-cum-latrine. A subsidy of Rs. 10,000/- inclusive of development charges per beneficiary is provided by the Central Government to the State Government in the form of grant-in-aid. The remaining finances will be raised by State Government from financial institutions etc. or beneficiary's own contribution. The period of completion of houses will be two years.

2.56 When asked the reasons for reducing the amount at Revised Estimates and Current Budget Estimates stage, the Ministry in a reply furnished to the Committee has stated that the reason for reduction is that the scheme is administered through the State Governments and on the basis of the proposals received from the State Governments, subsidy is released. The anticipated proposals from State Governments and inclusion of the scheme as a regular scheme during Ninth Plan period did not materialize. As Government had introduced the scheme as a pilot scheme and it had been provided that the houses would be completed within a time of 18 months, it was not possible to complete that exercise in the given time. The implementation of pilot scheme in the States of Karnataka and Madhya Pradesh launched during 1996-97 is being evaluated for replication in other States.

2.57 Adding further the Secretary, Ministry of Labour stated during evidence :

"We have been writing to the States to conduct a survey to identify and enumerate the strength of the loaders and unloaders so that we can think in terms of setting up a welfare fund for them. Right now, what we have is only one basic human need

of loaders and unloaders and that is housing. But there are many other needs like health, hygiene, sanitation, education of their children, etc."

2.58 When asked about the steps being taken by the Ministry to popularise this scheme in other States during the Ninth Five Year Plan, the Ministry in a written reply furnished to the Committee has stated that its inclusion as a regular scheme in the Ninth Five Year Plan and its extension to other States depends upon the successful implementation of this pilot scheme, which is being evaluated. In order to popularize the scheme in other States, a copy of the formulated scheme was circulated to all Labour Secretaries of the State Governments/Union Territories. Governments were also requested to furnish the basic data regarding identification of Hamals, their areas of concentration, provision of land to Hamals by issue of necessary pattas to them etc. for considering the feasibility of including it as a regular scheme. Once the scheme is included as a regular scheme for implementation in all the States, further efforts to popularize the scheme through the field officers of the Ministry in liaison with State Governments by mounting an awareness campaign will be undertaken.

2.59 The Committee note with concern though the scheme for providing Homes for Hamals was introduced by the Ministry of Labour in 1996-97 as a Plan scheme in the States of Karnataka and Madhya Pradesh for providing residential facilities to Hamals, i.e. loaders and unloaders found at bus stations, railway stations, etc. and are highly unorganised yet the future of the scheme is as of now uncertain due to fact that the State Governments are not coming forward with their proposals. The Committee are not happy with the situation. In their opinion, the Ministry lacks coordination with State Governments and its monitoring of the scheme has not been satisfactory. The Committee, therefore, recommend that the Ministry should take up the issue with the State Governments on priority for continuation of the scheme in the Ninth Five Year Plan. Also efforts should be made for setting up a Welfare fund by persuading the State Governments, so that basic needs like health, hygiene, sanitation, etc. of Hamals are taken care of. Steps taken in this regard should be communicated to the Committee.



**Major Head 2230****Sub Head 01****(G) Social Security for Labour Deposit Linked Insurance Scheme****(i) Employees State Insurance Scheme**

2.60 The main objectives of the Employees State Insurance Scheme are to provide medical care and treatment, cash benefits during sickness, maternity, employment injury, pension for dependents on the death of insured workers due to employment injury and payment towards expenditure on funeral of an insured person.

*Coverage*

2.61 The Ministry of Labour has furnished the following statement showing the number of establishments covered during the last 3 years under the ESI Scheme :

Year	No. of establishments covered
March 1996	1,90,944
March 1997	2,00,471
March 1998	2,10,716 (Prov.)

2.62 The Ministry has further stated that in order to make survey of coverable establishments, during 1997-98 a special drive was launched during the period from 16.3.98 to 15.4.1998.

2.63 During evidence, the representative of the Ministry stated:—

“When the ceiling was increased, actually at that time, a large number of workers were going out of the ESI coverage because of pay revisions, etc. Majority of the people who are covered after the revision of the ceiling would be those who would have otherwise gone out of the coverage. The total additional coverage which we have from 1.1.97 to 30.9.97 is around 25,11,000”

*Recovery Of ESIC's Dues*

2.64 The Ministry has furnished the following Statement showing the amount of arrears to be recovered from the defaulting employers during the last three years (State-wise):—

	(Rs. in crore)		
	1995-96	1996-97	1997-98
1. Andhra Pradesh	14.92	17.64	26.57
2. Assam	3.34	3.80	4.70
3. Bihar	9.99	10.26	11.03
4. Delhi	2.35	3.81	4.20
5. Gujarat	18.08	19.31	21.92
6. Haryana	4.51	4.69	6.19
7. Karnataka	9.62	11.21	13.97
8. Kerala	7.69	9.66	10.06
9. Madhya Pradesh	18.65	19.77	21.41
10. Bombay	28.73	29.11	45.22
11. Nagpur	3.23	3.80	4.43
12. Pune	8.88	10.99	21.13
13. Goa	1.35	1.91	2.62
14. Orissa	4.48	5.26	7.36
15. Punjab	11.61	12.11	12.85
16. Rajasthan	3.75	3.98	4.08
17. Madras	8.49	9.17	11.71
18. Madurai	3.41	6.35	7.02
19. Coimbatore	2.89	2.98	2.95
20. Pondicherry	0.78	0.92	0.84
21. Uttar Pradesh	21.81	28.76	40.71
22. West Bengal	95.87	96.62	100.04

2.65 On being asked about the recovery of ESIC's dues, the Secretary, Ministry of Labour stated during evidence :—

"The powers of recovery of ESIC's dues, which are statutory dues, earlier vested with the State Governments. There has been a positive improvement after the powers were delegated to Recovery Officers. They were appointed by the Corporation. The arrears could be divided into two parts which are realisable and those which are non-realisable. There are a large number of arrears which are locked up in BIFR proceedings. These are arrears under Section 22 of SICA which are non-realisable. A drive has been launched to recover the arrears which are realisable. It has been constantly reviewed by the D.G. in the course of his visit to the Regional Offices. There has been a positive result. Compared to EPF, the position of arrears of ESIC is not alarming except a sizeable amount which has been blocked up as irrecoverable due in the BIFR proceeds."

2.66 The representative of the Ministry further added :—

"After the implementation of our own recovery machinery, things have improved substantially. In 1990-91, our total collection was about Rs. 8.84 crore. These are mainly certificate cases through collectors. Last year, we had reached a figure of Rs. 37.50 crore as against the total target which we have exceeded was Rs. 36 crore. This year's target which we have fixed up is around Rs. 51 crore. Now the trend which has been seen is that the collections are mostly now through our Recovery Officers. In 1997-98, out of Rs. 37.50 crore which we have collected, Rs. 32.31 crore were through Recovery Officers and Rs.19 lakh were through the collectors. So the situation has improved on that."

2.67 The Ministry in a subsequent written reply furnished to the Committee has stated that over the years the amount of ESI dues outstanding against the State PSUs has been steadily increasing. As on 31.3.98 an amount of Rs. 50.48 crore was outstanding as against Rs. 33.10 crore outstanding in the previous year. The amount of ESI dues against PSUs are increasing mostly because of non-action on part of the State Governments. The ESIC has been regularly writing to the Chief Secretaries of the concerned State Governments requesting their intervention for liquidation of ESI arrears. Instead of intervening in the matter for deposit of ESI dues most of the State Governments are

liberally granting exemptions to State PSUs and also to private factories/establishments with retrospective effect as a result of which efforts made by the Corporation are neutralised and the Corporation is compelled to forego its claim which in turn financially affects the ESI Scheme. After collecting full details of arrears it is proposed to take up the matter with the State Governments at the level of Union Labour Minister.

#### *Legal Action*

2.68 Explaining the number of prosecution cases pending under Sections 406 and 409 of I.P.C, the representative of the Ministry stated during evidence :—

“The number of prosecution cases pending at the beginning in the year 1997-98 was 1959 and that figure has gone up at the end of the year. Now about 2000 cases are pending. We are getting the cooperation of the State Governments in regard to realisation of dues but wherever there are cases where we do not get the cooperation that matter is taken up at the appropriate level and it is done.”

2.69 Asked to state the steps taken by the Corporation to get the cases lodged under Sections 406 and 409 of IPC against defaulting employers disposed of quickly, the Ministry in a written reply furnished to the Committee has stated that in order to expedite disposal of court cases including the cases filed under these sections, the ESIC has taken the following steps :—

- (a) Regional Directors, ESIC has been instructed to prepare yearwise list of pending cases and seek intervention of Registrars of High Courts for early disposal of cases.
- (b) Instructions have been issued to obtain Summons from the Courts and deliver the same personally to the accused.
- (c) In case of non-bailable warrants the Inspectors are required to obtain the summons from the courts and deliver them to the police authorities for necessary action.

2.70 When asked about the establishment of separate Courts for hearing ESI cases, the Ministry has stated that there are already Employees' Insurance Courts set up under Section 75 of the ESI Act for hearing and disposal of ESI disputes.

### *Hospitals*

2.71 When asked whether there have been complaints about the non-availability of doctors, shortage of medicines, equipments, etc. in the ESI hospitals, the Ministry in a written reply furnished to the Committee has stated that the responsibility for administration of medical care under the ESI Act vests with the respective State Governments/UT Administrations except in Delhi and NOIDA where it is being administered by the ESIC, direct. In order to provide medical care to the ESI beneficiaries, the Corporation has prescribed guidelines/norms for staffing and equipping ESI Hospitals/dispensaries. The expenditure on medical care is met by the ESIC and the State Governments in the ratio of 7:1. There have been some complaints about shortage of doctors, medicines, equipments, etc. in the ESI hospitals/dispensaries. Such complaints as and when received, are forwarded to the concerned State Governments for taking appropriate remedial measures. The Corporation also sees to it that the ESI beneficiaries do receive proper satisfactory medical care under the ESI Scheme.

2.72 During evidence, the Secretary, Ministry of Labour stated :—

“The idea of ~~Subsidiary Corporation~~ is one of the answers to the problem. Progressively we should try to wean away the management from the State Governments and try to bring about a qualitative change and improvement in the management. But it has its own dilemmas and challenges because we are in a federal polity where the Central Government may be enacting laws, may be formulating schemes, may be providing funds, may be issuing guidelines, but actual implementation of all laws of social sector, services programmes and welfare programmes for the workers are the responsibility of the State Governments.”

### *Supply of Equipments to Hospitals*

2.73 The Ministry of Labour has furnished a statement showing the number of proposals for procurement of equipments received and sanctioned as per Annexure (Annexure-A).

2.74 The Committee note that the number of workers coming within the purview of the ESI Scheme has increased due to revision of the wage ceiling from Rs. 3000 to Rs. 6500. However, the standard

and quality of medical care provided by the ESI Corporation left much to be desired. In the opinion of the Committee, enhancement of wage ceiling should have been linked with substantial improvement in the quality of medical care by appointing Specialists, opening more Occupational Disease Centres and upgrading the hospitals to the level of superspeciality. The Committee, therefore, recommend that the Ministry should monitor the scheme thoroughly in coordination with State Governments and the Corporation should improve the standard and quality of medical care so that the subscribers of the scheme receive their due benefits.

2.75 The Committee observe that the amount of ESI dues outstanding against the State PSUs are increasing mostly because of non-action on the part of the State Governments. Though the Ministry has stated that the ESIC has regularly been writing to the concerned State Governments, the Ministry does not have the full details of arrears from State Governments so far. The Committee are of the opinion that the ESI Scheme should not be financially weakened due to default. The Committee, therefore, urge the Ministry to pursue the matter with the State Governments at the highest level without further loss of time. Also efforts should be made to get the legal cases disposed of quickly.

2.76 As regards setting up of Subsidiary Corporations of the ESIC in States based on the pattern of Central ESIC, the Committee desire that the matter should be taken up with the State Governments on a firm footing so as to ensure effective administrative accountability and timely realisation of arrears.

2.77 The Committee note that most of the ESI hospitals do not have diagnostic facilities and the kind of services rendered is not upto the mark. Also complaints have been received about shortage of doctors, medicines, equipments, etc. in the ESI hospitals. In some of the ESI hospitals run by the State Governments, equipments requisitioned could not be procured for more than a year. The condition in the hospitals run by the Corporation is more or less the same. The Committee feel that in the absence of equipments, an ordinary worker is deprived of his right to specialised treatment. The Committee, therefore, strongly recommend that the Ministry should monitor the functioning of the Corporation effectively and ensure that the medicines and equipments requisitioned by the hospitals are supplied to them quickly. Also the ESI Corporation

should take necessary steps for filling the vacancies of doctors and para medical staff at the earliest.

**(ii) Employees Provident Fund Organisation**

2.78 The Ministry of Labour in a written reply furnished to the Committee has stated that 48212 establishments and 52.55 lakh employees were additionally covered under the EPF Scheme during the last three years.

*Coverage*

2.79 Asked whether any special drive has been launched during the year 1997-98 to cover new establishments under the Act and whether any responsibility has been fixed on the Enforcement Officers for less coverage of establishments in their area, the Ministry in a written reply furnished to the Committee has stated that the EPF&MP Act, 1952 applies on its own vigour. The establishment employing 20 or more persons is required to report compliance under the Act from the date it is set up. The establishments which do not report compliance from the due date are liable for legal and penal action as prescribed under the Act. Detection of default and securing compliance under the Act is an on going process. Drives for detection of defaulters and their coverage under the Act are also launched periodically as and when considered necessary. During the last three years on detection of defaults the EPFO initiated legal action in 8039 cases. 48212 new establishments were covered under the EPF Scheme. Necessary action for less/non-coverage of the establishments is also taken against the enforcement officer if any specific complaint in this regard is received and it is established that less/non-coverage could be attributed to inaction on the part of enforcement officer(s).

2.80 When asked to state the number of industries covered under the Scheme after issuing the ordinance to abolish the provision of infancy period under the EPF&MP Act the Secretary, Ministry of Labour stated during evidence:—

“The EPF and MP (Amendment) Ordinance was approved by the President on 22 September, 1997 and as all the Members are aware this has been passed by both the Houses of Parliament and now converted into a law. Between October, 1997 and March, 1998, as a result of the dispensing with the infancy period under

EPF and MP Act, totally 14,647 establishments have been covered. Out of that the new establishments which have been straightaway covered were 6018 between October to March, 1998. The total number of establishments covered during this period is almost double the number of establishments which we have covered during the whole of last year, i.e. 1996-97."

2.81 The Ministry has furnished the following statement showing the number of establishments covered under the EPF & MP Act, 1952 after issue of the EPF & MP (Amendment) Ordinance, 1997 on 22.9.97 (Region-wise) as under:—

Name of the Region	Number of estts. covered
Andhra Pradesh	1223
Bihar	337
Delhi	1463
Gujarat	1213
Haryana	744
Karnataka	789
Kerala	585
Maharashtra	1803
Madhya Pradesh	656
NE Region	220
Orissa	75
Punjab	1026
Rajasthan	585
Tamil Nadu	2415
Uttar Pradesh	1128
West Bengal	312
<b>Total</b>	<b>14674</b>



2.82 Asked to state whether the Government has given a thought to cover all classes of establishments employing less than 20 persons under the scheme as recommended by the Central Board of Trustees, the Ministry has stated that the suggestion to abolish scheduled industries restriction has been noted by the Government for consideration when the Act is next amended. The proposal to cover establishments employing 10 or more persons under the EPF&MP Act is being examined in consultation with other Ministries and Departments.

2.83 Adding further the Secretary, Ministry of Labour stated during evidence:-

"This is under active consideration of the Government in consultation with the Ministry of Finance because of some financial implications. As soon as we get the concurrence of the Ministry of Finance, we will do it."

#### *Recovery of Outstanding Dues*

2.84 The Ministry of Labour has furnished the following details of EPF arrears outstanding during the last three years as under:

Year	Amount of arrears (Rs. in crore)
March, 96	421.40
March, 97	466.56
March, 98	463.97 (Provisional)

2.85 As regards recovery of dues, the representative of the Ministry stated during evidence that recovery of Rs. 105.00 crore was made during 1996-97 and Rs. 193.60 crore was recovered during the year 1997-98, which is double the previous year.

2.86 The Ministry has further informed the Committee that the EPF dues could not be recovered for the reasons such as court proceedings, liquidation/closure of factories/establishments, BIFR proceedings etc. The work relating to recovery of dues is the key result area being monitored under the Central Action Plan of the EPFO. The Organisation proposes to recover 80% of the total realisable EPF arrears during the year 1998-99.

2.87 Asked to state the number of cases where legal action is initiated by the EPFO against the defaulting establishments during the last three years and the efforts made by the Organisations to get the legal cases disposed of quickly, the Ministry has stated that during the last three years legal action was initiated by the EPFO in 8039 cases against the PF defaulters. The Organisation is pursuing various court cases vigorously so as to get them disposed of at the earliest. In West Bengal, one special court has been set up to handle PF matters exclusively.

2.88 The Ministry of Labour has further stated that there were 6023 cases pending under Section 7A and 3945 cases pending under Section 14B of the EPF & MP Act, 1952.

2.89 Asked whether the Government is considering some Rehabilitation Scheme for factories declared sick by BIFR, the Ministry has stated that whenever the factory/unit is referred to the Board of Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provision) Act, 1985 there is a provision under sections 18 and 19 of the Act to direct the Operating Agency to prepare a scheme for rehabilitation. The Rehabilitation Scheme is to provide any one or more of the following measures:

Financial reconstruction of the Sick Company

Change in or take over of management

Amalgamation of the sick company with any other company

Sale or lease of a part or whole of any industrial undertaking

Rationalisation of managerial personnel, supervisory staff and workmen in accordance with law, and

Any other preventive ameliorative, remedial or other measure as may be appropriate.

2.90 The scheme prepared by the Operating Agency is examined by the Board and if found appropriate is sanctioned by the Board. The rehabilitation scheme generally sanctioned by BIFR provides financial assistance by way of loans, advances, guarantee or reliefs from the Central Governments, State Governments scheduled commercial banks or other banks, public financial institution or State

level institutions. The concerned financial institutions/banks are to proceed to release the financial assistance to the sick companies in fulfilment of the requirement in the sanctioned scheme of rehabilitation.

2.91 The Ministry has further stated that number of rehabilitation schemes have been sanctioned for sick companies including CPSUs which have been referred to BIFR. The details of the rehabilitation package for each of these companies is available with the concerned Ministries having administrative charge of the CPSUs. The Ministry of Labour is not directly involved at any stage in the preparation and sanction of the rehabilitation scheme of sick units.

2.92 The Committee note with pleasure that in accordance with their recommendation, the Government amended the EPF & MP Act to abolish the provision of infancy period resulting in higher coverage of establishments under the Act. However, the growth in coverage is not satisfying to the Committee keeping in view the fact that out of about 350 million workforce only 22 million has so far been covered under the Act. In the opinion of the Committee the provisions relating to the quantum of employment and scheduled industries restrictions incorporated in EPF & MP Act, 1952 are a source of unfair practice by unscrupulous employers. The Committee, therefore, urge the Government to further amend the Act so that an ordinary labourer is not deprived of his rights as was recommended in their Fifth Report on Demands for Grants, 1997-98.

2.93 The Committee further desire that the Ministry should make all out efforts for recovery of outstanding dues by taking stern legal actions against the defaulting establishments without further loss of time. As regards quick disposal of Court cases, the Ministry should make efforts for setting up Special Courts on the pattern of State of West Bengal to handle PF matters exclusively in other States also.

NEW DELHI;  
 July 3, 1998  
 Asadha 12, 1920 (Saka)

HARIN PATHAK,  
 Chairman,  
 Standing Committee on Labour and Welfare.

## ANNEXURE I

(Vide Para 2.73 of the Report)

STATEMENT SHOWING SANCTION OF EQUIPMENTS TO  
ESI HOSPITALS (STATE-WISE) FROM 1996 TO 1998

Name of State		Name of Hospital	Date	Amount	Name of equipments
1	2	3	4	5	(Amount in Rupees)
Gujarat	ESI Hospital, VAPI	15.4.97	40,00,000	Initial equipments	
	ESI Hospital, Rajpur	1.1.98	85,000	Pulse Oximeter	
	ESI Hospital, Rajpur	1.1.98	60,000	Poetal Monitor	
	ESI Hospital, Bapunagar	12.1.98	1,30,000	Two Blood Bank Refrigerators	
	ESI Hospital, Bapunagar	9.2.98	4,00,000	Elisa Beader	
	ESI Hospital, Surat	20.2.98	85,000	Pulse Oximeter	
			60,000	Foetal Monitor	
			20,000	Autoclave Machine	

1	2	3	4	5
ESI Hospital, Baroda	26.2.98	80,000 2,50,000 85,000	Electric Drill with Saw Tread Mill Machine Pulse Oximeter	
ESI Hospital, Surat	26.3.98	6,50,000	Sonography Machine	
ESI Hospital, Bapunagar	20.2.98	2,50,000 8,00,000	Accessories for Trade Mills & Monitor for ICC Unit ECG and Dropper Circuit for feeding in existing U.S.G. machine for Eco-Cardiography	
ESI Hospital, Bapunagar	20.3.98	6,45,000	Electric Drill, Pulse Oximeter, Operating Microscope and Mobile X-Ray.	
13 Dispensaries	23.3.98	2,24,000	13 Fridges (one for each Dispensary)	
Andhra Pradesh	ESI Hospital, Nacharam	11,000 10,000 80,000 60,000 10,000 6,000 5,000	Spirometer Fibro Optic Bronchoscope P.F.T. Machine Nebulizer Audiometer for ENT Otoscope Computerised ENT Machine	

1	2	3	4	5
Andhra Pradesh	ESI Hospital, Nacharam ESI Hospital, Tirupati	18.4.96 29.5.97	1,00,000 40,00,000	For initial equipments. For initial equipments.
Maharashtra	ESI Hospital, Aurangabad	3.3.97	10,00,000	For initial equipments.
	ESI Hospital, Nagpur	26.5.98	16,00,000	Hydraulic Operation Table, Shadowless Lamp, Gystoscope with resectoscope, Asthroscope and Semi auto analyser.
Orissa	126 Dispensaries	16.3.98	14,000	per Dispensary For 4 items
	ESI Hospital, Bhubaneswar	14.11.96	25,00,000	For initial equipments for Maino O.T.
	ESI Hospital, Choudwar	22.9.97	75,55,000	Upgradation of different specialised Wings of the Hospital-purchase of equipments thereof.
Pondicherry	3 Dispensaries	31.3.98	3,70,000	for each Dispensary-3 Ambulances
	ESI Hospital, Gorimedu	12.1.98	11,93,500	Ultrasound Machine & Mobile X-ray Unit

1	2	3	4	5
Rajasthan	ESI Hospital, Jaipur	27.3.96	2,00,000	Operation Table with Urology
			6,00,000	Accessories for T.U.R
			1,25,000	Shadowless Lamp for O.T.
			1,25,000	Operating Microscope
			24,000	Austine More Prosthesis (Two)
			9,000	Foetal Monitor Digital.
			5,000	Bosco Cryos with Probes for Gybaecology
			18,000	Hologen Light (Six)
			1,20,000	Other Orthopedic equipments
	ESI Hospital, Kota	27.3.96		
	ESI Hospital, Kota	17.7.97	7,50,000	Sonography Machine
	ESI Hospital, Jodhpur	17.7.97	7,50,000	Sonography Machine
Haryana	ESI Hospital, Sector 8 Faridabad	12.12.96	70,00,000	For initial equipments.
	ESI Hospital, Bhiwani	13.1.97	70,00,000	For initial equipments.

1	2	3	4	5
Kerala	ESI Hospital, Allapuzha	17.4.96	7,60,500	300 MA X Ray Machine
	ESI Hospital, Feroke	27.12.96	10,00,000	Ultra sound scanning machine
	ESI Hospital, Asaramam	27.12.96	10,00,000	—do—
	ESI Hospital, Peroorkeda	9.01.97	10,00,000	—do—
	ESI Hospital, Ernakulam	19.2.98	85,000	Boyees apparatus against condemnation
Karnataka	ESI Hospital, Mysore	6.1.97	10,00,000	Ultra sound scanning machine
	ESI Hospital, Rajajinagar	20.3.97	9,44,000	Ultra sound scanner
			89,000	Respirator/Ventilator
			1,89,567	Anesthesia ventilator or Respirator
	ESI Hospital, Indira Nagar	8.9.97	1,51,000	Boyles Apparatus
		9,00,000	Haemodiolysis machine	
	ESI Hospital, Shahbad	9.1.98	40,00,000	For initial equipments
	ESI Hospital, Belgaum	9.1.98	40,00,000	For initial equipments
	ESI Dispensaries	27.3.98	14,000	Each for 126 ESI Dispensaries located in Karnataka for basic equipments.



1	2	3	4	5
Tamil Nadu				
	ESI Hospital, Ayanavaram	15.5.96	13,925	ECG Machine
	ESI Hospital, Madurai	15.5.96	13,925	ECG Machine
	ESI Hospital, Ayanavaram	3.3.97	54,000	Corneal Coupes (Two)
	ESI Hospital, Coimbatore	24.10.97	48,39,000	Modern equipments for various departments.
West Bengal				
	ESI Hospital, Sealdah	17.1.96	1,00,224	Cardiac monitor and Recorder with Defibrillator
	ESI Hospital, Manicktola	19.1.96	27,919.69	Flame Photometer Elice Model
			31,104.94	Auto Pipette digital with ejection
			81,964.44	Cardiac Monitor with Defibrillator
		13.8.96	23,130.00	Holter acquisition module power supply.
	ESI Hospital, Belur	19.9.96	79,839.90	Pulse Oxymeter

1	2	3	4	5
West Bengal	ESI Hospital, Durgapur	28.11.96	44,72,249	For initial equipments
	ESI Hospital, Budge Budge	3.12.96	14,39,799	Ultrasonography machine
		23.02.98	86,130	Cardiac Monitor with defibrillator
		26.02.98	2,58,390	Carbon-dioxide monitor Pulse Oxymeter
		30.3.98	1,60,776	Binocular operating microscope
	ESI Hospital, Guwahati	26.9.97	85,608	Cardiac Monitor with Defibrillator
		23.2.98	1,79,494	Semi autoanalyser
	ESI Hospital, Manicktala	10.03.97	3,05,933	Semi autoanalyser
	ESI Hospital, Belur	2.5.97	6,36,907	Bronch scope model No. BF IT 30
	ESI Hospital, Sealdah	16.7.97	2,66,220	Semi auto analyser
	ESI Hospital, Hoogly	18.2.98	1,79,494	Semi Auto Analyser
	ESI Hospital, Serampore	27.2.98	5,63,270	300 MA X Ray machine
	For Dispensaries and one Medical Store	March, 98	1,76,000	Eleven Refrigerators

**LIST OF EQUIPMENTS SANCTIONED IN RESPECT OF ESI HOSPITALS DELHI  
AND NOIDA FROM 1.04.1996 TO TILL DATE**

Sl. No.	Name of Hospital	Year of sanction	Cost	Name of Equipments
1	2	3	4	5
1.	ESI Hospital, Rohini	1997	7,79,84,554	Initial equipments & Furniture for indoor and OPD
2.	ESI Hospital, Okhla	1998	1,23,523	Equipments for Orthopaedic & Physiotherapy and Occupational Department
3.	ESI Hospital, Jhilmil	1996	1,54,825 5,00,000	Equipments for Eye Department Operating Microscope
4.	ESI Hospital, Noida	1997	1,50,000	Automatic Cleaning Machine (2)
		1996	61,662	Attachment of OT Table
		1997	1,60,000 4,65,000 78,000 1,75,000	Anaesthesia Department Paediatrics Department Medicine Department Physiotherapy Department
		1998	75,000	Dental Equipment and Light Cure Machine

1	2	3	4	5
5.	ESI Hospital, Basaidarapur	1996	4,87,460	Equipment for Micro Biology
			4,27,860	Equipment for OT Block New Wing
			17,95,000	Equipment for ICCU Department
			18,65,000	Equipments for Gynae Department
			28,52,000	Equipments for ICCU in New Building
			5,93,000	Accessories of X Ray Machine
			1,00,000	X Ray processing Tank
			5,98,767	Blood Bank Equipments
			14,43,211	Equipments for new OT Block
		1997	32,50,000	Three Dental Units
			80,000	Retinoscope (2), Ophthalmoscope (2)
			15,000	Lensometer
			14,000	Binocular Microscope
			26,000	Microtome (2)
			48,000	ECG Machine (3)

1	2	3	4	5
			4,990 each	25 Acqua Guard
			2,00,000	Hospital Waste Management
			1,74,000	Equipment for Blood Bank
			22,00,000	2 Slit Lamps Microscope
			30,640	2 Sets of Gas Cylinder for PFT Machine
	1998		1,87,500	Misc. items for Diet. Department
			83,900	Equipments for Occupational and Physiotherapy Department

DETAIL OF PENDING EQUIPMENTS

Sl. No.	Name of the Hospital	Name of equipments	Dt. of receipt	Cost	Latest position
1	2	3	4	5	6
MAHARASHTRA					
1.	ESI Hospital, Worli	Modern equipments including Automatic Biochemistry Analyser with printer and Automatic Haemotology Analyser with printer	27.4.96	Rs. 25,42,000/-	Some information called for from State Govt., which is still awaited.
2.	ESI Hospital, Ulhasnagar	Semi-auto Analyser	22.10.96	Rs. 3,50,000-	State Govt. requested to send the proposal with justification, reply awaited.
3.	ESI Hospital, Mulund, Ulhasnagar	ESI Hosp. Mulund/Ulhasnagar in year 1995 against condemnation of machine No. E-4, 5-300 M.A. and KR D-300 M.A. X-ray machine sanctioned against first machine in May '95.	5.1.96	—	Letter sent for want of condemnation certificate and total cost of purchase dt. 16.6.98.

1	2	3	4	5	6
4.	ESI Hospital, Ulhasnagar	Semi Auto Analyser & food trollies	3.10.96	—	Reminder sent on 6.1.98 for justification for purchase of the equipments.
5.	ESI Hospital, Beltola (Assam)	Essential equipments ESI dispensaries and ESI Hospital Beltola.	3.6.98	—	Letter sent for essential staff is available to handle the costly equipments & justification.
6.	ESI Hospital, Worli	Purchase of New Body Plethsmography, Cardio Pulmonary exercise system with Trademill/Ergometer and Sleep Apnea.	29.5.95	—	Letter sent on 25.5.98 to RD/ Director requested for some details of cases referred to Special Medical Board.
7.	ESI Dispensary MIDC, Hingna	Ambulances for beneficiaries of Nagpur	12.8.97	—	Letter sent for calling the total amount involved for this purchase. Reply still awaited.

1	2	3	4	5	6
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KARNATAKA

1.	Diagnostic Centre Basavahagudi, B'lore	300 M.A. X-ray machine	14.10.96	Rs. 40,00,000/-	Called for some detail from State Govt. of Karnat.
2.	ESI Hospital, Rajaji- nagar	Commissioning of Urology	16.11.96	—	Proposal called in prescribed Proforma. for Govt. of Karnat.
3.	ESI Hospital, Indiranagar	Installation of centralized gas pipeline to start cardio Thoracic Unit	9.1.97	Rs. 2,56,370/-	—do—
4.	ESI Dispensary & Hosp., Bangalore	Two Tata Sumo vehicles	19.6.97	Rs. 7,21,622/-	—do—

WEST BENGAL

1.	ESI Hospital, Sealdah	Bronchofibre-scope (Olympus Model)	14/15.1.97	Rs. 11,79,356/-	Clarification sought from the Govt. regarding No. of test conducted and as the No. of equipments do not tally in forwarding enclosed with the letter. Reply Awaited.
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1	2	3	4	5	6
2.	ESI Hospital, Manicktala	Spirometer	17.10.97	Rs. 2,00,970/-	State Govt. proposal in the prescribed Proforma called for, which is still awaited.
3.	ESI Hospital, Kalyani	Anaesthetic Apparatus	30.5.96	Rs. 1,57,644/-	State Govt. was requested to send the condemnation certificate, which is awaited.
4.	—do—	ECG Monitor with defibrillator	19.5.98	Rs. 1,50,000/-	Under process. AUs concurrence received on 24.6.98
HARYANA					
1.	ESI Hospital, Panipat	Additional equipments work	28.4.97	Rs. 28,00,000/-	State Govt. has been asked to furnish the proposal on prescribed proforma alongwith the information of existing equipments. Proposal is still awaited.
2.	ESI Hospital, Jagadhari	—do—	28.4.97	Rs. 30,00,000/-	—do—

GUJARAT

1.	ESI Hospital, Baroda	Operating Microscope for Eye/ENT Deptt.	3.10.96	Rs. 99,000/-	Letter sent to the Secretary to Govt. of Gujarat calling data of cases for one year with cost and justification. Reply not received.
2.	Dispensaries and Hosp. Bapunagar Hospital or Nursing School, Baroda Hosp., Surat Hospital, Rajkot Hospital.	Equipments for ESI Institutions in Gujarat e.g. furniture Microscope, fridges, Autoclave Cardiac monitor, Sonography, machine, PFT machine, projector Vehicles, & Surgical Instruments.	25.4.97	Rs. 54,13,500/-	Letter written to the Secretary to Govt. of Gujarat to send Hindi/English version of Proposal with condemnation certificate duly filled in proforma with justification. Reply awaited.
3.	ESI Hospital, Bapunagar.	Purchase of equipments for various Deptt. i. Hydrollic Operation Table ii. Pulse Oxymeter iii. Anaesthesia Ventilator iv. Cardiac Resuscitation System	27.5.98	Rs. 1,35,35,000/-	Various information being called for from the State Govt.

## TAMIL NADU

- |    |                             |  |         |                 |  |
|----|-----------------------------|--|---------|-----------------|--|
| 1. | ESI Hospital, Madurai       | Additional Equipments  | 4.7.97  | Rs. 14,38,500/- | Recommendation of RIMC has been sought and some queries asked from State Government Reply awaited.       |
| 2. | ESI Hospital,<br>Ayanavaram | Additional Equipments for various Deptt. 71 Equipments for 8 Departments | 27.5.98 | not given       | State Government has been requested to send the proposal in prescribed proforma alongwith Justification. |

## KERALA

- |    |                                   |                          |         |                 |   |
|----|-----------------------------------|--------------------------|---------|-----------------|---|
| 1. | ESI Hospital,<br>Mulankunnathkavu | 300 M.A. X-ray machine   | 20.3.96 | Rs. 7,60,5000/- | Called for condemnation certificate. Reply not received.                      |
| 2. | ESI Hospital,<br>Olarikara        | —do—                     | 18.4.96 | Rs. 8,00,000/-  | Called for condemnation certificate. Reply not received.                      |
| 3. | ESI Hospital,<br>Paripally        | Blood Transfusion Centre | 4.6.97  | —               | The proposal is under process in Hqrs. Office. File with A/c for concurrence. |

1	2	3	4	5	6
4.	ESI Hospital, Vadavathur	300 M.A. X-ray machine	9.4.96	Rs. 8,00,000/-	A/cs requires further justification.
5.	ESI Hosp. Udyogmandal	—do—	10.4.96	Rs. 5,00,000/-	—do—
6.	ESI Hosp. Ernakulam	—do—	5.7.96	Rs. 8,00,000/-	file with A/cs.

PENDING POSITION OF EQUIPMENTS IN ESI HOSPITALS DELHI/NOIDA/MGM.

Sl. No.	Name of Hospital	Month of Receipt of Proposal	Name of Equipment	Remarks
1	2	3	4	5
1.	M.G.M. Hospital	Jan'98.	Equipments for Laundry, Kitchen, various Specialities, Upgradation of departments	Various stages of consideration.
2.	Rohini	Feb'98.	Capital equipments for CSSD, Laundry and Kitchen.	Being considered by Technical Sub-Committee.
3.	Noida	Feb'98	1. Equipments for various departments. 2. Laundry equipment against condemnation. 3. Blood Bank equipments.	—do— Under Consideration. —do—
4.	Okhla	March'98 April'98	1. Chest Departments. 2. Water Filter	Under Consideration of Technical Sub-Committee. Under Consideration.

1	2	3	4	5
5.	Basaidarapur	Jan '98 May '98 December '97 Sept '97 Jan '98 Feb '98 Nov '97	1. Orthopaedic Equipments 2. 300 MA X-ray machine against condemnation 3. Laproscopic, Cholecystectomy & C. Arm Image Intensifier 4. Blood Bank Equipment (Additional) 5. Equipment for ODC 6. Trinocular Microscope of ODC 7. ENT Equipments i. Pure Ton Audiometer —Portable ii. Impendance Audiometer iii. Operating Microscope iv. Fibro Optic Head Lights and other equipments required for Upgradation of the Department.	Information asked from M.S.  Put up to accounts. Under consideration of H.P.C. Under consideration of Technical Sub-Committee —do— —do—  Under consideration of Accounts.

MINUTES OF THE FIFTH SITTING OF THE STANDING  
COMMITTEE ON LABOUR AND WELFARE HELD  
ON FRIDAY, 3 JULY, 1998

The Committee met from 15.30 hrs. to 18.30 hrs. in Committee Room No. 62, Parliament House, New Delhi.

PRESENT

Shri Harin Pathak — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Surender Singh Barwala
3. Smt. Sandhya Bauri
4. Shri Manibhai Ramjibhai Chaudhuri
5. Shri Jaysinhji Manshingji Chauhan
6. Shri Chinta Mohan
7. Shri Thawarchand Gehlot
8. Shri Ajoy Mukhopadhyay
9. Shri Aman Kumar Nagra
10. Dr. Ram Lakhan Singh
11. Shri Ram Shakal
12. Shri Virendra Kumar

*Rajya Sabha*

13. Shri Sanatan Bisi
14. Km. Nirmala Deshpande
15. Shri Jibon Roy
16. Miss Frida Topno

SECRETARIAT

1. Shri J.P. Sharma — *Deputy Secretary*
2. Shri R.S. Mishra — *Under Secretary*

2. At the outset, the Committee took up for consideration the draft Fourth Report of the Standing Committee on Labour and Welfare on Demands for Grants—1998-99, Ministry of Labour and adopted the report with the following amendments:—

Sl. No.	Para No.	lines	Amendment
1.	2.35	15-16	<i>for "without further loss of time" read "within three months"</i>
2.	2.52	12.16	<i>for "recommend that the Ministry should make efforts to get the approval of the competent authority and bring forth a comprehensive legislation on the health, safety and welfare of agricultural workers without further loss of time"  read "strongly recommend that the Ministry should make immediate efforts to get the approval of the Cabinet and bring forth a comprehensive legislation during the Current Session of Parliament."</i>
3.	2.75	9	<i>delete the words "by the State Governments"</i>
4.	2.77	11	<i>for "They" read "The Committee"</i>
3.	**	**	**

4. The Committee authorised the Chairman to finalise the Reports in the light of above amendments and present the same to Parliament on their behalf.

*The Committee then adjourned.*



## STATEMENT OF RECOMMENDATIONS/CONCLUSIONS

Sl. No.	Para No.	Conclusions/Recommendations
1	2	3
1.	1.9	<p>The Committee note with distress that the overall expenditure position of the Ministry during the financial year 1997-98 in both Plan and non-Plan schemes have declined from the previous financial year. The reasons put forth by the Ministry for under utilisation of funds such as delay in clearing bills for consultancy services under Hi-tech schemes, DGS&amp;D's inability to procure requisite equipments in time, non-clearance of proposals in regard to child labour projects by Expenditure Finance Committee of the Ministry of Finance and delay in sanction of posts are not acceptable to the Committee. In the opinion of the Committee, the Ministry lacks proper coordination with the States and other Central Ministries and its monitoring is not upto the mark. The Committee, therefore, recommend that the Ministry of Labour should have a thorough monitoring over the Central as well as Centrally sponsored schemes and should ensure that the funds allocated for various schemes are utilised during the financial year. Also the Ministry should improve its</p>

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1	2	3
		monitoring mechanism to avoid delay in approval of schemes by Central Ministries and other concerned agencies.
2.	1.10	The Committee note that though the Ministry of Labour has addressed itself to the welfare of workers falling in the organised sector yet much is needed to be done for the workers in the unorganised sector who constitute around 60% of the total available Indian work force. The Committee, therefore, recommend that the Ministry of Labour should devise steps in consultation with the State Governments to bring these labourers into the mainstream, i.e. in organised sector in order to protect their interest and also to bring them under social security schemes already extended to labourers in the organised sector.
3.	1.11	The Committee further note that some of the State Governments have formulated labour welfare schemes for the labourers in the unorganised sector in their respective States. The State Governments are liable to pay income tax on accrued interest on labour welfare funds being collected from the employers. In the opinion of the Committee the welfare funds are to be utilised for extending the social security coverage over the poor and needy labourers and as such it should not be subjected to levying of income tax. The Committee, therefore, urge the Ministry to take up the issue with the Ministry

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of Finance urgently.

4. 1.12

The Committee regret to note that the Ministry of Labour has not been able to get clearance from the Ministry of Finance in regard to their proposal for opening of 2 Central Government Industrial Tribunals at Lucknow and Nagpur during the year 1996-97. The reply of the Ministry that due to economy measures, no new Central Government Industrial Tribunal could be opened during 1997-98, is not satisfying to the Committee keeping in view the piling up of pending cases in various Labour Courts. The Committee, therefore, strongly recommend that the matter should be taken up at the highest level and the Ministry should ensure that new Central Government Industrial Tribunals at Lucknow, Nagpur, Hyderabad, Chennai and Bhubaneswar are opened during the year 1998-99. Also vigorous efforts should be made by the Ministry to get its proposal cleared from the Fifth Central Pay Commission allowing them to grant flexibility in the scale of pay of Presiding Officers to enable the Ministry to have a wider field of choice for timely filling up of the post of Presiding Officers.

5. 1.13

The Committee are deeply concerned at the employment scenario in the country especially in view of the fact that the quantum of unemployment has increased from one Plan period to

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another. The Committee further observe that the Ministry does not have a clear idea of the number of jobs generated during the entire duration of the Eighth Plan. The Committee, therefore, fail to understand as to how the Ministry would be able to fulfil its goal of reducing unemployment to a negligible proportion by 2002 A.D. They are of the view that the Ministry should pursue its primary objective of generating greater productive employment in the growth process of the Ninth Plan wholeheartedly. The Committee also urge the Ministry to make sincere efforts in coordination with other Central Ministries and State Governments to increase the coverage of families under target oriented employment programmes such as IRDP, JRY, EAS, etc. substantially during the Ninth Plan period.

6.

1.14

As regards modernization of Employment Exchanges through computerisation and functioning of Self-Employment Cells, the Committee are of the firm view that the matter should be vigorously pursued with the State Governments pending revival of the scheme as a Centrally Sponsored Scheme during the Ninth Plan.

7.

2.7

The Committee note that the total approved outlay for DGET during the Eighth Five Year Plan was Rs.241.92 crore and the expenditure against this outlay was Rs.131.62 crore. The reasons

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put forth by the Ministry for less utilisation of funds earmarked under the Plan viz. the delay in implementation of Hi-Tech component, delay in setting up of new RVTIs, delay in procurement and supply of equipments, etc. are not satisfying to the Committee. In the opinion of the Committee, the monitoring of the Ministry in this regard has not been upto the mark.

8

2.8

The Committee further note that the Expenditure Finance Committee of the Ministry of Finance has since accorded their approval for continuation of the activities and incurring of expenditure from Plan funds during the remaining period of Ninth Plan in respect of schemes already approved by CCEA in May, 1997. The Committee, therefore, urge the Ministry to make all efforts for early completion of the schemes already undertaken during the Eighth Five Year Plan. Also special efforts should be made by the Ministry to complete in time the four schemes for which the World Bank has agreed to extend their assistance upto 31.12.98.

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2.9

The Committee note with distress that though the Apex Hi-Tech Institute at Bangalore was designed with the intention that the workers and the industry should not lag behind the best in the world and was accorded priority by the Ministry yet the proposal remained on paper only which clearly

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indicates the level of monitoring the Ministry is having over the scheme. The Committee, therefore, strongly recommend that the Ministry should improve its monitoring mechanism and make all out efforts to get the proposal cleared by GTZ and KFW (German Agencies) for providing assistance so that the Hi-Tech institute is established for the benefit of workers and industry. Steps taken and progress achieved in this regard should be communicated to the Committee periodically after every six months.

10.

2.20

The Committee note with distress that though the indent for equipment for computers for the desk top publishing unit for the scheme of strengthening of NVTI/RVTI under the World Bank Assistance worth Rs. 60.00 lakh was placed by the Ministry to DGS&D in July, 1995 yet the equipments could not be procured by DGS&D till 31.12.97, the date on which the World Bank had imposed an embargo on the expenditure to be incurred under the scheme. The reply of the Ministry that it has been making regular follow up with the DGS&D but that the matter was not taken up at the Minister's level is not satisfying to the Committee. In the opinion of the Committee, Ministry's monitoring over the entire World Bank scheme has not been upto the mark. The Committee, therefore, urge the Ministry to submit fresh proposals for supply of equipment for

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computers to the Expenditure Finance Committee of Ministry of Finance under Plan Budget and efforts should be made for its early clearance without further loss of time so that women trainees should not suffer further and the very purpose of establishment of Vocational Training Institutes is not defeated.

11.

2.21

The Committee further note that the construction work of RVTIs at various places such as Allahabad, Jaipur, Munnar, etc. have been badly delayed. The Ministry has thrown the onus for delay on the State Governments in allotting land for the construction of RVTIs, which is not satisfying to the Committee. The Committee, therefore, strongly recommend that the Ministry should take up the issue with State Governments as well as the Expenditure Finance Committee at the highest level so that RVTIs are established and become fully functional without further loss of time. Steps taken and progress achieved in this regard should be communicated to the Committee regularly.

12.

2.34

The Committee note with concern that though full payment had been made by the Ministry to Haryana Urban Development Authority for the land for the Regional Labour Institute at Faridabad on 31.3.98 yet the possession of the land has not so far been handed over to the Ministry. The Committee

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have been further informed that the matter was taken up at the Minister's level in the years 1991, 1994, 1995 and 1996 and now the matter will be taken up at Secretary's level for waiving off the interest demanded by HUDA amounting to Rs. 17,41,452.00 and taking possession of the land. The Committee fail to understand as to why the matter was not reviewed at the Minister's level in the years 1997 and 1998 and under what circumstances the payment to HUDA was delayed. In the opinion of the Committee the monitoring of the Ministry over the issue has not been satisfactory. The Committee, therefore, urge the Ministry to take up the issue again at the highest level and ensure that the possession of land is handed over to the Government without further loss of time. Also vigorous efforts should be made to make the Institute functional at the earliest. Steps taken and progress achieved in this regard should be communicated to the Committee within three months.

13.

2.35

The Committee note with concern that out of 17 Safety Officers required to be appointed in Major Ports only 8 were in position as on 1.5.98. Some of the Major Ports such as JNPT, Calcutta, Paradip, New Mangalore and Tuticorin have no Safety Officers. The position of dockyards is further grim. Out of 9 Safety Officers required, only one at the Chennai Dock Labour Board was in



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position as on 1.5.98. The Committee view the situation seriously. In their opinion, no compromise can be made insofar as safety and health of workers is concerned. The Committee, therefore, strongly recommend that the Ministry of Labour should take up the issue with the Ministry of Surface Transport at the highest level and ensure that the Safety Officers are appointed in all the Major Ports and Dock Labour Boards as required under the statute within three months.

14. 2.36

The Committee further recommend that the DGFASLI organisation should make all out efforts to finalise safety audit reports conducted by them in Major Ports at the earliest. Also effective monitoring should be done by them in regard to compliance of their findings in the audit reports by Port Trust Authorities.

15. 2.46

The Committee note with concern that the National Child Labour Project introduced in 1995-96 could not make much headway due to non-approval of the scheme by the EFC in 1997-98. This happened in spite of the fact that a good percentage of expenditure was incurred under the scheme during the year 1996-97. In the event of non-opening of any new project or school by the Ministry, the Committee feel that 76 NCLPs and 1800 schools are far too inadequate to cover 2 million children

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engaged in hazardous occupations. The Committee also express their regret over the time gap involved in setting up an Inter-Ministerial team for evaluating the project as desired by the EFC. The Committee, therefore, recommend that the Ministry should vigorously pursue the matter with the EFC at the highest level so that sanction is accorded for the continuance of the scheme as well as opening up of new NCLPs during 1998-99. The Committee are also of the view that an institutional monitoring mechanism should be evolved under the project by the Ministry as has been advised by the Inter-Ministerial team assessing the functioning of the NCLPs.

**16****2.47**

The Committee note that the Expenditure Finance Committee of the Ministry of Finance has raised the issue that the running of special schools should be transferred to the Ministry of Human Resource Development keeping in view the fact that universalisation of primary education comes under the task of the Ministry of HRD. The Ministry of Labour has, however, informed the Committee that the Department of Education, Ministry of HRD does not possess any mechanism to monitor the number of liberated working children and to ensure their rehabilitation and hence this task would have to be continued as a mandate of the Ministry. The Committee, are therefore, of the opinion

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that the Ministry of Labour should justify their stand on the issue of running the special schools to the EFC for early clearance of their proposal so that more schools are opened for rehabilitating more children.

17.

2.52

The Committee are distressed to note that though the National Commission for Agricultural Labour set up in 1987, recommended the Government in 1991 for bringing agricultural labour into the mainstream of the organised sector yet the Ministry has not been able to come forward with a legislation even after a lapse of seven years. The reasons put forth by the Ministry that much time was taken in persuading the State Governments to arrive at a decision is not acceptable to the Committee. In the opinion of the Committee, the Ministry has not given due attention to the issue. The Committee, therefore, strongly recommend that the Ministry should make immediate efforts to get the approval of the Cabinet and bring forth a comprehensive legislation during the Current Session of Parliament.

18.

2.59

The Committee note with concern though the scheme for providing Homes for Hamals was introduced by the Ministry of Labour in 1996-97 as a Plan scheme in the States of Karnataka and Madhya Pradesh for providing residential facilities to Hamals, i.e. loaders and unloaders found at bus stations, railway stations, etc. and are

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highly unorganised yet the future of the scheme is as of now uncertain due to fact that the State Governments are not coming forward with their proposals. The Committee are not happy with the situation. In their opinion, the Ministry lacks coordination with State Governments and its monitoring of the scheme has not been satisfactory. The Committee, therefore, recommend that the Ministry should take up the issue with the State Governments on priority for continuation of the scheme in the Ninth Five Year Plan. Also efforts should be made for setting up a Welfare fund by persuading the State Governments, so that basic needs like health, hygiene, sanitation, etc. of Hamals are taken care of. Steps taken in this regard should be communicated to the Committee.

19.

2.74

The Committee note that the number of workers coming within the purview of the ESI Scheme has increased due to revision of the wage ceiling from Rs. 3000 to Rs. 6500. However, the standard and quality of medical care provided by the ESI Corporation left much to be desired. In the opinion of the Committee, enhancement of wage ceiling should have been linked with substantial improvement in the quality of medical care by appointing Specialists, opening more Occupational Disease Centres and upgrading the hospitals to the level of superspeciality. The Committee, therefore, recommend

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that the Ministry should monitor the scheme thoroughly in coordination with State Governments and the Corporation should improve the standard and quality of medical care so that the subscribers of the scheme receive their due benefits.

20.

2.75

The Committee observe that the amount of ESI dues outstanding against the State PSUs are increasing mostly because of non-action on the part of the State Governments. Though the Ministry has stated that the ESIC has regularly been writing to the concerned State Governments, the Ministry does not have the full details of arrears from State Governments so far. The Committee are of the opinion that the ESI Scheme should not be financially weakened due to default. The Committee, therefore, urge the Ministry to pursue the matter with the State Governments at the highest level without further loss of time. Also efforts should be made to get the legal cases disposed of quickly.

21.

2.76

As regards setting up of Subsidiary Corporations of the ESIC in States based on the pattern of Central ESIC, the Committee desire that the matter should be taken up with the State Governments on a firm footing so as to ensure effective administrative accountability and timely realisation of arrears.

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22.	2.77	<p>The Committee note that most of the ESI hospitals do not have diagnostic facilities and the kind of services rendered is not upto the mark. Also complaints have been received about shortage of doctors, medicines, equipments, etc. in the ESI hospitals. In some of the ESI hospitals run by the State Governments, equipments requisitioned could not be procured for more than a year. The condition in the hospitals run by the Corporation is more or less the same. The Committee feel that in the absence of equipments, an ordinary worker is deprived of his right to specialised treatment. The Committee, therefore, strongly recommend that the Ministry should monitor the functioning of the Corporation effectively and ensure that the medicines and equipments requisitioned by the hospitals are supplied to them quickly. Also the ESI Corporation should take necessary steps for filling the vacancies of doctors and para-medical staff at the earliest.</p>
23.	2.92	<p>The Committee note with pleasure that in accordance with their recommendation, the Government amended the EPF &amp; M.P. Act to abolish the provision of infancy period resulting in higher coverage of establishments under the Act. However, the growth in coverage is not satisfying to the Committee keeping in view the fact that out of about 350 million workforce only 22 million has so far been covered</p>

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under the Act. In the opinion of the Committee the provisions relating to the quantum of employment and scheduled industries restrictions incorporated in EPF & M.P. Act, 1952 are a source of unfair practice by unscrupulous employers. The Committee, therefore, urge the Government to further amend the Act so that an ordinary labourer is not deprived of his rights as was recommended in their Fifth Report on Demands for Grants, 1997-98.

**24.****2.93**

The Committee further desire that the Ministry should make all out efforts for recovery of outstanding dues by taking stern legal actions against the defaulting establishments without further loss of time. As regards quick disposal of Court cases, the Ministry should make efforts for setting up Special Courts on the pattern of State of West Bengal to handle PF matters exclusively in other States also.