

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

UNSTARRED QUESTION NO:2348
ANSWERED ON:27.08.2012
CONTRACT LABOUR SYSTEM
Meghwal Shri Arjun Ram

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

- (a) whether contract system has adversely affected on the condition of labourers;
- (b) if so, the details thereof;
- (c) whether the Government have conducted any study in this regard;
- (d) if so, the details thereof;
- (e) whether the labourers of Government sector, non-Government sector and unorganised sector have organised strikes, dharnas, demonstrations during last year against this contract system; and
- (f) if so, the steps taken by the Government to protect the interests of those labourers?

Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI MALLIKARJUN KHARGE)

(a) to (d): Contract labour is a growing form of employment and it has opened more employment opportunities for the workers. To protect the interests of the contract labour in term of wages and other service conditions, the Government has enacted Contract Labour (Regulation & Abolition) Act, 1970. The 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 contract workers are working are covered under the said Acts.

In an impact study conducted by VV Giri National Labour Institute revealed that the contract labour are being paid less wages than the wages given to the regular workers of Principal Employer even though contract labour perform same or similar kind of work.

(e) & (f): Yes. The Central Government is the appropriate Government in respect of the establishments falling in central sphere. The private companies in non Government sector and unorganised sector come in State sphere. In the central sphere, the complaints/grievances are received in the field offices of Chief Labour Commissioner (Central) Organization, Employees Provident Fund organization and Employees State Insurance Corporation and action is taken. Apart from the prosecutions, Central Government has prohibited employment of contract labour in various establishments in central sphere through 84 Notifications issued from time to time under the Contract Labour (Regulation & Abolition) Act, 1970. To further protect the interests of the contract labour a proposal to amend the Contract Labour (Regulation & Abolition) Act, 1970 is under examination.