GOVERNMENT OF INDIA LABOUR AND EMPLOYMENT LOK SABHA

UNSTARRED QUESTION NO:2284 ANSWERED ON:11.03.2013 CPIFOR INDUSTRIAL WORKERS

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

- (a)the details of the Consumer Price Index (CPI) Numbers for various sectors including Industrial Workers during 2012;
- (b) whether CPI has increased considerably during the financial year 2012-13;
- (c)if so, the month-wise increase along with the reasons for such abnormal increase;
- (d)whether inflation is determined on the basis of Wholesale Price Index and Consumer Price Index separately and if so, the details thereof;
- (e)the details of corrective measures taken to check inflation during the financial year 2012-13; and
- (f)the extent to which the Government has been able to check inflation during the said financial year?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

- (a): The Labour Bureau compiles and maintains segment specific three different series of Index numbers viz.
- (i). Consumer Price Index Numbers for Industrial Workers on base 2001=100,
- (ii). Consumer Price Index Numbers for Agricultural Labourer on base 1986-87=100,
- (iii). Consumer Price Index Numbers for Rural Labourer on base 1986-87=100.

Besides, the Consumer Price Index encompassing the entire rural and urban population is compiled by the Central Statistics Office, Ministry of Statistics & Programme Implementation.

These indices measure relative changes in prices of selected goods and services consumed by indexed population over a period of time.

Consumer Price Index Numbers for Industrial Workers

Consumer Price Index Numbers for Industrial Workers on base 2001=100 are being compiled and maintained by Labour Bureau, Ministry of Labour & Employment in respect of All-India and 78 constituent centres. The All-India Index for CPI-IW is a weighted average index of centres' indices. These indices are compiled on monthly basis and are released on the last working day of the succeeding month. Consumer Price Index Numbers for Agricultural and Rural Labourers

The Labour Bureau is also compiling CPI Numbers for Agricultural and Rural Labourers separately for 20 States and All-India. These indices are released on monthly basis by 20th of every succeeding month.

(b) & (c): The all-India CPI for Industrial workers at the beginning of financial year 2012-13, i.e., in the month of April, 2012 was 205 with an increase of 1.99 per cent over the month March, 2012. This rise was mainly on account of Food Items and Vegetables in particular. The next highest increase of 1.92 per cent in the index was recorded during the month of July, 2012, attributed to food items, specifically cereals and vegetables.

In case of CPI-AL/RL, the proportionate change in monthly indices as compared to previous months was reported due to changes (rise/fall) in the prices of food items, particularly cereals & vegetables.

(d): The headline inflation used as a macro economic indicator is based on Wholesale Price Index (WPI) compiled by the office of Economic Advisor, Department of Industrial Policy & Promotion, Ministry of Commerce & Industry. Inflation reflecting change in retail prices of goods and services consumed by the working population is measured with the help of CPI (IW). A comparative statement indicating the inflation rates during January, 2012 to January, 2013 in respect of WPI and CPI (IW) is given in the Annexure.

- (e) & (f): The Government has undertaken a series of policy measures aimed at curbing inflation. These measures, inter-alia, include appropriate monetary measures intended to have desired impact on the demand side. The monetary policy however had to take into account the overall economic situation as manifested in declining growth rate. Besides, necessary fiscal and administrative measures were undertaken to ensure desired effect on the overall supply situation. Some of the important fiscal and administrative measures are given below:
- 1. Fiscal Measures:
- # Reduced import duties to zero in respect of wheat, onion, pulses, crude palmolein etc.
- # Duty-free import of white/raw sugar upto June 30, 2012. Presently the import duty for sugar has been kept at 10 per cent.
- 2. Administrative measures:
- # Ban on export of onion from time to time depending on the domestic situation.
- # Suspended Futures trading in rice, urad, tur, guar gum and guar seed.
- # Banned export of edible oils (except coconut oil and forest based oil) and edible oils in blended consumer packs upto 5 kg with a capacity of 20,000 tons per annum and pulses (except Kabuli chana and organic pulses and lentils up to a maximum of 10,000 tonnes per annum).
- # Imposed stock limits from time to time in the case of select essential commodities such as pulses, edible oil, and edible oilseeds.