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**STANDING COMMITTEE ON LABOUR
(2009-2010)**

FIFTEENTH LOK SABHA

MINISTRY OF LABOUR AND EMPLOYMENT

**[Action taken by the Government on the
Recommendations/Observations contained in the Third Report of the
Standing Committee on Labour on Demands for Grants for the year 2009-
10 of the Ministry of Labour and Employment]**

NINTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

April, 2010/Chaitra, 1932 (Saka)

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STANDING COMMITTEE ON LABOUR

(2009-2010)

(FIFTEENTH LOK SABHA)

MINISTRY OF LABOUR AND EMPLOYMENT

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Recommendations/Observations contained in the Third Report of the
Standing Committee on Labour on Demands for Grants for the year 2009-
10 of the Ministry of Labour and Employment]**

Presented to Lok Sabha on 16.04.2010

Laid in Rajya Sabha on 16.04.2010



LOK SABHA SECRETARIAT

NEW DELHI

April, 2010/Chaitra, 1932 (Saka)

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(Fifteenth Lok Sabha)

*Will be appended at the time of printing.

**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR
(2009-10)**

SHRI HEMANAND BISWAL-CHAIRMAN

MEMBERS

LOK SABHA

2. Shri M. Anandan
3. Shri P. Balram
4. Shri Shafiqur Rahman Barq
5. Shri Sudarshan Bhagat
6. Shri Hassan Khan
7. Shri Kaushalendra Kumar
8. Shri P. Lingam
9. Shri Hari Manjhi
10. Shri P.R. Natarajan
11. Smt. Mausam Noor
12. Shri S. Pakkappa
13. Shri Ramkishun
14. Shri Mahendra Kumar Roy
15. Shri Chandu Lal Sahu
16. Shri Murari Lal Singh
- *** 17. Shri Raj Babbar
- ***** 18. Dr. Kakoli Ghosh Dastidar
- *****19. Shri Paban Singh Ghatowar
20. Vacant
21. Vacant

RAJYA SABHA

22. Shri G. Sanjeeva Reddy
23. Shri Rudra Narayan Pany
- **24. Shri Pyarelal Khandelwal
25. Shri Rajaram
26. Smt. Renubala Pradhan
27. Shri G.N. Ratanpuri
- *28. Shri Mohammad Adeeab
- ****29. Shri Praveen Rashtrapal
30. Vacant
31. Vacant

-
- * Changed the nomination from Committee on Labour to Committee on Commerce w.e.f. 17th September, 2009.
- ** Expired on 6th October, 2009.
- *** Nominated w.e.f. 3rd December, 2009.
- **** Nominated w.e.f. 31st December, 2009.
- ***** Nominated w.ef 11th January, 2010.
- ***** Nominated w.ef 26th February, 2010.

SECRETARIAT

- | | | |
|----------------------------|---|----------------------------|
| 1. Shri Devender Singh | - | Joint Secretary |
| 2. Shri B.S. Dahiya | - | Director |
| 3. Shri Ashok Sajwan | - | Additional Director |
| 4. Smt. Archana Srivastava | - | Senior Executive Assistant |

INTRODUCTION

I, the Chairman of the Standing Committee on Labour having been authorised by the Committee to submit the Report on their behalf, present this Ninth Report on the action taken by the Government on the recommendations contained in the Third Report of the Standing Committee on Labour (Fifteenth Lok Sabha) on Demands for Grants of the Ministry of Labour and Employment for the year 2009-10.

2. The Third Report was presented to Lok Sabha and also laid in Rajya Sabha on 17.12.2009. The Ministry of Labour and Employment furnished their replies indicating action taken on the recommendations contained in that Report on 25.2.2010. The Report was considered and adopted by the Standing Committee on Labour at their sitting held on 9th April, 2010.

3. An analysis of the action taken by Government on the recommendations contained in the Third Report of the Standing Committee on Labour (Fifteenth Lok Sabha) is given in Appendix-II.

4. For the facility of reference and convenience recommendations/observations of the Committee have been printed in thick type in the body of the Report.

New Delhi;
29th March, 2010
8 Chaitra, 1932 (Saka)

HEMANAND BISWAL
CHAIRMAN,
STANDING COMMITTEE ON LABOUR.

CHAPTER I

REPORT

This Report of the Standing Committee on Labour deals with the action taken by the Government on the recommendations/observations contained in the Third Report (15th Lok Sabha) on 'Demands for Grants' of the Ministry of Labour and Employment for the year 2009-10 which was presented to Lok Sabha, and laid in Rajya Sabha, on 17.12.2009.

2. The Ministry of Labour and Employment were requested to furnish action taken replies to the recommendations contained in the Third Report within three months from the presentation of the Report *i.e.* by 16.03.2010. The Report contained 13 recommendations/observations. The action taken replies of the Government in respect of all the recommendations were received on 25.02.2010. These have been categorized as under:-

- (i) Recommendations/Observations which have been accepted by the Government - Rec. Sl. Nos. 1,2,3,4,5,6,7,8,9 and 12. (Para Nos. 3.9,3.20,3.21, 3.22,3.31, 3.32, 3.33, 3.34, 3.38 and 3.52)[Total =10]
- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's reply - Rec. Sl.Nos.11 and 13 (Para Nos. 3.51 and 3.53) [Total = 2]
- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration - Rec. Sl. No.10 (Para No.3.50). [Total = 1]
- (iv) Recommendation/Observation in respect of which replies of the Government are interim in nature - NIL

3. The Committee desire that action taken replies in respect of recommendations/observations contained in Chapter I may be furnished to them at the earliest and in any case not later than three months of the presentation of the Report.

4. The Committee will now deal with the action taken by the Government on some of their recommendations which merit comments in the succeeding paragraphs.

A. Regional Labour Institute, Faridabad

(Recommendation No.9, para 3.38)

5. The Committee observed that there had been an inordinate delay in establishing the Regional Labour Institute (RLI) at Faridabad. The Committee also observed that even after handing over of the building, the posts had not been created to make the institute fully functional. While deploring such a lackadaisical attitude of the Government, the Committee desired that the proposal be finalized at the earliest to avoid further delay so that the Regional Institute becomes functional within the next three months positively.

6. In their action taken reply furnished to the Committee, the Ministry have stated:-

“The delay in establishing the Regional Labour Institute (RLI) Faridabad has been caused due to certain unavoidable reasons. Identifying and allotment of a suitable plot for RLI, Faridabad took considerable time. The construction of the Building was started by the CPWD from the 18th January, 2004 after acquiring the land from the Government of Haryana. The setting up of the laboratories of RLI Faridabad was initiated during the 10th Five Year Plan (2002-2007) in a phased manner. The building

construction was completed by the CPWD and handed over to DGF ASLI from October 2008 to December 2008. Ministry had been consistently taking up with CPWD to expedite the completion of the building. After setting up of the laboratories the building was inaugurated on 10th February 2009 and the Institute started functioning.

2. The Institute has become functional and the technical activities have started with the assistance of Central Labour Institute (CLI), Mumbai and RLI, Kanpur. All the laboratories including Industrial Hygiene, Industrial Medicine Industrial Physiology / Ergonomics, Safety, Health and Environment Centre and library have been set-up. Meanwhile the setting up of specialized divisions such as Micro, Small and Medium Scale Enterprises Division, Chemical Safety Division etc. is also in progress.

3. The details of the technical activities carried out till 15th January 2010 are as under:

A. Training Programmes

Sl. No.	Title of Programme	Level of Participants	Date
1.	Human Factors in Occupational Safety Health and Environment	Middle Level Executives	27-29 th April 2009
2.	Management of Safety	Workers	12-13 th May

	Health and Environment at work place		2009
3.	Physical Hazards and their Management at their work place	Middle Level Executives	15-16 th June 2009
4.	Management of Safety Health and Environment at work place for safety committee members	Safety Committee Members	20-21 st July 2009
5.	Environmental Hazards and their Management at work place	Middle Level Executives	24-25 August 2009
6.	Basic Training Programme on Industrial Safety and Health (Collaborative)	Workers and Supervisors	5-8 th Oct. 2009
7.	Chemical Hazards and their Management at their work place	Middle Level Executives	16-17 th Nov. 2009
8.	Human Factors in Occupational Safety Health and Environment	Middle Level Executives	11-13 th Jan 2010

B. Studies, Surveys and Safety Audits

- Conducted a Safety audit in the plant of M/S Ballarpur Industries Ltd. Yamuna Nagar, Haryana in June 2009.

- Conducted Safety Audit and consequence analysis in the storage area of M/S Deen Bandhu Chhotu Ram Thermal Power Project Yamuna Nagar, Haryana, in March 2009

C. Seminars / Workshops / Conferences and Technical Meetings

- Organized the Annual Conference of Chief Inspectors of Factories at RLI, Faridabad from 10th – 12th Feb. 2009.
- Organized the National Seminar on “Safety Education in India – Challenges & opportunities on 1st September 2009. The seminar was attended by about 250 delegates from the field of safety, safety professionals and other stake holders.
- Organized the meeting of Working Group Committee (constituted during the CIF Conference) The meeting of this Working Group Committee was held 2nd to 4th September 2009 at RLI Faridabad.
- Organized the meeting on 6th and 7th November, 2009 with Chief Inspectors of Factories, Govt. of Haryana and Haryana Safety Council for developing the Training Modules for the Trainers Training Programme.

D. Post Diploma in Industrial Safety (PDIS)

As the RLI, Faridabad falls under the jurisdiction of Board of Technical Education (BTE), Haryana, the BTE was approached for accreditation and approval of the PDIS course at RLI, Faridabad. BTE Haryana has accorded accreditation and affiliation to RLI Faridabad for conducting one year Post Diploma Course in Industrial Safety w.e.f. the academic year 2009-10 onwards .

Selection of the candidates was made as per the guidelines issued by BTE Haryana. In total 64 applications were received from the candidates out of which 52 candidates were short listed for the interview and finally 35 candidates were selected.

The inaugural function of the 1st Post Diploma in Industrial Safety (PDIS) - Year 2009-2010 was held in the Auditorium, Regional Labour Institute, Faridabad on 1st September, 2009.

4. The matter of creation of 50 posts was taken up by the Ministry with the Department of Expenditure in 2003. However, the Department of Expenditure advised that the proposal for creation of posts may be taken up after the construction work of the building is near completion. Thereafter, the proposal for creation of 14 posts for RLI Faridabad was again taken up in 2006 with the Department of Expenditure who advised that a workstudy be conducted of DGFASLI and the existing RLIs under it so as to devise a revised staffing pattern of the organisation. The posts in the new institute will be considered on the basis of the revised staffing pattern. Thereafter, the SIU report recommended 14 posts for RLI Faridabad. Accordingly, 14 posts have been sanctioned for RLI Faridabad. The SIU also recommended that the strength of RLI, Faridabad should be at par with other RLIs. The proposal for creating the remaining posts has also been initiated.

5. Regarding observation on inadequate budget estimates, it may be stated that the recommendations of SIU for creation of posts is under non-plan and expenditure on staff component will be met from the consolidated non plan budget of the department.

Hence, there will be no need for any significant enhancement in the plan budget. As such Ministry is taking measures for increasing the plan outlay”.

7. The Committee in their recommendation had desired that the proposal for creation of posts be finalized at the earliest to avoid further delay so that the Regional Labour Institute at Faridabad becomes functional within the next three months. However, from the reply of the Government, the Committee find that even after passage of nearly two months, the Government could only obtain sanction for 14 posts and the proposal for creation of the remaining posts has only been initiated. As there is lot of work involved between creation and sanction of posts and filling up of the posts, the Committee desire that necessary and conclusive steps be initiated expeditiously to fill up the remaining posts.

B. Rashtriya Swasthya Bima Yojana (RSBY)

(Recommendation S.No.10, para 3.50)

8. The Committee observed that the coverage under the Rashtriya Swasthya Bima Yojana was provided for BPL workers and their family upto a unit of five which would comprise the family head, spouse and dependants upto three including children/parents of the head of the family. The Committee were informed that the number was restricted to five keeping in view the similar provision in the other on-going insurance schemes which provide insurance to only five members of the family.

The Committee viewed that the aging parents need more medical care than other members of the family. They, therefore, recommended that the limit of number five should be enhanced to at least six so as to cover head of the family, spouse, two parents and two children.

9. In their action taken reply furnished to the Committee, the Ministry have stated:-

“RSBY smart cards have been issued to more than one crore families as on 19.01.2010. As per reports received the average family size is around 4 members. Hence, increase in the family size is perhaps not required at present. The Ministry is closely monitoring the issue and recommendation to increase in family size would be taken when the family size reaches to at least five”.

10. The Committee note that the Rashtriya Swasthya Bima Yojana was meant to give coverage to five members of a family initially. The Committee had recommended that the benefit of the Scheme be extended to at least six members of a family so as to include the head of the family, spouse, two parents and two children and where there is only one surviving parent, the size of the family could be restricted to five. The Committee are happy to know that smart cards under RSBY have been issued to more than one crore families as on 19.01.2010. The Committee, however, are, not satisfied with the reply of the Government that the average family size was around 4 members and hence increase in the family size was perhaps not required at present unless the family size reaches at least to five. The Committee would like to remind the Government that the professed objective of the RSBY, is to provide

insurance cover to below the poverty line (BPL) households in the country, who have no access to good healthcare. The Committee therefore, reiterate their earlier recommendation and desire that the Government should re-consider the matter so that insurance cover is extended to six members each of the BPL families.

(Recommendation S.No.12, para 3.52)

11. The Committee were informed of certain cases of misuse of the Scheme by some beneficiaries as well as the treating doctors. While replying to the concerns raised by the Members, the Committee were apprised that it is between the hospital and the insurance agency and the role of the Government is confined to payment of premium. Since the Scheme is being run by the Government, the Committee recommended that effective monitoring mechanism should be evolved and deterrent provisions built in the Scheme so as to keep an effective check on such or similar incidences of abuse.

12. In their action taken reply furnished to the Committee, the Ministry have stated:-

“The implementation of the scheme is being electronically monitored on day to day basis. Apart from that Regional Workshops are held to review the implementation of the scheme in different states as well as sharing of experience. The scheme is being concurrently evaluated by independent agencies. The Ministry is in the process of setting up surveillance teams to visit

the field units and give their feedback to the Government on the basis of which remedial action will be taken, if required. Similarly, the State Governments have also been advised to conduct studies and for surveillance teams to assess the ground realities and take appropriate action”.

13. The Committee take note of the reply of the Government in implementation and monitoring of the Scheme. The Committee ardently hope that the Government would keep constant vigil over the situation so as to prevent misuse of the Scheme.

CHAPTER-II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation [Para 3.9]

The Committee observe that though most of the Schemes proposed by the Ministry of Labour and Employment are continuous in nature and are being carried forward to the next plan, yet there is a scope for some of the schemes viz. (i) construction of office building, staff quarters and skill training Institutes, (ii) Machinery for better conciliation and upgradation of office infrastructure at CLC (C) and RLC(C)'s etc. to be completed within the span of a particular plan period. The Committee desire that concerted efforts should be made by the Ministry to complete the schemes within the respective plan period instead of dragging them on the next plan period.

REPLY OF GOVERNMENT

(i) Construction of office building, staff quarters and skill training Institutes

Construction of Office building, staff quarters and skill training institutes for Vocational Rehabilitation Centres (VRCs) for Handicapped largely depends on the allotment of requisite piece of land at a suitable place which should be centrally located and well connected with public transport. Wherever such land is made available to VRC by the concerned State Government, construction work of those VRCs is taken up in particular plan period. Efforts are being made to get land allotted in respect of remaining States where construction work is yet to be taken up.

(ii) Machinery for better conciliation and upgradation of office infrastructure at CLC (C) and RLC(C)'s

There are two Plan schemes approved for the Chief Labour commissioner (Central) organization; namely "Improvement and

strengthening of training wing of CLS officers” and “Machinery for Better conciliation Service and Preventive Mediation on more effective enforcement of Labour Laws/Machinery for better conciliation and Upgradation of Office Infrastructure of CLC(C) and RLC(C).”

The thrust of scheme namely “Machinery for Better conciliation Service and Preventive mediation on more effective enforcement of Labour Laws/Machinery for better conciliation and Upgradation of Office Infrastructure of CLC(C) and RLC(C)” is to strengthen the Conciliation machinery and to improve the infrastructure of the organization by providing latest technology in the form of computers, photocopiers, scanners etc. to facilitate e-governance and strengthen the infrastructure including own office buildings. This will not only improve the overall professional efficiency of the organization but also overcome the shortage of staff members Though no physical and financial targets were conceived for different regions but our endeavour was to distribute the office equipments for improving the efficiency of regional/field offices in consonance with the availability of budget as well as the work load of the regions. Accordingly, each year depending upon the availability of funds, office equipments were purchased and supplied to the field offices. Since then significant progress has been made in improving the infrastructure of field offices that has resulted in improved functioning of Organization. However, still large number of computers purchased about 7 to 8 year back need to be replaced with modern age computers i.e. Pentium 4 computers.

In so far as construction of own office buildings are concerned, since the inception of the scheme office building have already been constructed for combined offices of Dy/Regional Labour Commissioner (C) and a CGIT Court at Kanpur, Mumbai, Ahmedabad, Dhanbad, Hyderabad and Bhubaneswar etc. At present construction of projects are in progress/to be started at Guwahati, Asansol, Jabalpur and Dwarka Delhi. It is worth mentioning that the construction activities are influenced by many factors viz. involvement of CPWD and multiple civic agencies as well as availability of budgetary provision, Hence it becomes difficult to visualize specific time frame for completing these projects.

The evaluation was conducted by the SHRI RAM CENTRE for Industrial Relation and the Plan Scheme was recommended to be continued. Hence, continuation of above said plan schemes is mandatory for achieving the goals of CLC(C) is organization.

Recommendation [Para 3.20]

The Committee note that according to Census 2001, there are 1.26 crore economically active children in the age group of 5-14 years. The figure might have burgeoned with the growth in population. Since poverty is the root cause of the problem, the rehabilitation and mainstreaming of the children withdrawn from work cannot help solve it alone unless the families of these children are supported economically. Government have, therefore, a conscientious obligation to ensure that, after rehabilitation, these children do not go back to any workplace. As per written reply of the Government, all the concerned Ministries have been requested to give priority to the child labour families in welfare schemes being run by or under them. The Committee are of the considered view that mere issuance of directions to the concerned Ministries will not address the problem unless concrete measures are taken to ensure that the reclaimed children do not rejoin the workforce. The Committee recommend that the families of such children should be given preference in the parallel welfare scheme of NREGA so that families of these children can also be supported economically and they do not compel these children to resort to child labour.

REPLY OF GOVERNMENT

Ministry of Labour & Employment has already requested the Ministry of Rural Development to issue suitable guidelines to the concerned for giving priority to the families of Child Labour in the welfare schemes being run in the Ministry including NREGA.

Recommendation [Para 3.21]

The Committee observe that V.V. Giri National Labour Institute, Noida was tasked in 2001 to evaluate comprehensively the implementation of the National Child Labour Project (NCLP) Scheme at the cost of Rs. 93,60,000/-. The report pointed out serious drawbacks and bottlenecks in the implementation of the NCLP Scheme – like part time availability of the Project Directors, Inadequate provisioning of Field Officers, non-availability of Master trainers and doctors, lack of training for funds management at district levels, schools ill-equipped with basic teaching and learning materials, non-availability of adequate vocational material/equipments, irregular payment of stipend (as only 27% schools are reported to have deposited the stipend regularly), and unsatisfactory infrastructure in most of the schools. Fresh evaluation of the NCLP scheme was a pre-requisite for its continuance during the 11th Plan. So, again an amount of Rs. 2,81,23,700/- was incurred on re-evaluation of the Scheme in 2008. The Committee also observe that two Centrally sponsored Schemes, viz. Sarva Shiksha Abhiyan and Mid Day Meal Schemes are primarily giving boost to the NCLP Scheme rather than any measures being taken under the NCLP Scheme. The Committee, therefore, recommend that instead of conducting repetitive studies at such a prohibitive cost, the Ministry need to take urgent measures to remove the shortcomings pointed out by the earlier studies conducted by the National Labour Institute.

REPLY OF GOVERNMENT

Evaluation of the NCLP scheme was pre-condition laid down by the Planning Commission for continuation of the scheme during 11th Five Year plan. The Government has already initiated remedial steps. A presentation of the evaluation report was made during the meeting of the Central Monitoring Committee on Child Labour. The Committee consist Labour Secretaries of all State /UT Governments. It was impressed upon them to take corrective measures and remove the bottlenecks in implementing the scheme.

Recommendation [Para 3.22]

The Committee do not accept the argument advanced by the Government that those who are part and parcel of the NCLP Society cannot help in overseeing/monitoring of the Scheme. The Committee, therefore, recommend that the PRIs should also be involved in monitoring for better and effective implementation of the Scheme. Further, the Ministry of Rural Development, Department of Panchayati Raj may also be requested to sensitize the Gram Panchayats so as to eradicate the problem of child labour and help rehabilitate such children.

REPLY OF GOVERNMENT

Under the NCLP Scheme, Panchayat Raj Institutions (PRIs) are involved in the Executive Committees constituted at district level for implementation of the Scheme. In some districts PRIs are running special schools under the Scheme. Ministry of Rural Development and Department of Panchayati Raj are being requested to take steps for sensitizing the Gram Panchayats enable them play active role in eradication of Child Labour.

Recommendation [Para 3.31]

The Committee observe that the Government have not identified the number of beedi workers though identity cards are being issued to them. The last survey for identification of beedi workers was conducted in Rajasthan in 2005. Thereafter, no survey has been conducted to ascertain the number of beedi workers in Rajasthan and the rest of the States. The Committee, therefore, recommend that all the State Governments, where beedi rolling is a major profession, be directed to conduct a survey for identification of genuine beedi workers within a definite time frame to facilitate issue of identity cards.

REPLY OF GOVERNMENT

The State Governments where beedi rolling is a major profession, have been requested to conduct a survey for identification of genuine beedi workers within a definite time frame to facilitate issue of identity cards. The Welfare Commissioners working under the Labour Welfare Organizations have also been directed to extend the possible assistance as per the resources available with them to the State Government authorities while survey is conducted.

Recommendation [Para 3.32]

The Committee observes that the minimum wages for beedi workers vary widely from State to State. The Committee also note that the rate for rolling beedis is lowest in Madhya Pradesh and Chhattisgarh. The Committee are aware that though the matter falls under the jurisdiction of respective State Governments, these States should be persuaded to at least adopt the National Floor Level Minimum Wage, which would help reduce disparity in the rates of minimum wages to a considerable extent. The Committee desire that if any cases of discrimination of wages between men and women beedi workers come to Government notice, the same should be dealt with stringently so as to ensure equal pay for equal work.

REPLY OF GOVERNMENT

Employment of workers engaged in beedi making falls under the purview of State sphere. The State Governments, as appropriate Governments, have notified minimum rates of wages for beedi workers besides other scheduled employments under their respective jurisdiction.

The Central Government has revised the National floor Level Minimum Wages from Rs.80/- to Rs.100/- per day with effect from 01.11.2009 based on the rise in Consumer Price Index Number for Industrial Workers. The Hon'ble Chief Ministers of the State Governments / Union Territory Administrators have been requested on 16th December, 2009 to fix / revise minimum wages in scheduled employments including beedi making not less than the National Floor

Level Minimum Wage of Rs.100/- per day by Hon'ble Union Labour & Employment Minister.

The enforcement of the Minimum Wages Act, 1948 in the State sphere is ensured through the State Enforcement Machinery. They conduct regular inspections and in the event of detection of any case of non-payment or under-payment of minimum wages, they advise the employers to make payment of the shortfall of wages. In case of non-compliance of advice of inspector, there are the provisions of prosecutions in the Act against the defaulting employers.

Recommendation [Para 3.33]

The Committee observes that the Tripartite Central Advisory Committee on Beedi Workers' Welfare Fund have held three sittings during the last three years. Amongst many points raised for the welfare of beedi workers, one was for waiving the outstanding loan on compassionate grounds which runs from a few hundreds to few thousands rupees. The Ministry informed that the 'matter has been taken up with the Ministry of Finance after obtaining the approval of the Minister for Labour and Employment and the proposal is still under the examination of the Ministry of Finance.' The Committee desire that the matter may be taken up with the Finance Minister on priority basis so that the unrecovered interest free housing loan of beedi workers is waived off expeditiously.

REPLY OF GOVERNMENT

The proposal, for settlement of outstanding unrecovered interest-free loans granted to Beedi & Mine workers, has been taken up with the M/o Finance (Deptt. of Expenditure). Reply to clarifications / information sought-for by the Ministry of Finance is being furnished to it for writing off outstanding loan of workers.

Recommendation [Para 3.34]

The Committee observes that the Insurance Scheme under Social Security exists for beedi workers for which premium is paid from the welfare fund. In the eventuality of natural death, insurance claim is Rs. 10,000/- and for accidental death, it is Rs. 25,000/-.The Committee feel that the insured amount is too meagre for the bereaved family. Since the

welfare fund is funded through collection of cess and caters to other welfare schemes also, it is not possible, according to the Ministry, to enhance the insured amount. The Committee, therefore, recommend that some alternatives should be explored to augment the corpus of the welfare fund so that the welfare activities carried out through this fund do not suffer due to paucity of funds.

REPLY OF GOVERNMENT

Recommendations of the Committee have been noted for compliance.

Recommendation [Para 3.38]

The Committee observe that there has been an inordinate delay in establishing the Regional Labour Institute (RLI) at Faridabad. The Committee also observe that even after handing over of the building, the posts have not been created to make the institute fully functional as the proposal for creation of additional posts for RLI is still under process. Further during the current financial year, the Budget Estimates show a marginal increase which, in any case, would not be able to accommodate the staff once the newly created posts are filled up. The Committee deplore such a lackadaisical attitude of the Government and desire that the proposal be finalized at the earliest to avoid further delay so that the Regional Institute becomes functional within the next three months positively.

REPLY OF GOVERNMENT

The delay in establishing the Regional Labour Institute (RLI) Faridabad has been caused due to certain unavoidable reasons. Identifying and allotment of a suitable plot for RLI, Faridabad took considerable time. The construction of the Building was started by the CPWD from the 18th January, 2004 after acquiring the land from the Government of Haryana. The setting up of the laboratories of RLI Faridabad was initiated during the X Five Year Plan (2002-2007) in a phased manner. The building construction was completed by the CPWD and handed over to DGF ASLI from October 2008 to December 2008. Ministry had been consistently taking up with CPWD to expedite the completion of the building. After setting up of the laboratories the building was inaugurated on 10th February 2009 and the Institute started functioning.

2. The Institute has become functional and the technical activities have started with the assistance of Central Labour Institute (CLI), Mumbai and RLI, Kanpur. All the laboratories including Industrial Hygiene, Industrial Medicine Industrial

Physiology / Ergonomics, Safety, Health and Environment Centre and library have been set-up. Meanwhile the setting up of specialized divisions such as Micro, Small and Medium Scale Enterprises Division, Chemical Safety Division etc. is also in progress.

3. The details of the technical activities carried out till 15th January 2010 are as under:

B. Training Programmes

Sl. No.	Title of Programme	Level of Participants	Date
9.	Human Factors in Occupational Safety Health and Environment	Middle Level Executives	27-29 th April 2009
10.	Management of Safety Health and Environment at work place	Workers	12-13 th May 2009
11.	Physical Hazards and their Management at their work place	Middle Level Executives	15-16 th June 2009
12.	Management of Safety Health and Environment at work place for safety committee members	Safety Committee Members	20-21 st July 2009
13.	Environmental Hazards and their Management at work place	Middle Level Executives	24-25 August 2009
14.	Basic Training Programme on Industrial Safety and Health (Collaborative)	Workers and Supervisors	5-8 th Oct. 2009

15.	Chemical Hazards and their Management at their work place	Middle Level Executives	16–17 th Nov. 2009
16.	Human Factors in Occupational Safety Health and Environment	Middle Level Executives	11–13 th Jan 2010

B. Studies, Surveys and Safety Audits

- Conducted a Safety audit in the plant of M/S Ballarpur Industries Ltd. Yamuna Nagar Haryana, June 2009.
- Conducted Safety Audit and consequence analysis in the storage area of M/S Deen Bandhu Chhotu Ram Thermal Power Project Yamuna Nagar Haryana March 2009

C. Seminars / Workshops / Conferences and Technical Meetings

- Organized the Annual Conference of Chief Inspectors of Factories at RLI, Faridabad from 10th – 12th Feb. 2009.
- Organized the National Seminar on “Safety Education in India – Challenges & opportunities on 1st September 2009. The seminar was attended by about 250 delegates from the field of safety, safety professionals and other stake holders.
- Organized the meeting of Working Group Committee (constituted during the CIF Conference) The meeting of this Working Group Committee was held 2nd to 4th September 2009 at RLI Faridabad.
- Organized the meeting on 6th and 7th November, 2009 with Chief Inspectors of Factories, Govt. of Haryana and Haryana Safety Council for developing the Training Modules for the Trainers Training Programme.

D. Post Diploma in Industrial Safety (PDIS)

As the RLI, Faridabad falls under the jurisdiction of Board of Technical Education (BTE), Haryana, the BTE was approached for accreditation and approval of the PDIS course at RLI, Faridabad. BTE Haryana has accorded accreditation and affiliation to RLI Faridabad for conducting one year Post Diploma Course in Industrial Safety w.e.f. the academic year 2009-10 onwards.

Selection of the candidates was made as per the guidelines issued by BTE Haryana. In total 64 applications were received from the

candidates out of which 52 candidates were short listed for the interview and finally 35 candidates were selected.

The inaugural function of the 1st Post Diploma in Industrial Safety (PDIS) - Year 2009-2010 was held in the Auditorium, Regional Labour Institute, Faridabad on 1st September, 2009.

4. The matter of creation of 50 posts was taken up by the Ministry with the Department of Expenditure in 2003. However, the Department of Expenditure advised that the proposal for creation of posts may be taken up after the construction work of the building is near completion. Thereafter, the proposal for creation of 14 posts for RLI Faridabad was again taken up in 2006 with the Department of Expenditure who advised that a workstudy be conducted of DGFASLI and the existing RLIs under it so as to devise a revised staffing pattern of the organisation. The posts in the new institute will be considered on the basis of the revised staffing pattern. Thereafter, the SIU report recommended 14 posts for RLI Faridabad. Accordingly, 14 posts have been sanctioned for RLI Faridabad. The SIU also recommended that the strength of RLI, Faridabad should be at par with other RLIs. The proposal for creating the remaining posts has also been initiated.

5. Regarding observation on inadequate budget estimates, it may be stated that the recommendations of SIU for creation of posts is under non-plan and expenditure on staff component will be met from the consolidated non plan budget of the department. Hence, there will be no need for any significant enhancement in the plan budget. As such Ministry is taking measures for increasing the plan outlay.

Recommendation [Para 3.52]

The Committee were informed of certain cases of misuse of the Scheme by some beneficiaries as well as the treating doctors. While replying to the concerns raised by the Members, the Committee were apprised that it is between the hospital and the insurance agency and the role of the Government is confined to payment of premium. It is for the insurance agency to keep track on such incidences as basically it is their loss. The Ministry cannot shy away from their responsibility under the pretext that there is no loss to the Government. Since the Scheme is being run by the Government, the Committee recommend that effective

monitoring mechanism should be evolved and deterrent provisions built in the Scheme so as to keep an effective check on such or similar incidences of abuse.

REPLY OF GOVERNMENT

The implementation of the scheme is being electronically monitored on day to day basis. Apart from that Regional Workshops are held to review the implementation of the scheme in different states as well as sharing of experience. The scheme is being concurrently evaluated by independent agencies. The Ministry is in the process of setting up surveillance teams to visit the field units and give their feedback to the Government on the basis which remedial action will be taken, if required. Similarly, the State Governments have also been advised to conduct studies and for surveillance teams to assess the ground realities and take appropriate action.

CHAPTER-III**RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLY****Recommendation [Para 3.51]**

The Committee observe that as per the features of the Scheme, the insurance amount is Rs. 30,000/- per family per annum on a family floater basis. However, in case the amount of treatment exceeds Rs. 30,000/-, it has to be borne by the beneficiary. Since the Scheme is for the BPL workers, the Committee strongly feel that a BPL family cannot bear the extra expenditure on their treatment exceeding the insured amount. The Committee, therefore, recommend that in cases of major illnesses where the expenditure on treatment exceeds the prescribed limit, some special provisions should be made for meeting the expenses beyond Rs. 30,000/-.

REPLY OF GOVERNMENT

If provision of coverage beyond Rs.30,000/- is made, the premium would also increase for which additional funds would be required. However, to top up the benefits under the RSBY, some State Governments have invited quotations from insurance companies' alongwith RSBY package, rates for covering critical illness. The premium for additional benefits is paid by the State Governments. This could be done by other States also.

Recommendation [Para 3.53]

The Committee observe that the Ministry have not given a thoughtful consideration to the insurance scheme in operation in Karnataka at a premium of Rs. 5/- a month. The Committee also observe that the RSBY has a cap of Rs. 30,000/- whereas there is no cap in the insurance scheme in operation in Karnataka. The Committee, therefore, recommend that the Karnataka insurance model working at a premium of Rs.5/- a month without any cap needs serious consideration. The Committee would like to be apprised of the outcome of such examination.

REPLY OF GOVERNMENT

As mentioned in the last report, the features of RSBY and Karnataka insurance model are totally different. The same are reiterated again:

- (I) Premium under Yeshaswani Insurance Scheme is Rs. 140 per person per year. In addition to this the cooperative society charge Rs. 10 for service charges. There is an additional amount for coverage of spouse and other family members. In addition, the State Government pays contribution approximately Rs. 107 per person. Whereas, under RSBY, beneficiary pays Rs. 30 only for 5 members.
- (II) Only surgical conditions are covered which excludes large number of medical cases for which individual may need hospitalization. Also surgeries which are not in the list are not covered. All procedure are limited to one incidence per year. Whereas under RSBY, surgical and medical procedures are covered.
- (III) Maternity coverage is restricted to one delivery per year.

- (IV) There is an age limit of 75 years. There is no age limit in RSBY.
- (V) Scheme is open only to members of cooperatives and their families. Most of the member of lower middle income group and very poor people are not members. Since only individuals and not family are enrolled. Therefore, only ill people are enrolled. Under RSBY, all BPL families are being covered. RSBY has been extended to Building and other Construction workers.
- (VI) Valid in Karnataka only. RSBY is being implemented all over the country.

In view of above, the RSBY is more beneficial than Yashewani Insurance Scheme.

CHAPTER-IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation [Para 3.50]

The Committee observe that the coverage under the Rashtriya Swasthya Bima Yojana is provided for BPL workers and their family upto a unit of five. A family would comprise the family head, spouse and dependants upto three including children/parents of the head of the family. If the family size is more than five, the head of the family would decide as to who should be left out. The Committee were informed that the number was restricted to five keeping in view the similar provision in the other on-going insurance schemes which provide insurance to only five members of the family. The Committee are of the view that with the aging parents need more medical care than other members of the family. Moreover, it is a statutory responsibility of the children to take care of their aged parents. The Committee, therefore, recommend that the limit of number five should be enhanced to at least six so as to cover head of the family, spouse, two parents and two children. Where there is only one surviving parent, the size of the family can be restricted to five.

REPLY OF GOVERNMENT

RSBY smart cards have been issued to more than one crore families as on 19.01.2010. As per reports received the average family size is around 4 members. Hence, increase in the family size is perhaps not required at present. The Ministry is closely monitoring the issue and recommendation to increase in family size would be taken when the family size reaches to at least five.

CHAPTER-V

**RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF
WHICH REPLIES OF THE GOVERNMENT ARE INTERIM IN
NATURE**

N I L

**New Delhi;
29th March, 2010
8 Chaitra, 1932 (Saka)**

**HEMANAND BISWAL
CHAIRMAN,
STANDING COMMITTEE ON LABOUR.**

**MINUTES OF THE SITTING OF THE STANDING COMMITTEE
ON LABOUR HELD ON 9TH APRIL, 2010.**

The Committee met from 1130 hrs. to 1230 hrs in Committee Room `D', Parliament House Annexe, New Delhi to consider and adopt the draft Report on action taken by the Government on the recommendations/observations contained in the Third Report (15th Lok Sabha) on `Demands for Grants' of the Ministry of Labour and Employment for the year 2009-10.

PRESENT

Shri Hemanand Biswal – CHAIRMAN

MEMBERS

LOK SABHA

2. Shri P. Balram
3. Shri Shafiqur Rahman Barq
4. Shri Sudarshan Bhagat
5. Shri Hassan Khan
6. Shri Kaushalendra Kumar
7. Shri Hari Manjhi
8. Shri P.R. Natarajan
9. Shri Ramkishun
10. Dr. Kakoli Ghosh Dastidar

RAJYA SABHA

11. Smt. Renubala Pradhan
12. Shri G.N. Ratanpuri
13. Shri Praveen Rashtrapal

SECRETARIAT

- | | | | |
|----|---------------------|---|---------------------|
| 1. | Shri Devender Singh | - | Joint Secretary |
| 2. | Shri B.S. Dahiya | - | Director |
| 3. | Shri Ashok Sajwan | - | Additional Director |

2. Before the start of the meeting, the Committee observed two minutes silence as a mark of respect to the CRPF jawans who laid their lives fighting the Maoists at Dantewada, Chhattisgarh. The Chairman, then, welcomed Shri Praveen Rashtrapal, a new member to the Committee and hoped that he would enrich the deliberations of the Committee. The Chairman, thereafter, apprised the members about the draft Report on action taken by the Government on the recommendations/observations contained in the Third Report (15th Lok Sabha) on `Demands for Grants' of the Ministry of Labour for the year 2009-10.

3. The Committee took up the draft Report for consideration. The Committee adopted the same without any modification.

4. **XX** **XX** **XX** **XX**

5. **XX** **XX** **XX** **XX**

The Committee then adjourned.

APPENDIX-II

(Vide Para No. 3 of the Introduction)

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON RECOMMENDATIONS
CONTAINED IN THE THIRD REPORT OF THE STANDING COMMITTEE ON LABOUR
(FIFTEENTH LOK SABHA)**

	Percentage	Total	
I.	Total number of Recommendations	13	NIL
II.	Recommendations/Observations which have been accepted by Government (Sl. Nos. 1,2,3,4,5,6,7, 8,9 and 12) (Para Nos. 3.9,3.20,3.21,3.22,3.31,3.32,3.33,3.34,3.38 and 3.52)	10	76.9%
III.	Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies- (Sl. Nos. 11 and 13) (Para Nos. 3.51 and 3.53)	02	15.4%
IV.	Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee and which requires reiteration – (Sl.No.10) (Para No.3.50)	01	7.7%
V.	Recommendations/Observations in respect of which final replies of Government are of interim in nature	NIL	NIL

			100%
