

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:7247
ANSWERED ON:21.05.2012
OUTSOURCING OF WORKS
Lal Shri Kirodi

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether a large number of works of Public Sector Undertakings, Government and Semi-Government Departments and private companies are done through outsourcing;
- (b) if so, the details thereof;
- (c) the details of mechanism in place to ensure compliance of social security/labour laws for the benefit of those persons who are employed by the agencies to which works are outsourced;
- (d) whether the Government has examined the service conditions and welfare provisions of those persons who are employed for such outsourced works;
- (e) if so, the details thereof; and
- (f) the steps being taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF LABOUR & EMPLOYMENT (SHRI MALLIKARJUN KHARGE)

(a) & (b): Out sourcing/Contract Labour System is per se not prohibited and any establishment, whether in Public Sector or Private Sector, can engage contract labour in a job unless the specific job in a specified establishment is prohibited under provisions of Section 10 of the Contract Labour (Regulation & Abolition) Act, 1970. The Central Government is the appropriate Government in the Central sphere while State Governments are appropriate Government in State sphere and the private companies fall under State sphere. The number of out sourced person, type of job and period of outsourcing depend on the quantum and schedule of the project or work and no centralized data is maintained.

(c): For the central sphere establishments, the office of the Chief Labour Commissioner (Central) through its field officials is responsible for the enforcement of most of the labour laws. Social security aspects of contract workers under Employees Provident Fund and Miscellaneous Provision Act, 1952 and Employees State Insurance Act 1948 are enforced by the Employees Provident Fund organization and Employees State Insurance Corporation respectively provided the establishments in which outsourced workers are working are covered under the said Acts.

(d) to (f): The service conditions of the out sourced workers have not been examined. However, in Central sphere, the Ministries/Departments etc. have to follow and comply with the statutory and contractual obligation under General Financial Rules (GFR). Rule 180 (iv) of GFR that stipulates inclusion of the statutory and contractual obligation to be complied with by the contractors. Further, the workers employed through contractors can request for abolition of contract labour in the establishment where the service conditions are not satisfactory under Section 10 of the Contract Labour (Regulation & Abolition) Act, 1970. In Central sphere, the Government has issued 82 notifications till date.