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**STANDING COMMITTEE ON LABOUR**

**(2016-17)**

**(SIXTEENTH LOK SABHA)**

**MINISTRY OF LABOUR AND EMPLOYMENT**

**DEMANDS FOR GRANTS**

**(2017-18)**

**TWENTY-THIRD REPORT**



**LOK SABHA SECRETARIAT**

**NEW DELHI**

**March, 2017/Phalguna, 1938 (Saka)**

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*Presented to Lok Sabha on 20.03.2017*

*Laid in Rajya Sabha on 20.03.2017*



***LOK SABHA SECRETARIAT***

***NEW DELHI***

**March, 2017/Phalguna, 1938 (Saka)**

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# **COMPOSITION OF THE STANDING COMMITTEE ON LABOUR**

**(2016-17)**

**DR. KIRIT SOMAIYA - CHAIRPERSON**

## **MEMBERS**

### **Lok Sabha**

2. Shri Udayanraje Pratapsingh Bhonsle
3. Shri Rajesh Diwakar
4. Shri Ashok Kumar Dohrey
5. Shri Satish Chandra Dubey
6. Shri Devajibhai Fatepara
7. Shri Satish Kumar Gautam
8. Dr. Boora Narsaiah Goud
9. Shri Rama Chandra Hansdah
10. Shri C. N. Jayadevan
11. Shri Bahadur Singh Koli
12. Dr. Arun Kumar
13. Shri Kaushalendra Kumar
14. Shri Hari Manjhi
15. Shri R. Parthipan
16. Shri Dayakar Pasunoori
17. Shri Hariom Singh Rathore
18. Shri Y.S. Avinash Reddy
19. Shri Naba Kumar Sarania (Hira)
20. Shri Kodikunnil Suresh
21. Shri Mulayam Singh Yadav

### **Rajya Sabha**

22. Shri Ram Narain Dudi
23. Shri N. Gokulkrishnan
24. Shri Nazir Ahmed Laway
25. Shri P.L. Punia
26. Shri Rajaram
27. Shri Amar Shankar Sable
28. Ms. Dola Sen
29. Shri Tapan Kumar Sen
30. Shri Ravi Prakash Verma
- 31.\* Vacant

\* Vacancy occurred *vice* Shri Haji Abdul Salam expired on 28.02.2017.

## **SECRETARIAT**

1. Ms. Rimjhim Prasad - Joint Secretary
2. Smt. Anita B. Panda - Director
3. Smt. Archana Srivastva - Under Secretary

## **INTRODUCTION**

I, the Chairperson, Standing Committee on Labour (2016-17) having been authorized by the Committee do present on their behalf this Twenty-Third Report on 'Demands for Grants (2017-18)' of the Ministry of Labour and Employment.

2. The Committee considered the Demands for Grants (2017-18) pertaining to the Ministry of Labour and Employment which were laid on the Table of the House on 9<sup>th</sup> February, 2017. After obtaining the Budget Documents, Explanatory Notes, etc., the Committee took evidence of the representatives of the Ministry of Labour and Employment on 2<sup>nd</sup> March, 2017. The Committee considered and adopted the Report at their sitting held on 17<sup>th</sup> March, 2017.

3. The Committee wish to express their thanks to the officers of the Ministry of Labour and Employment for tendering oral evidence and placing before them the detailed written notes and post evidence information as desired by the Committee in connection with the examination of the Demands for Grants.

4. For ease of reference, the Observations and Recommendations of the Committee have been printed in thick type in the body of the Report.

**New Delhi;**  
***17th March, 2017***  
***26th Phalguna, 1938 (Saka)***

**DR. KIRIT SOMAIYA**  
**CHAIRPERSON,**  
**STANDING COMMITTEE ON LABOUR**

# **REPORT**

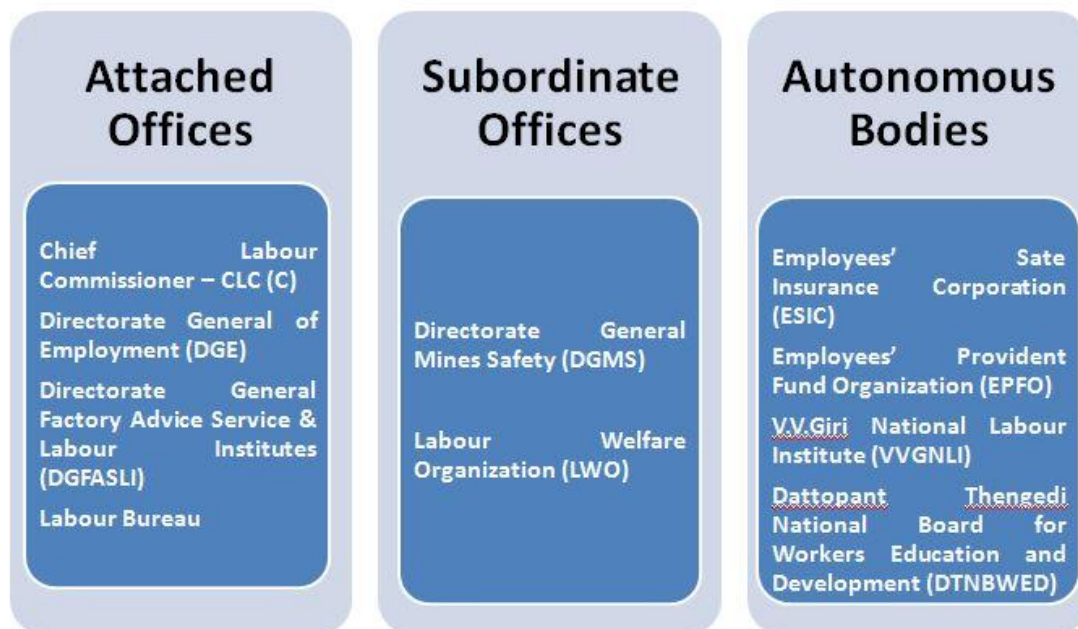
## **INTRODUCTORY**

The Ministry of Labour & Employment (MoLE) is one of the oldest and important Ministries of the Government of India. The main responsibility of the Ministry is to protect and safeguard the interest of workers in general and those who constitute the poor, deprived and disadvantaged sections of the society, in particular, with due regard to creating a healthy work environment for higher production and productivity and to develop and coordinate employment services. Government's attention is also focused on promotion of welfare and providing social security to the labour force both in Organized and Unorganized Sectors, in tandem with the process of liberalization. These objectives are sought to be achieved through enactment and implementation of various Labour Laws, which regulate the terms and conditions of service and employment of workers. The State Governments are also competent to enact legislations, as labour is a subject in the Concurrent List under the Constitution of India.

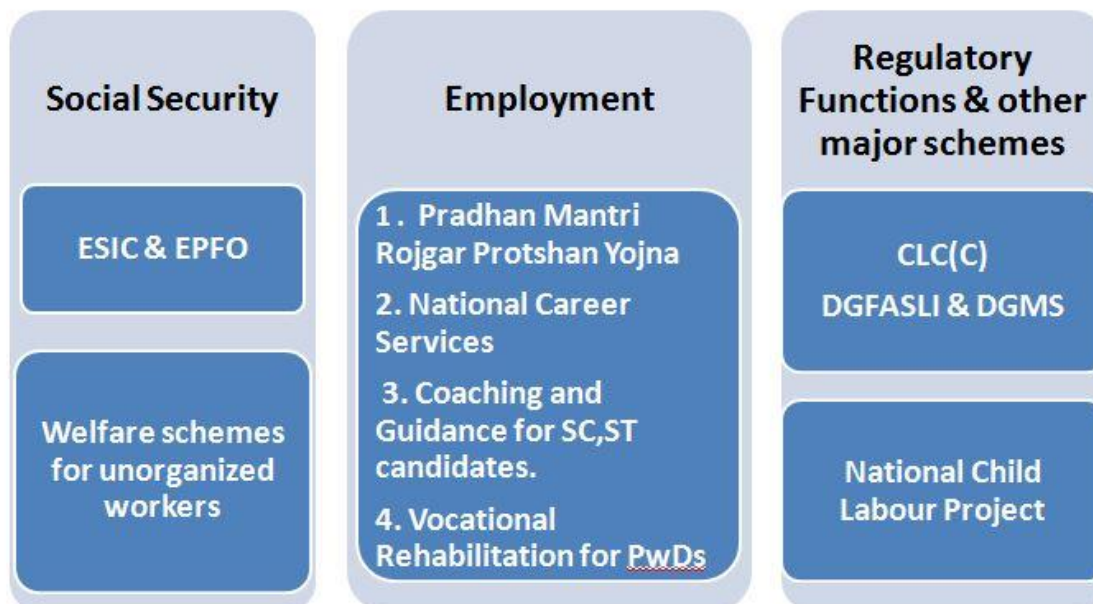
2. The Demands for Grants of the Ministry of Labour & Employment for the year 2017-18 are covered under Demand No. 60. Funds are allocated to the Ministry under the following Major Heads:-

- i. 2251 Secretariat-Social Service
- ii. 2225 Welfare of SC/ST and OBCs
- iii. 2230 Labour-Employment and Training
- iv. 2552 Lum-Sum-Provision for North Eastern Region
- v. 3601 Grants-in-aid to State Governments
- vi. 3602 Grants-in-aid to Union Territories
- vii. 4225 Welfare of SC/ST and Other Backward Classes
- viii. 4250 Capital Outlay on Other Social Services

## Organizational Chart of the MoLE is as follows:



## Major Schemes / Activities of the Ministry are as under:



## II. FINANCIAL AND PHYSICAL PERFORMANCE

3. The year-wise Budget Estimate, Revised Estimate and actual utilisation of funds from the year 2014-15 to 2016-17 alongwith reasons for shortfalls, as enumerated by the Ministry are as under:

The year wise Budget Estimate, Revised Estimate and actual utilization of funds from 2014-15 to 2016-17 along with reasons for shortfall, if any, in optimal utilization of funds are given below:

### Plan

(Rs. In Crore)

Year	BE	RE	AE	Remarks
2014-15	2448.60	1430.53	1276.73	The three major Schemes being implemented by the Ministry viz., (Rashtriya Swasthya Bima Yojana) RSBY, Schemes of DGE&T and National Child Labour Project accounted for approximately 90% of the budget allocation for the financial year 2014-15. There was considerable saving in these schemes due to less receipt of proposals and non-receipt of Utilization Certificates.
2015-16	2153.02	641.70	549.90	RSBY (Rs. 1000.00 crore) transferred to MOF&W. Unorganized Worker's Social Security Card Scheme could not be finalized.
2016-17	1550.00	535.00	357.22 (Expenditure upto 28.2.17)	Pradhan Mantri Rojgar Protsahan Yojna(PMRPY) Scheme accounting for Rs. 1000.00 crore (64.51% of BE) was approved in August, 2016. Implementation of the scheme effectively required changes in the EPFO software which took a long time in order to make new employees able to be uniquely identified using their Aadhaar linked Universal Account Number (UAN).



				<p>Savings in National Child Labour Project having BE 140.00 crore was due to less receipt of proposals and non-receipt of Utilization Certificates.</p> <p>In the Scheme of U-Win Card which accounted for Rs. 141.50 crore, it has been decided not to issue the smart cards as identity card and as a means of Authentication.</p>
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4. Asked to furnish year-wise physical targets and achievements from 2013-14 to 2016-17 alongwith reasons for shortfalls in achievements of earmarked Projects/Schemes, the Ministry submitted the following information:

Name of the Scheme/ Project Programme	2013-14		Shortfall if any indicating reasons in brief	2014-15		
	Targets	Achievements		Targets	Achievements	Shortfall if any indicating reasons in brief
1	3	4	5	6	7	8
CPI-IW Base 2001=100	Compilation and release of CPI –IW for the month of March, 2013 to Feb., 2014. Preparation and release of Annual Report on CPI –IW	Indices compiled and released. Report also released.		Compilation and release of CPI –IW for the month of March, 2014 to February, 2015. Preparation and release of Annual Report on CPI –IW	Indices compiled and released. Report also released.	Nil
CPI_AL /RL (Base 1986-87=100)	Compilation and release of CPI – AL/RL for the month of March, 2013 to Feb., 2014. Preparation and release of Annual Report on CPI – AL/RL	Indices compiled and released. Report also released.	Nil	Compilation and release of CPI – AL/RL for the month of March, 2014 to February, 2015. Preparation and release of Annual Report on CPI – AL/RL.	Indices compiled and released. Report also released.	Nil
Occupational wage Survey (OWS)	Field work and data entry of 10 manufacturing industries of 6 <sup>th</sup> Round	Nil	Diversi on of staff to other priority	Obtaining approval and preliminary activities of 7 <sup>th</sup> OWS	Proposal submitted for approval	Nil

Socio Economic Surveys	Preparation and conduct of one segment survey	Nil	surveys	Preparation and conduct of one segment survey	Women Worker's Survey in Match Industry.	Nil
Annual Survey of Industries	Processing of data and release of report on ASI 2010-11 Round	Target achieved	Nil	Processing of data and release of report on ASI 2011-12 Round	Target achieved	Nil
Quarterly Employment survey	Surveys for 17 <sup>th</sup> -20 <sup>th</sup> QES Rounds and report release	Target achieved	Nil	Surveys for 21 <sup>h</sup> -24 <sup>th</sup> QES Rounds and report release	Targets achieved	Nil
Employment-Unemployment Survey	3 <sup>rd</sup> EUS (2012-13) Survey and report release	Targets achieved	Nil	4 <sup>rd</sup> EUS (2013-14) Survey and report release	Targets achieved	Nil
Base Revision of CPI-IW	Preliminary Work and Organizing Index Users Conference	Target achieved	Nil	Schedule designing, STC meets, Index users Conferences, launching Market Survey	Targets achieved	Nil

Name of the Scheme/ Project Programme	2015-16		Shortfall if any indicating reasons in brief	2016-17		
	Targets	Achievements		Targets	Achievements	Shortfall if any indicating reasons in brief
1	3	4	5	6	7	8
<b>CPI-IW Base 2001=100</b>	<ul style="list-style-type: none"> <li>Compilation and release of CPI – IW for the month of March, 2015 to Feb., 2016.</li> <li>Preparation and release of Annual Report on CPI – IW</li> </ul>	Indices compiled and released. Report also released.	<b>Nil</b>	<ul style="list-style-type: none"> <li>Compilation and release of CPI –IW for the month of March, 2016 to February, 2017.</li> <li>Preparation and release of Annual Report on CPI –IW</li> </ul>	Indices compiled and released. Report also released.	Nil
<b>CPI_AL /RL (Base 1986-87=100)</b>	<ul style="list-style-type: none"> <li>Compilation and release of CPI – AL/RL for the month of March, 2015 to Feb., 2016.</li> <li>Preparation and release of Annual Report on CPI – AL/RL</li> </ul>	Indices compiled and released. Report also released.	<b>Nil</b>	<ul style="list-style-type: none"> <li>Compilation and release of CPI – AL/RL for the month of March, 2016 to February, 2017</li> <li>Preparation and release of Annual Report on CPI – AL/RL.</li> </ul>	Indices compiled and released. Report also released.	Nil

<b>Occupational wage Survey (OWS)</b>	Obtaining approval and preliminary activities of 7 <sup>th</sup> OWS	Approval obtained and frame preparation / sample drawing initiated	Nil	Launching survey of 7 <sup>th</sup> Round and report release i.r.o Mines and plantations	Target achieved	Nil
<b>Socio Economic Surveys</b>	Preparation and conduct of one segment survey	EMW survey in Beedi industry	Nil	Preparation and conduct of one segment survey	Preparatory work in progress	Nil
<b>Annual Survey of Industries</b>	Processing of data and release of report on ASI 2012-13 Round	Target achieved	Nil	Processing of data and release of report on ASI 2013-14 Round	Target achieved	Nil
<b>Quarterly Employment survey</b>	Surveys for 25 <sup>th</sup> – 28 <sup>th</sup> QES Rounds and report release	Targets achieved	Nil	Surveys for Revamped QES Rounds and report release	Targets achieved	Nil
<b>Employment-Unemployment Survey</b>	5 <sup>rd</sup> EUS (2012-13) Survey and report release	Targets achieved	Nil	6 <sup>rd</sup> EUS (2013-14) Survey and report release	Field work in progress	Nil
<b>Base Revision of CPI-IW</b>	Preliminary and main WCFIES, collection of price data	Target achieved	Nil	Regular collection of prices, completion of WCFIES, data processing	Targets achieved	Nil

5. Regarding the name and number of Schemes/Projects which have been transferred to other Ministries/Departments during the 12th Plan period and the impact of such transfer of Schemes over the utilisation of Budgetary Allocation, the Ministry replied as under:

"Details of schemes transferred out of this Ministry during the 12<sup>th</sup> FYP are given below:-

<b>Sl. No</b>	<b>Name of the Schemes</b>	<b>Remark</b>
1	Security for Unorganized Workers Scheme	One part of it i.e. Rashtriya Swasthya Bima Yojana Social (RSBY) got transferred to

		Ministry of Family & Health Welfare w.e.f 01.04.2015. An allocation of Rs. 7316.00 crore was provided for this schemes in the 12 <sup>th</sup> FYP.
2	Establishment operation maintenance & upgradation of DGE&T institutes	These Schemes got transferred to Skill Development & Entrepreneurship w.e.f 20.04.2015. An allocation of Rs. 4498.19 crore was provided for these under 12 <sup>th</sup> FYP.
3	National Instructional Media Institute Chennai	
4	E-Learning & Distance Learning programme	
5	Re-engineering of NCVT & development of national vocational qualification framework	
6	International cooperation in skill development in in foreign training	
7	Setting up of ATI's & RVTIs	
8	Setting up of new Regional directorates of apprenticeship training (RDAT)	
9	Skill Development Mission	
10	Skill Development Mission (EAP)	
11	Aam Aadmi Bima Yojana	

Thus effectively, in terms of Plan Allocation, schemes worth approximately Rs. 11814.19 crore have been transferred out of Ministry of Labour & Employment accounting for 89% of plan allocation for 12<sup>th</sup> five year plan."

### **III. XII PLAN OUTLAY AND UTILISATION**

6. The Committee were informed that the proposed Outlay during the 12th Five Year Plan was Rs.34914.72 crore whereas the Approved Outlay was Rs.13223.00 crore, which was just around 1/3rd of the proposed amount. The cumulative Expenditure from 2012-13 to 2016-17 (upto 31.12.2016) has been Rs.5442.65 crore.

7. In this regard the Committee desired to know the basis and preparedness of the Ministry for proposing huge outlay for the XII Plan

and the causes for un-realistic budgeting. In reply, the Ministry stated as under:

"Subsequent to finalization of outlay of 12th Five Year Plan, Ministry of Skill Development and Entrepreneurship was created and the Schemes as listed out in reply to question 1(iii) above were transferred out of the Ministry of Labour & Employment to Ministry of Skill Development & Entrepreneurship. Besides, a major scheme Rashtriya Swasthya Bima Yojna/Health insurance to unorganized sector workers was transferred to Ministry of Health & Family Welfare"

8. Observing that the XII Plan period is about to end on 31st March, 2017 and the Ministry have been able to utilise only 41.16% of the approved outlay and just 15.59% of the proposed outlay, the Committee desired to know whether the Ministry had sought special compensation from the Ministry of Finance, to spend rest of the 48.84% of the approved outlay during the last three months of XII Plan and also the expected expenditure till 31.03.2017, the Ministry stated as under:

"Ministry has utilized Rs. 5498.74 crore upto 28.02.2017 against the approved outlay of Rs. 13223.00 crore and by the end of this FYP Ministry would be able to spend 501.22 crore (anticipated) this will reach this Ministry's total utilization at Rs. 5642.74 crore upto 31.03.2017 that will account for 42.67 % of the approved Outlay. Major saving in the approved outlay is due to transfer of the scheme namely RSBY transferred to MOF&W & Schemes of Directorate General of Training (DGE&T) transferred to Ministry of Skill Development & Entrepreneurship. One of the schemes namely U-Win could not take off timely however, revised scheme has been devised for approval."

9. Asked about the reasons and impediments that resulted in poor utilisation of approved outlay during the XII Five Year Plan (2012-2017) alongwith details of Schemes/Projects which have suffered the most and upto what extent due to such poor utilisation. The Ministry submitted as under:

"The three major schemes being implemented by the Ministry were RSBY, Schemes of DGE&T and National Child Labour Project accounting for approximately 80% of the budget allocation for these schemes. Savings in these schemes were due to less receipt of proposal and non receipt of Utilization Certificate. Before the transfer of the schemes RSBY & Schemes of DGE&T, there was pendency because the modalities were

being framed. These factors adversely effected the optimal utilization of outlays."

**10. The Committee observe that during XII Plan period an amount of ₹ 13223 crore was approved against the Ministry's projection of ₹ 34914.72 crore, out of which the Ministry could utilize an amount of ₹ 5498.74 crore. The under-utilisation of funds has been attributed mainly to the transfer of the Schemes worth ₹ 11814.19 crore to Ministry of Skill Development & Entrepreneurship after its creation in May, 2015; as well as transfer of the Rashtriya Swasthya Bima Yojana (RSBY) to the Ministry of Health and Family Welfare w.e.f. April, 2015 and also due to the fact that the Scheme of U-WIN could not take off timely. The Committee have been constantly advising the Ministry for the past few years to make the budgeting exercise more prudent and also to strengthen the monitoring mechanism so as to achieve maximum utilization of funds.**

#### IV. ANNUAL PLAN 2016-17

11. The Committee were furnished with the following details of major Plan and Non-Plan Schemes during BE 2016-17, RE 2016-17 and actual expenditure till February, 2017, as under:

##### Major Plan Schemes(2016-17)

Rs. in crore

Description	BE 2016-17	RE 2016-17	Exp. Upto February, 17 (Tentative)
NCLP	140.00	105.00	66.89
Labour Statistics	50.00	42.00	29.15
U-Win Card	144.50	3.50	1.84
Employment	1122.20	303.27	211.48
Industrial Relations	25.00	20.78	15.10
DGMS	22.50	19.65	7.25
DGFASLI	11.30	10.60	4.68
Workers Education	26.00	23.00	19.04
Others	8.50	7.20	1.79
<b>Total</b>	<b>1550.00</b>	<b>535.00</b>	<b>357.22</b>

##### Non Plan Schemes (2016-17)

Rs. in crore

Description	BE 2016-17	RE 2016-17	Exp. Upto February, 17 (Tentative)
EPFO	4068.09	4068.09	3547.62
Employment	46.49	36.53	31.31
Transfer to Cess Funds	211.38	181.38	68.00
Labour Welfare	302.44	243.08	180.54
Others	275.58	291.38	275.90
<b>Total</b>	<b>4903.98</b>	<b>4820.46</b>	<b>4103.37</b>

12. An outlay of Rs. 1550.00 crore was proposed for the Plan Schemes of Ministry of Labour & Employment during the year 2016-17 which was

drastically revised downwards to Rs. 535.00 (34.52%) at the RE stage. The Actuals upto 31.12.2016 have been Rs. 319.86 crore which is just 20.64% of the BE and 59.78% of RE. Scheme-wise allocation *vis-a-vis* expenditure has been given in the following Statement :

(Rs. In lakh)

Scheme-wise details of Plan Outlays & Expenditures during 2016-17						
(Refer to Item no. 3& 6)						
Sl. No	Schemes / Programmes	BE	RE	Actual Expenditure upto 31/12/2016	Short fall/exces exp, if any, indicating reasons in breif [(iv)-(v)]	*% of Short fall/exces expenditure over RE
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
<b>A</b>	<b><u>LABOUR (TOTAL)</u></b>	<b><u>42780.00</u></b>	<b><u>23173.00</u></b>	<b><u>11722.84</u></b>	<b><u>11450.16</u></b>	-49.41
<b>1</b>	<b><u>Labour Bureau (Total)</u></b>	<b>5000.00</b>	<b>4200.00</b>	<b>2029.50</b>	<b>2170.50</b>	-51.68
1.1	Research & Statistics	5000.00	4200.00	2029.50	<b>2170.50</b>	-51.68
<b>2</b>	<b><u>Industrial Relations (Total)</u></b>	<b>2500.00</b>	<b>2078.00</b>	<b>1290.82</b>	<b>787.18</b>	-37.88
2.1	Strengthening of Adjudication Machinery	850.00	765.00	432.19	<b>332.81</b>	-43.50
2.2	Machinery for Better Conciliation Service and Preventive Mediation on More Effective Enforcement of Labour Laws	1650.00	1313.00	858.63	<b>454.37</b>	-34.61

\*During evidence, the Ministry clarified that this position showed the trend upto December, 2016 only.



<b>3</b>	<b><u>Working Conditions &amp; Safety (Total)</u></b>	<b>3380.00</b>	<b>3025.00</b>	<b>954.73</b>	<b>2070.27</b>	-68.44
<b>3.1</b>	<b>DGFASLI (Total)</b>	<b>1130.00</b>	<b>1060.00</b>	<b>380.49</b>	<b>679.51</b>	-64.10
3.1.1	Development of Regional Labour Institute Fardiabad as National Centre of Excellence	356.00	319.00	105.18	<b>213.82</b>	-67.03
3.1.2	Strengthening of DGFASLI Organisation and Occupational Safety and Health in Factories Ports and Docks	771.00	739.00	275.31	<b>463.69</b>	-62.75
3.1.3	Establishment of Regional Labour Institute at Shilong for North East Region	3.00	2.00	0.00	<b>2.00</b>	-100.00
<b>3.2</b>	<b>DGMS (Total)</b>	<b>2250.00</b>	<b>1965.00</b>	<b>574.24</b>	<b>1390.76</b>	-70.78
3.2.1	Soma / Study of Mines Accident and Development of Information System (SMAS) / Mine Accidents Analysis and Modernization of Information Database (MAMID)	780.00	639.00	244.31	<b>394.69</b>	-61.77
3.2.2	S&T Support / Augmentation of S&T Support and Human Resource Development and Human Resource Development of DGMS (SMRD) / Strengthening Facilities and Core Function of DGMS (SOCFOD)	1470.00	1326.00	329.93	<b>996.07</b>	-75.12
<b>4</b>	<b><u>Social Security for Unorganised Sector Workers Scheme (Total)</u></b>	<b>14450.00</b>	<b>350.00</b>	<b>182.06</b>	<b>167.94</b>	-47.98
4.1	Unorganized Workers' Social Security Card	14150.00	50.00	2.86	<b>47.14</b>	-
4.2	Rehabilitation of Bonded Labour	300.00	300.00	179.20	<b>120.80</b>	0.00
<b>5</b>	<b><u>Child / Women Labour (Total)</u></b>	<b>14000.00</b>	<b>10500.00</b>	<b>5745.43</b>	<b>4754.57</b>	-45.28
5.1	Grants-In-Aid to Voluntary Agencies	50.00	5.00	0.00	<b>5.00</b>	-100.00
5.2	National Child Labour Policy	13950.00	10495.00	5745.43	<b>4749.57</b>	-45.26

<b>6</b>	<b><u>Labour Education (Total)</u></b>	<b>2600.00</b>	<b>2300.00</b>	<b>1402.65</b>	<b>897.35</b>	-39.02
6.1	Grants to Central Board for Workers Education (CBWE)	1500.00	1200.00	577.65	<b>622.35</b>	-51.86
6.2	Grants to V.V Giri National Labour Institute (VVGNI)	1100.00	1100.00	825.00	<b>275.00</b>	-25.00
<b>7</b>	<b><u>Others Expenditure (Labour)</u></b>	<b>850.00</b>	<b>720.00</b>	<b>117.65</b>	<b>602.35</b>	-83.66
7.1	Information Technology	300.00	490.00	111.31	<b>378.69</b>	-77.28
7.2	Grants-in-Aid to Research / Academic Institutions	550.00	230.00	6.34	<b>223.66</b>	-97.24
<b>B</b>	<b><u>DIRECTORATE OF EMPLOYMENT (TOTAL)</u></b>	<b><u>112220.00</u></b>	<b><u>30327.00</u></b>	<b><u>20263.35</u></b>	<b>10063.65</b>	-33.18
8.1	Vocational Rehabilitation Centres (VRCs)	840.00	840.00	383.28	<b>456.72</b>	-54.37
8.2	Employment Exchanges (National Career Services)	10000.00	8150.00	3806.92	<b>4343.08</b>	-53.29
8.3	Welfare of SC / ST & Other Backward Classes (Coaching-Cum-Guidance Centres for SC / ST)	1380.00	1337.00	574.71	<b>762.29</b>	-57.01
8.4	Pradhan Mantri Rojgar Protshan Yojna(PMRPY)	100000.00	20000.00	15498.44	<b>4501.56</b>	-22.51
-	-	-	-	-		
-	<b><u>Grand Total (Ministry of Labour &amp; Employment)</u></b>	<b><u>155000.00</u></b>	<b><u>53500.00</u></b>	<b><u>31986.19</u></b>	<b>21513.81</b>	-40.21

13. Asked to furnish the reasons for higher projection at BE level and later slashing it downwards drastically to 34.52% at RE stage alongwith the reasons for not utilising even the slashed funds projected at the RE stage and also asked how the Ministry would be able to utilize the unspent funds (40.22%) during the remaining period of the current financial year, the Ministry replied as under:

"Ministry was allocated an amount of Rs. 1550.00 crore for the Plan Schemes for the year 2016-17. During the year following significant development took place:-

Pradhan Mantri Rojgar Protshan Yojana (PMRPY) has been allocated Rs. 1000.00 crore i.e. 64.51% of BE. However at RE Stage allocation was revised to Rs. 200.00 crore. This scheme got approved in August, 2016 and for effective implementation of the scheme, it was required that changes be made in the EPFO software. It took a long time to make new employees able to be uniquely identified using their Aadhaar linked Universal Account Number (UAN). In the Scheme of U-Win Card, which accounted for Rs. 141.50 crore, it has been decided not to issue the smart card as identity card and as a mean of Authentication. However, it has been decided to launch the scheme, and thus, draft SFC has been prepared and on approval a revised IT architecture would be developed for identification, registration, creation of database of Unorganized workers and providing an identity number to each worker."

14. Noting that the Ministry are having approximately 40.22% of the allocation remaining to be spent in the last quarter of the Financial Year, the Committee desired to know whether the Ministry are not violating the Guidelines/ Instructions of the Ministry of Finance, which do not permit expenditure beyond 33 per cent in the last quarter and 15 per cent in the last month of the financial year, the Ministry submitted as under:

"The Ministry strictly adheres to the guidelines/instructions issued by Ministry of Finance. In specific cases wherever the stipulation of 33% expenditure in last quarter of financial year and 15% in last month of the financial year could not be adhered to, specific exemption of Ministry of Finance was obtained."

15. Asked about the reasons for under utilisation of funds year after year and the measures taken/proposed to ensure maximum utilisation of plan expenditure during 2017-18, the Ministry submitted as under:

It is true that Ministry has not been able to utilize 100% budget allocation in the Plan during previous years. However, this Ministry is continuously trying to improve the situation by strengthening monitoring mechanism in implementation of Schemes. Status of Budget Estimates, Revised Estimates & Actual Expenditure under Plan & Non-Plan Heads during the last 3 years is given below:-

Year	Plan		
	BE	RE	AE
2014-15	2446.10	1700.00	1594.00
2015-16	2448.60	1430.00	1276.73
2016-17	1550.00	535.00	357.22*

\* Expenditure upto 28.02.2017.

Break up of Plan expenditure with reference to major schemes is given below:-

Items	2014-15			2015-16			2016-17		
	BE	RE	AE	BE	RE	AE	BE	RE	AE
RSBY	1434.30	559.74	550.65	1000.00	50.00	45.32	0	0	
DGET	693.85	618.15	532.28	380.44	252.00	260.23	0	0	
Others	320.45	252.64	193.80	772.58	339.70	244.35	1550.00	535.00	357.22*
Total	2448.60	1430.53	1276.73	2153.02	641.70	549.90	1550.00	535.00	357.22

\* Tentative expenditure upto February, 2017

It may be noticed from table above the RSBY and DGET accounted for very significant component of total budget in past 3 years. In 2015-16, the performance was poor on account of scheme namely 'Unorganized Worker's Social Security Card Scheme' not getting finalized. In the current financial year

scheme of PMPRY got approved in August, 2016 and for effective implementation of the scheme, it is required that changes in the EPFO software be made, which has taken a long time in order to make new employees able to be uniquely identified using their Aadhaar linked Universal Account Number (UAN). In the Scheme of U-Win Card which accounted for Rs. 141.50 crore, it has been decided not to issue the smart cards as identity card and as a means of Authentication.

16. Documents furnished by the Ministry reveal that under Sub-head 2230.01.111.05-Social Security for Unorganized Sector Workers Scheme, an expenditure of Rs.139.73 lakh had been incurred against the allocation of Rs. 3000 lakh, resulting in non utilisation of funds to the tune of 95.5%. The reason as furnished by the Ministry are as under:

"Considering near universal coverage of Aadhaar the Government decided not to issue the smart card as identity card and means of Authentication. Further DeitY was asked to prepare a policy on the delivery of various public services using Aadhaar, Jan DhanPolicy(JDY) account and existing platforms without the issuance of smart card.

Since the budget allocation for the financial year 2016-17 had already been made based on the earlier draft proposal (EFC), the surrender of budget could only be done in the Revised Estimate 2016-17."

17. Asked about the Scheme which could not be finalised and whether the 'U-WIN' card concept clash with the 'Adhar Card Scheme', and the reasons for keeping the Scheme in abeyance instead of dropping it, the Ministry submitted as under:

"A social security platform needs three components viz., Identification and Authentication of beneficiaries, a database of beneficiaries and service delivery module to deliver benefits under any scheme. UWIN project envisaged identification through UWIN and offline biometric authentication of beneficiaries through smart card and creation of database of beneficiaries. The service delivery modules were to be prepared by respective scheme Ministries/Departments. The component of scheme for biometric authentication using smart card has only been dropped and a revised project based on authentication using Aadhaar is being prepared. The remaining components i.e., creation of a database and providing an identity to unorganised workers remain unchanged. Since smart card provides authentication in offline mode, whereas, Aadhaar based authentication is possible in online mode only. Hence, both are authentication mechanisms. They can even be used simultaneously. Since Aadhaar coverage has happened substantially and online connectivity is improving , the Government has decided to adopt Aadhaar as the only means of authentication."

18. Asked when the scheme was not even finalised and the rationale for keeping a huge allocation idle for whole year, the Ministry submitted as under:

"The IT architecture for issuance of smart card was under preparation and scheme was to be immediately launched after completion of the same and consequent expenditure from budget would have been required. However, the government's decision in favour of Aadhaar as means of authentication led to the surrender of budget in the Revised Estimate of 2016-17."

19. The Committee were informed that the Scheme of issuance of U-WIN Cards was launched during 2015-16 which was later on withheld stating that the Social Security Schemes to the un-organised workers would be delivered through Aadhaar. However, after a gap of nearly two years, the Scheme has again been launched afresh.

20. Asked about the reasons which prompted the Ministry to again launch the scheme which was withheld, after taking a considered decision, the Ministry stated as under:

"It is hereby mentioned that the scheme was not withheld and launched afresh after two years. Ministry of Labour and Employment was working on identification and registration of unorganised workers along with issuance of smart card, namely U-WIN Card, to them. This smart card would have facilitated the unorganised workers get benefit of major social security schemes for which they were eligible. The work was already in progress for the smart card based architecture and Centre for Development of Advanced Computing(C-DAC) was hired by this Ministry for setting up of Project Execution Unit (PEU) for Smart Card Issuance System to Unorganized Workers in 2015. However, as it was decided not to go ahead with the smart card based architecture for delivery of various social security services, the contract with C-DAC was closed with immediate effect (May 2016). It is decided that the Ministry would carry out identification and registration of Unorganised workers and creation of database of unorganised workers. Delivery of various Social Security Schemes to them would be made only by using Aadhaar without the use of smart card. Ministry is in consultations with various stakeholders like DeitY (Department of Electronics and Information Technology), C-DAC, MoRD, NISG and NIC to explore the possibility to develop a portal based facility for registration of Unorganised Workers and for creation of a database of unorganised workers using SECCdata and using Aadhaar as means of authentication."

21. When pointed out that despite the non-finalisation the Scheme, an expenditure of Rs. 139.73 lakh had been incurred, the Ministry submitted as under:

"The expenditure incurred on development of IT architecture for registration and issuance of smart card to unorganised workers with the help of Centre for Development of Advanced Computing(C-DAC), NIC, a hired IT agency and E&Y. A full-time Advisor was also hired for a year for the Social Security Card project."

22. Asked about the finalisation of the modalities of the Scheme and the current status of the Scheme and time by which is it likely to start, the Ministry submitted as under:

"Draft SFC has been prepared and on its approval a revised IT architecture would be developed for identification, registration, creation of database of Unorganised workers and providing an identity number to each worker. The estimated period being proposed in SFC is 2 years (6 months for development of IT architecture and 1.5 year for registration of unorganised workers by States/UTs)."

23. Asked about the approximate number of beneficiaries, the Ministry informed that "approximately 15 crore families of unorganised workers would be covered."

24. Regarding the implementation of the Social Security Schemes to the Un-Organised workers, as of now, the Ministry submitted as under:

A large number of schemes for social security benefits are implemented by various Central Government Ministries/ Departments and State Governments for different categories of workers at different times. The beneficiaries for each of these schemes are generally spread across the country. As a result, there are repetitive efforts and sizeable recurring cost involved in data collection each time a new scheme is launched or beneficiaries are identified in existing schemes. Further, various schemes are not exclusively for unorganised workers. The Centre and States/UTs, therefore, deliver services through different platforms.

25. The documents furnished by the Ministry reveal that there was gross under-utilisation of funds under the following heads :-

2230.03.003.07 - Vocational Training Programme for Women

2230.03.789.02 - Vocational Training Programme for Women

2230.03.789.05 - Vocational Training Project

2230.03.796.02 - Vocational Training Programme for Women

2230.03.796.05 - Vocational Training Project

2230.03.800.05 - World Bank Assisted Vocational Training Project

2552.00.454.01 - Plan Schemes under Research and Statistics

26. In this regard, the reasons for non-utilisation of Funds under the above Heads and any duplication/overlapping of components under those Heads, the Ministry submitted as under:

"The above mentioned heads pertains to General Component, Scheduled Caste Component, Tribal Areas Sub Plan & North East Region. It is also mentioned that there is no duplication/overlapping of components under above said heads. All the above mentioned heads except 2552.00.454.01 have been transferred to Ministry of Skill Development and Entrepreneurship on 20th April, 2015. And the head 2552.00.454.01 is a non-functional head. The expenditure can be booked in functional head."

27. Asked about the current status and the reasons for non-taking off of Apprenticeship Protsahan Yojana, the Ministry stated as under:

"Apprenticeship Protsahan Yojana has been transferred to Ministry of Skill Development and Entrepreneurship on 20th April, 2015."

28. Noting gross under-utilisation of funds under the following heads for Social Security for Unorganised Sector Workers including Rashtriya Swasthaya Bima Yojana (RSBY), which is evident from the following:

2552.00.473.01 (Nil expenditure)

3601.04.326.02 (5.01% expenditure)

3601.04.789.47 (0.48% expenditure)

3601.04.796.36 (3.56% expenditure)

the Committee desired to know the reasons therefor as the RSBY had already been transferred to the Ministry of Health and Family Welfare w.e.f. 01.04.2015 on 'as is where is' basis, keeping the budget provision under the head for succeeding financial years 2015-16 and 2016-17. In response, the Ministry submitted as under:

"Rashtriya Swasthaya Bima Yojana scheme was transferred to Ministry of Health Family Welfare w.e.f 01.04.2015 on 'as is where is' basis. However, Ministry of Labour and Employment was entrusted with the responsibility to carry out identification, registration and related



activities for unorganized workers providing smart card to unorganized workers which may be utilized by other social security schemes including the modified Rashtriya Swasthaya Bima Yojana to be run by Ministry of Health and Family Welfare. It was mutually decided by both Ministries (i.e. Ministry of Labour & Employment and Ministry of Health & Family Welfare) that the development of new IT architecture for enrolment and issuance of smart card to RashtriyaSwasthayaBimaYojana beneficiaries would be handled by Ministry of Labour and Employment and service delivery was entrusted with Ministry of Health & Family Welfare."

29. Asked about utilisation of funds to the tune of Rs. 1.36 crore when the Scheme had no longer been with the Ministry of Labour and Employment, the Ministry submitted as under:

"Ministry was working on identification and registration of unorganized workers and issuance of smart card to them (UWIN Card). A Project Management Unit (PMU) was approved for the same. The expenditure was incurred on development of IT architecture for registration and issuance of smart card to unorganised workers with the help of Centre for Development of Advanced Computing(C-DAC), NIC, a hired IT agency and E&Y. A full-time Advisor was also hired for a year for the Social Security Card project."

### **Non-Plan**

30. The documents submitted by the Ministry reveal that out of the five Welfare Funds operated by the Ministry of Labour and Employment viz. only 'The Beedi Workers Welfare Fund Act, 1976' had been allowed to continue after 01.04.2016 and other four Welfare funds had been abolished. However, despite the lone welfare fund operational, it shows abysmal achievement against the targets set for each of the activity undertaken during 2016-17.

31. Asked about the specific reasons for shortfall in each of the activity and the corrective measures taken for meeting the targets in future, as well as the basis for keeping financial assistance to funerals under the activity 'Health', the Ministry submitted as under:

"The benefits under the scheme are being transferred through DBT system and the applications under this scheme are invited and processed through the National Scholarship Portal. Till date approximately 5 lakhs application have been received on portal. A budget of Rs. 72 crore has been earmarked for this purpose. Out of

which around 40 crore has been already incurred for clearance of backlog of applications.

Out of the 5 lakh odd applications 2,86,234 fresh applications and 5,273 renewal applications are being processed for payment in the first bucket where the applicant's name and account holder name is almost matching.

The payment process has not yet started as the National Electronic Scholarship Portal (NESP) has not initiated payment files and the process of integrating Public Management Financial Management (PFMS) to the NESP portal is still under process. The target has been set only for the purpose of making funds available to meet the funeral cases as and when it is received in the office. The target of 2200 is not a realistic figure and this was done only for calculation purposes. Also, this figure was arrived at based on the death cases reported for the last few years. This was kept in order to give a justification to the funds asked for this purpose. The additional fund under this head was kept so that there would be no shortfall in the budget as this amount forms a crucial part for the beedi workers who are from a very poor background and depend mainly on this assistance to meet the last rites."

32. The targets under the Revised Integrated Housing Scheme (RIHS), had been kept at 18500 whereas the achievements had been 10000. The reasons for shortfall had been stated are 'Due to 15% cut in budget in the last quarter'. Further, against the allocation of Rs. 5512 lakh under the RIHS, the Ministry had been able to spend Rs. 1380.60 lakh which was just 25% of the allocation, the Ministry stated that 'due to receipt of less number of claims from beneficiaries owing to non-completion of formalities'.

33. Asked about the achievement for the other three quarters and also the efforts taken by the Ministry for helping the ill-literate/less educated Beedi workers to complete formalities for applying for subsidy under RIHS, the Ministry submitted as under:

"As regards shortfall to achieve the target fixed under the Revised Integrated Housing Scheme (RIHS) for Financial Year 2016-17, this is stated that achievement may always vary, for the number of housing sanction under the scheme depend on the receipt of applications from the targeted beneficiaries through 17 Welfare Commissioners posted in different regions in the country. However, it may be appreciated that

against the fixed target of 18,500, the sanction for housing subsidy was already made for 10,000 houses till the end of December, 2016 that further scaled up to 12,315 in February, 2017. In other words, 66.55 per cent target has been achieved till date, with one more month remaining in hand for better result. Of many reasons, non-compliance of certain formalities e.g., not having an operative bank account, land area as specified under the scheme etc, are some of the reasons due to which less applications from the targeted beneficiaries have been received this year that led to the failure of achieving the target cent percent. It is also stated that Rs 55.12 crore was allocated under the scheme at Budget Estimate. Out of which a physical sanction of Rs 25,38,07,500 has been made till 28th February, 2017, which is 46 per cent of the total allocated budget. At Revised Estimate stage the budget under the scheme was reduced to Rs 35 crore, out of which Rs 12 crore has been re-appropriated to Scholarship scheme, considering the less number of receipts of applications under RIHS. As a physical sanction of Rs 25, 38,07,500 has already been made which is more than the budget that remained under the scheme after re-appropriation, we are constrained to issue physical sanction for housing subsidy any further. Out of total physical sanction of Rs 25, 38, 07,500 made under the scheme, Rs 9, 82, 52,000 has been released so far to the targeted beneficiaries in their respective bank accounts through Direct Benefit Transfer on Public Financial Management System Portal. Due to non-compliance of certain formalities e.g.having a bank account in operation or deposit of FDR of Rs. 5,000/- etc as per the guidelines of the scheme from the beneficiaries' side the rest of the amount i.e. Rs 15, 55,55,500 could not be released to them. However, necessary measures/initiatives, such as, assisting/educating beneficiaries are being taken in this regard in different parts of the country through the officials of Welfare Commissioners. It is expected that before the end of this Financial Year almost all the amount physically sanctioned would be released to the beneficiaries concerned. The quarter-wise progress against the set target of 18,500 houses to be sanctioned in the Financial Year 2016-17 is given in the table below.

Number of houses sanctioned in the 1 <sup>st</sup> Quarter of Financial Year 2016-17	Number of houses sanctioned in the 2 <sup>nd</sup> Quarter of Financial Year 2016-17	Number of houses sanctioned in the 3 <sup>rd</sup> Quarter of Financial Year 2016-17	Number of houses sanctioned in the last Quarter of Financial Year 2016-17 (up to 28.02.2016)
5030	1344	2908	3033

In Financial Year 2015-16, the Ministry could spend Rs 1380.60 lakh which was just 25 per cent of the total allocated budget of Rs 5512 lakh under the RIHS. The reason for under utilization of the fund was less number of applications received due to non-completion of certain formalities. In this regard, officials of Welfare Commissioners in different parts of the country under the Ministry are taking pain to assist/educate the illiterate/less educated workers to complete formalities for applying for subsidy under the scheme. As a result, physical sanction of more than the budget remaining at Revised Estimate stage has been issued in the Financial Year 2016-17."

**34. The Committee note that during the Annual Plan 2016-17, the Ministry were allocated an amount of ₹1550 crore out of which ₹ 1000 crore i.e. 64.51% belonged to Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) a flagship scheme for employment generation. However, the same was later revised downwards to a mere ₹ 200 crore as the Scheme could receive approval only in August, 2016. Further, against an allocation of ₹ 30 crore, for U-WIN Card Scheme, the Ministry was able to utilize only ₹1.39 crore due to delay in finalisation of the Scheme. The Committee are of the view that once the approval process is completed, the funds could be sought at the RE stage proportionately so that the performance of the Ministry could improve. The Committee may be apprised about the steps initiated in this regard.**

**35. From the details submitted on the U-Win Card Scheme, the Committee feel that the same has remain a non-starter since the beginning. They note that the Scheme was initiated in the year 2014 to be completed within three years. However, during the examination of Demands for Grants for the year 2015-16 the Committee were informed that the allocation of ₹ 320.52 crore had to be surrendered as the Scheme could not take off. According to the Secretary, (MOLE), a pan India social security platform was to be developed which was being looked into by the Cabinet Secretariat but there was neither any clarity on its character and size nor about the role and responsibility of the Ministry of Labour and Employment. Besides, service delivery modules to deliver benefits were to be prepared by respective scheme Ministries/Departments. Later, at the Action Taken stage the Ministry had conveyed to the Committee that the Central Government was re-examining the need to issue a separate smart Card in the light of the near universal coverage of Aadhaar. The Committee now note that the Component of Scheme for bio-metric authentication using smart card has been dropped and Central Government is**

**considering the delivery of the most public welfare benefits through Aadhaar enabled platforms and DietY (Department of Electronics & Information Technology) has been asked to prepare a policy on the delivery of various public services and social security schemes using Aadhaar, Jan Dhan Policy(JDY) account and existing platforms without the issuance of new smart card. The Committee are also apprehensive of the delivery of various public services and social security schemes to the workers belonging to Jammu & Kashmir and NE region, where Aadhaar is not mandatory. Nevertheless since now 2 components of U-Win Scheme i.e. creation of database and providing an identity to the unorganized workers remain unchanged, the Committee desire that the action plan for delivery of various public services and social security schemes in the States, particularly in J&K and NE region, must be chalked out so that the unorganized workers could be benefitted under the Scheme.**

**36. The Committee find that the Ministry had kept budget provisions in 2016-17 even for the Schemes which stood transferred to other Ministries in the year 2015 itself, resulting**

**in non/under utilization of funds. The Committee opine that at least minimal budget should have been proposed/sought for those Schemes in 2016-17 which were transferred to other Ministries for consequential expenses only.**

**37. The Committee note that there is a mutual agreement between the Ministry of Health & Family Welfare and the Ministry of Labour & Employment that the development of new IT architecture for enrolment and issuance of Smart Card to Rashtriya Swasthaya Bima Yojana (RSBY) would be handled by Ministry of Labour and Employment and service delivery would be entrusted with the Ministry of Health & Family Welfare. The Committee are unable to figure out the need for a separate Smart Card which again would be a repetitive step, as the RSBY is also meant for un-organised workers. Since RSBY was transferred to Ministry of Health and Family Welfare in April, 2015, the Committee would like to know the current status of the Smart Card provision under the Scheme as well as the arrangement between the two Ministries on it, if any. The Committee feel that delivery of RSBY benefits may also be**

**considered through Aadhaar/other delivery mechanism conceived for other Social Security Schemes.**

**38. The Committee note that the Cess fund under ‘The Beedi Workers Welfare Fund Act, 1976’ had been allowed to continue after 01.04.2016. The Committee note that despite the lone welfare fund in operation, satisfactory performance against the targets set for each of the activity undertaken viz. Scholarship, RIHS, Health etc. during 2016-17 was not achieved. As cess funds are meant for the welfare of the most underprivileged section of unorganized workers population, the Committee once again impress upon the Ministry to strengthen the implementing mechanism so that the cess fund collected is fully utilised and the benefits of welfare Schemes financed through the fund actually reach the intended beneficiaries.**



## V. ANNUAL PLAN 2017-18

### BE 2017-18 (Major Schemes)

Rs. in crore

Schemes	BE 2017-18
Employees Pension Scheme, 1995	4771.18
Pradhan Mantri Rojgar Protshan Yojana	1000.00
National Career Services	125.00
National Child Labour Project including grants-in-aid to voluntary agencies and reimbursement of assistance to bonded labour (NCLP-150.00+BL-10.00)	160.00
Labour and Employment Statistical System (LESS)	68.00
Labour Education and Research(CBWE-90.00 + VVGNI-15.00)	105.00

39. On perusal of the figures submitted by the Ministry, it was noted that against the proposed allocation of Rs. 8351.69 crore, the Ministry have been allocated Rs. 7188.38 crore {Rs. 7165.53 crore (Revenue) and Rs. 22.85 crore (Capital)} including a provision of Rs. 1000 crore for Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) and Rs. 4771.18 crore for Employees' Pension Scheme (EPS), 1995, implying that only Rs. 1417.20 crore have been allocated to MoLE for other heads like Industrial Relations, working Condition and Safety, particularly Mines Safety and accident analysis etc.

40. Asked about the road map prepared for maximum utilisation of the allocation during 2017-18, the Ministry stated as under:

"Ministry of Labour and Employment has already sensitized the officers to expedite proposals and for the effective implementation of the Schemes. Monitoring mechanism would be strengthened further."

41. During the oral evidence, the Secretary, MoLE informed the Committee about the following requirement of additional funds:

## Additional Funds Required

(Rs. In crore)

Schemes	Proposed BE 2017-18	Accepted BE 2017-18	Additional Funds Required
Employees' Pension Scheme 1995	5978.39	4771.18	6942 #
Employment Promotion Schemes	22.97	13.90	9.07
# Requested for the same in Supplementary Demand in Third and Final Batch of 2016-17.			

42. The Secretary further explained as under:

"Under the EPFO, there are three schemes. One is the Provident Fund, Second is Pension Scheme and the third is the Employee Deposit Linked Scheme. In the Pension Scheme, the employer's contribution is 8.33 per cent. The employer gives totally 12 per cent of the wages, out of which 8.33 per cent goes towards the pension account; 3.67 per cent goes towards the provident fund account. The employee contribution of 12 per cent goes totally towards the provident fund account. The Government adds 1.16 per cent of the wages to the pension account. So, totally it becomes 9.5 per cent of the wages which gets into the pension account. This gets accumulated and when the person crosses 60 years, we give average of the last 60 months wages as the pension for the person.

Now, this 1.16 per cent goes from the budget of the Ministry to the EPFO for the number of persons who are enrolled in the EPFO. On top of it, if the pension, which is worked out as average of 60 months last drawn wages, falls below the Rs.1000 mark, then the balance is given as a budgetary support from the Government. Both put together, every year we need to give money to the EPFO. For the year 2017-18, we have been given an allocation of Rs.4,771 crore which will be transferred from the Ministry to the EPFO. But this is not sufficient. They, in fact, spend more than that for which we need to give money. So, every year this amount has been getting accumulated and there is an arrear of about Rs.6,942 crore which we need to give from the Government side to the EPFO. So, I would request you to kindly use your good office."

43. The Committee desired that figures of previous ten years' arrears should be submitted by the Ministry to them, which was accepted.

### **Occupational Safety**

44. The Committee, while pointing out the recent accident took place in January, 2017 in an Eastern Coalfields mine in Jharkhand that had again proved that the efforts for mine safety need to be accelerated, asked how the Ministry propose to utilise the meagre allocation of Rs. 27 crore for Mine accidents analysis and for Directorate General of Mines Safety in 2017-18, the Ministry submitted as under:

Measures proposed by Directorate General of Mines Safety in 2017-18 for accelerating safety in mines and optimum utilization of the allocation of Rs. 27 crores are given below:

1. Conducting (Blitz) impact inspections by officers of DGMS to assess prevailing system in mines and suggest remedial measures to prevent disasters and accidents due to explosion, inundation and ground movement which are major causes of accidents in mines.
2. Facilitating and training for implementation of Safety Management Plans in mines.
3. Analysis of current accident reports and issue of alerts and circulars to mining industry to prevent recurrence of accidents.
4. Occupational Health Survey of persons employed in unorganized sector in different states.
5. Provide continual support to the mining industry by setting appropriate standards, protocols & guidelines by conducting scientific studies and R&D projects on various subjects in key problem areas of mining.
6. Interact with top leadership to bring their commitment to OSH matter by
  - a. Conducting interactive sessions on importance and course of action for development and implementation of safety management plan
  - b. Documenting commitment from top authorities on safety management plan
7. Organize interactive sessions with unions for sensitization on principles of self-regulation – in each zone / regions.

8. Development of Structured Inspection and Audit Guidelines for mines.
9. Formulation of Emergency preparedness and response system guidelines.
10. Modernizing Mine Accidents and Mine Information Database by computerization and digitization.
11. Organizing National Conference in Safety in Mines for appropriate recommendation for the cause of safety in mines.
12. Digitization of working mine plans and abandoned mine plans.
13. Organizing program for safety awareness in small unorganized mines with the help of state governments.

45. During oral evidence, the Committee also raised the issue of compensation given to workers during fire accidents in factories and enquired whether 'Fire protection system' is included in the Occupational Safety Act and the issue of compensation to a five victim worker. The Ministry clarified that fire is not covered under Occupational Safety Act, which is implemented by State Governments, and the issue of compensation is treated under Payment of Compensation Act. It was also submitted by the Ministry that in the coming months a Safety Audit System will be introduced to monitor implementation of these Acts by the State Governments.

**46. The Committee note that against the proposed allocation of ₹ 8351.69 crore, the Ministry have been allocated ₹ 7188.38 crore including a provision of ₹ 1000 crore for Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) and ₹ 4771.18 crore for EPS, 1995, implying that only ₹ 1417.20 crore have been allocated to MoLE for other heads like Industrial Relations, Working condition and Safety, particularly Mines Safety and accident**

analysis etc. The Committee are particularly concerned to note the allocation of ₹ 27 crore made for Directorate General Mines Safety (DGMS) specially keeping in view its mandate as well as the recent incidents of mine accidents. The Committee expect that the funds allocated for DGMS be utilized for the measures enumerated by the Ministry and also urge the Ministry to strive for a robust performance so that more funds could be sought at the RE stage, if required.

47. The Committee note that 'The Factories Act, 1948', 'The Mines Act, 1952', and 'The Dock Workers (Safety, Health & Welfare) Act, 1986' are some of the legal instruments, that contain provisions regulating the health of workers in an establishment. The Acts are framed/amended by the Ministry of Labour and Employment whereas the implementation part rests with the State Governments concerned. The Committee find that whenever any accident occurs, the affected worker suffers on account of injury as well as lack/delay in grant of compensation thereof. While deposing before the Committee, the Secretary, Ministry of Labour & Employment stated that the Act is confined to setting up of parameters/guidelines etc.

**and if any incident happens due to faulty implementation of parameters, the State Government concerned is responsible for prosecution. The Committee opine that mere setting up of parameters is not sufficient for the safety of workers and the monitoring part must be strengthened for their safety in a hazardous work environment. They therefore, desire that the Ministry must convey to them various observations that emerge following the safety audit exercise due to be held in 2 months as well as action taken by the Ministry accordingly.**

**48. The Committee find that a major component of the budget allocation this year i.e. ₹4771.18 crore has been provisioned for Employees' Pension Scheme (EPS 1995). However, the Secretary, Ministry of Labour & Employment, in her deposition before the Committee, stated that the allocation is insufficient as there is an arrear of about ₹ 6942 crore payable to EPFO from the Government side. The Committee apprehend that the calculations made for EPS arrears require a relook since they feel that the calculations must have been done for all the EPF subscribers irrespective of operational and dead accounts. Besides, there is every possibility of cases where no claims**

**would be filed by few subscribers. They, therefore, desire that details of calculations be redone in a realistic fashion and subsequently furnished to the Committee before a recommendation to the Government for release of funds therefore could accordingly be considered by them.**

### **EMPLOYEES STATE INSURANCE CORPORATION (ESIC)**

49. The following Achievements of ESIC during 2016-17 were highlighted during the examination of the subject:

- Empowering States through formation of State Autonomous Body.
- Wage ceiling under ESI Act enhanced from Rs. 15,000/- pm to Rs. 21,000/- pm w.e.f. 01.01.2017.
- Maternity Benefit under ESI Act enhanced from 12 weeks to 26 weeks (wef 20.01.2017) and benefits also extended to adopting mothers.
- Enhancement in per IP medical expenditure ceiling from Rs. 2150 to Rs. 3000 pa w.e.f 01.04.2017.

50. Various initiatives under ESIC 2.0 were given as under:

- Expansion of ESI Coverage as per ESIC 2.0
- Till date 300 districts fully covered and 51 new District HQ's covered
- Services in existing Hospitals/Dispensaries being upgraded- Cathlab (5), CT Scan (16) and Dialysis services(12 locations) .
- AYUSH facilities extended in all the Delhi dispensaries and being rolled out in all ESI Hospitals.
- Change of bed sheets on VIBGYOR pattern, in all ESIC hospitals fully implemented
- New infrastructure in terms of Hospitals / Dispensaries being planned. To be rolled out in FY 2017-18.

- Scheme for Promotion of Registration of Employees and Employers (SPREE) launched wef 20.12.2016 to 31.03.2017.
  - ✓ Targeted to cover 100 lakh new employees.
  - ✓ Till date, 40 lakh new employees already been registered.

**51. As regards ESIC, the Committee note their achievements in the year 2016-17, which include revision of wage ceiling from ₹15000 p.m. to ₹21,000 p.m. w.e.f. 1.1.17 and enhancement in per IP medical expenditure ceiling from ₹2150 to ₹3000 p.a. w.e.f. 1.4.17. The Committee strongly recommend that the Ministry and ESIC should adopt a time-bound programme to ensure coverage of all legally entitled yet uncovered workers under ESIC scheme. The Committee have also noted that a new infrastructure in terms of Hospitals/Dispensaries is being planned to be rolled out in FY 2017-18. While the Committee await the outcome of these initiatives at action taken stage, they cannot but reiterate that an audit of the existing scenario in ESI hospitals must be carried out to ensure maximum bed occupancy in them. They hope that the system of awarding contracts for constructing ESI hospitals/dispensaries would also be reviewed in order to ensure transparency and accountability.**



## **EMPLOYEES' PROVIDENT FUND ORGANISATION (EPFO)**

52. With regard to EPFO the following achievements were brought to the attention of the Committee during the examination of the subject:

- Universal Account Number (UAN) allotted to 10.37 crore EPF members to facilitate linking of multiple accounts and portability.
- Minimum pension increased to Rs.1,000 per month in perpetuity.
- Online registration of establishments with digital signature rolled out and 1 lakh establishments registered online.
- The maximum benefit payable in case of death enhanced to Rs.6,00,000/.
- Over 98% of collection through Internet Banking(INB).
- Mobile application facility to members, employers and pensioners to know their benefits.
- More than 99.65 % beneficiaries paid benefits electronically.
- Eleven (11) new Zonal Offices have been created and 60(sixty) offices have been upgraded to the Regional Office level.
- Video Conferencing System connecting all offices of EPFO set up.

53. EPFO Initiatives taken recently were given as under:

- A single page Composite Claim Form introduced replacing multiple claim forms for convenience of Subscribers.
- Employees Enrolment Campaign 2017 launched to seek voluntary compliance from employers to cover employees hitherto deprived of social security benefits
- Incentive Scheme for employers under EPFO to encourage partnership in allotment of Universal Account Number (UAN)
- Social Security Agreement (SSA) with 19 countries signed. SSAs operational in 17 countries
- New Versions of Electronic Challan cum Return (ECR), UAN and PMPRY made operational
- Centralization of EPFO's data processing introduced
- Subscribers being sent regular SMS regarding their deposit of monthly PF contribution in their accounts.

54. Explaining IT initiatives for Online Payments in EPFO, it was stated as under:

- The following new online initiatives are contemplated to be implemented:
  - ✓ Online settlement of EPF claims
  - ✓ Online settlement of partial withdrawal (Advances) claims
  - ✓ Online settlement of EPS withdrawal claims
  - ✓ Online seeding of Aadhaar
- Paper applications are proposed to be replaced by receipt of Online Claims through following modes
  - ✓ Through Common Service Centres
  - ✓ Through Postal department (under negotiation)
- Software development is under progress and online payment services are expected to be ready by May, 2017.
- Consolidation of field office databases at Central Server essential for online services. This is completed for 107 Regional & Sub-Regional Offices out of 122 Offices.
- Integration and simplification of claim forms have been completed.

55. With regard to Housing for EPF subscribers, the Committee were informed about a new housing Scheme. The details are as under:

- Under Employees' Provident Funds Scheme, 1952 there is provision to extend withdrawal for the purpose of housing. The existing provisions are:
  - ✓ Withdrawal can be given to members individually and not as members of cooperative societies.
  - ✓ Facility of payment of monthly instalments for repayment of loan is available only in case of loans taken for purchase of

house from Government or from notified housing scheme and not from any housing agency.

✓ Five years service to become eligible to get withdrawal for housing purpose.

- In order to make housing available to more EPF subscribers, a new paragraph 68BD for the new housing scheme has been formulated.

56. The Eligibility Conditions for withdrawal for Housing were given as follows:

To be eligible for withdrawal under the proposed paragraph 68BD:

- the member of EPF should also be a member of a cooperative society or society registered for housing purpose.
- the society should have at least 10 members of EPF
- the member should have completed three years of membership of provident fund

57. Explaining the Provision for withdrawal, it was submitted that:

Under the proposed paragraph 68BD

- Withdrawal can be availed for construction of houses or purchase of houses/flats or sites from the Government, any housing agency or any promoter/builder.
- The entire amount in the provident fund account of the member can be withdrawn
- The member can also authorise EPFO to pay monthly instalments for re-payment of housing loan to the concerned bank or housing agency from the amount standing to the credit in his provident fund account.
- In addition to the above, the housing society can avail Central Government housing subsidy, e.g. Beedi workers, in respect of their eligible members.

- The housing society can avail the subsidised loan facility to their eligible members from Pradhan Mantri Awas Yojana.
- The employer participation can also be sought by the society if available.

**58. As regards under coverage of workers under EPFO, the Committee urge the Ministry of Labour & Employment and EPFO to bring all legally entitled workers, who still remain uncovered, under the EPF Scheme within a definite time frame. Further, the Committee appreciate that among the other initiatives the EPFO has also formulated a new clause 68 BD under the EPF Scheme, 1952 to make housing available to more EPF subscribers. The Committee would desire to be apprised of the status of the scheme at the action taken stage.**

## **VI. EMPLOYMENT SCHEMES**

### **a. Pradhan Mantri Rojgar Protsahan Yojana (PMRPY)**

59. PMRPY was launched during the year 2016-17, and Rs. 1000.00 crore were kept at BE stage, which was later slashed to Rs. 200.00 crore at the RE stage and the actual utilisation upto 31.12.2016 was Rs. 154.98 crore.

60. Asked about the reasons for curtailment of funds to the tune of 80% and the Ministry's capability to utilise the remaining 22.5% of the allocated funds during the remaining period of current financial year, especially when Rs 1000.00 crore have been approved for the year 2017-18 and the action plan prepared to fully utilise the approved fund, the Ministry submitted as under:

"The PMRPY Scheme emanated from a Cabinet Note moved by NITI Aayog and a Budget allocation of Rs. 1000 crore was announced in the Budget Speech of 2016-17. Based on the Cabinet decision and the budget allocation, the scheme contours were designed and got approved in August, 2016 in consultation with the key stake holders. Since the scheme entailed that the employers would be eligible for the scheme if they had added employment to the establishment and that the new employees were to be uniquely identified using their Aadhaar linked Universal Account Number (UAN), it required changes in the EPFO software so that employers can take upfront benefit from the scheme. In view of the fact that the EPFO registered establishments are required to make all payments online on a regular basis, it took 3-4 months' time to customize the software for facilitating electronic payments. In the meanwhile, the Ministry of Finance gave an indicative revised estimate for the scheme to be Rs. 165 crore and the Ministry released Rs. 154.98 crore in October, 2016, which included a sum of Rs.30 crore for the PMPRPY scheme. Subsequently, the Ministry of Finance gave the revised estimate to be Rs. 200 crore and the balance amount is under release to EPFO. Further, the scheme has been revised to consider all new employment (instead of only additional employment). Thus the Ministry will be in a position to utilize the full amount allotted at the RE stage. In 2017-18, the Ministry will be embarking on an aggressive publicity and awareness programme to sensitize industry and Industry Associations for increasing off-take of the revised scheme."

61. Further, as Rs. 124.95 crore and Rs. 30.00 crore have been transferred to EPFO for PMRPY and PMPRPY schemes respectively, the Committee asked about the estimated number of employees to be covered under both the Schemes. The Ministry submitted as under:

"As brought out in reply to question 9, the software for the PMRPY Scheme was operational from October/December, 2016 and till date, benefits have been transferred to 1332 establishments (2282 beneficiaries) under PMRPY and to 27 establishments (775 beneficiaries) under PMPRPY Schemes. The amount released is Rs 1.01 crore under PMRPY and Rs 6.7 lakhs under PMPRPY Scheme as on 03.03.2017. This is likely to pick up with publicity and awareness programmes after the electoral process is complete."

62. Asked about the basis on which the amount of Rs. 124.95 crore and Rs. 30.00 crore had been estimated and transferred to EPFO, the Ministry stated as under:

"Rs. 124.95 crore was transferred to EPFO on 18th October, 2016 based on an estimate of around 1,25,000 employees likely to get benefitted under PMRPY assuming that their wages were Rs 15,000 per month and payments were to be from August, 2016 to February, 2017. Since the Ministry of Textile did not have budgetary allocation for the PMPRPY scheme, the Ministry of Finance agreed to allow the PMRPY funds of MoLE to be utilized for the textile component during 2016-17. Ministry of Textiles projected a requirement of Rs. 50 crore during 2016-17 and only Rs. 30 crore was released on 16th December, 2016 as the tentative RE ceiling was Rs. 165 crores."

63. On perusal of the documents submitted by the Ministry, the Committee observed that the PMRPY Scheme was operationalised from 9th August, 2016 and EPFO was allocated Rs. 124.95 crore for PMRPY and Rs. 30.00 crore for PMPRPY. However, in next 5 months i.e. till 3rd January, 2017, only amounts of Rs. 15,67,024 and Rs. 2,30,930 respectively were reimbursed for PMRPY and PMPRPY. Since a large amount is still left with EPFO, asked how the amount would be utilised in next 6-7 months, the Ministry submitted as under:

"The PMRPY scheme has been revised in January, 2017 to cover all new employment instead of only additional employment and these changes will enhance the offtake of the scheme. Publicity for the scheme could not be given effect to in view of the model code of conduct and it is expected that with appropriate publicity, the full amount would get utilized."

64. The documents furnished to the Committee reveal that reimbursement had been given for 1672 and 556 employees for both PMRPY and PMPRPY amounting to Rs. 15,67,024 and Rs. 2,30,930 respectively. Asked about the period in which the said amount had been reimbursed, the total amount to be reimbursed till the end of this financial year, the manner in which the reimbursement is being effected and whether it is done through digital payment, the Ministry submitted as under:

"As mentioned above, the PMRPY and the PMPRPY schemes are fully integrated with the revised Electronic Challan cum Return (ECR) and UAN online applications to be filed by the employers on the EPFO platform."

65. Asked by the Committee as to whether the amount of Rs. 124.95 crore and Rs. 30.00 crore would be fully reimbursed to the employers during the current year, the custodian of the remaining amount, the amount to be invested by EPFO/custodian, etc., the Ministry submitted as under:

"The funds transferred to EPFO under both the schemes are being maintained separately in different accounts opened by EPFO. The funds in these accounts will not be merged with any other account maintained by EPFO. Further, with the changes in the PMRPY scheme, it is unlikely that funds will remain idle."

66. Noting that an amount of Rs. 1000.00 crore has been provisioned for PMRPY during the FY 2017-18, the Committee desired to know whether the said amount is being allocated for PMRPY or for both PMRPY and PMPRPY. The Ministry responded as under:

"The funds allocated for the PMRPY scheme during 2017-18 will be used exclusively for the scheme. Ministry of Textiles is seeking separate budgetary allocation for the PMPRPY scheme during 2017-18."

67. Asked about the basis on which the amount of Rs. 1000.00 crore was arrived at and the estimated number of employment generation vis-a-vis actual employment, the Ministry submitted as under:

"The PMRPY Scheme was designed to cater to the funding requirement for 10 lakh new employments in the first year of operations followed by 5 lakh additional employment in the subsequent years. The budgetary allocation is in accordance with these estimates."

68. Regarding the action plan chalked out by the Ministry for utilisation of the allocation to the fullest, the Ministry replied as under:

"With the revision in the scheme guidelines in January, 2017 to consider all new employment rather than only additional new employment, the Ministry will be going in for wide scale publicity and awareness amongst industry after the Model Code of Conduct for elections is lifted. This will be supplemented by seminars, workshops and orientation amongst industry and industry associations for enhancing off take of the scheme."

**69. The Committee note that Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) was announced in the Budget Speech of 2016-17 with an allocation of ₹1000 crore which were revised downwards to ₹200 crore at the RE stage, as the contours of the Scheme could be designed and approved in August, 2016 only. The Committee further note that an amount of ₹ 124.95 crore & ₹ 30 crore had been transferred to EPFO on account of PMRPY and Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMRPY) respectively on 18<sup>th</sup> October 2016. However, till 3<sup>rd</sup> January, 2017 only ₹ 15,67,024 and ₹ 2,30,930 have been reimbursed to the respective employers. The Committee take note that the estimation for reimbursement was done for 1,25,000 employees whereas reimbursement was done only in respect of 1672 and 556 employees for both PMRPY and PMRPY. The Committee, while acknowledging that the low performance in achieving the targets was due to late start of the Scheme, desire that consolidated efforts must be taken now to accelerate the pace of reimbursements to intended beneficiaries for achieving the targets in the ensuing financial year.**



**70. The Committee note that the Scheme of PMPRY was initially meant for the additional employment made by the employers. However, later on, the Scheme included all new appointments made after August, 2016. The Committee further note that the Budget Estimates were made assuming that their wages would be ₹15,000 p.m. The Committee observe that ₹ 15,000 p.m wages is the ceiling to be covered under the EPF Scheme, thereafter it is voluntary to subscribe to EPF. The Committee are of the view that all the new appointments may not fall in the category of wages prescribed under the scheme hence they desire that the funds required should be worked out in such a manner so that at the end of FY, the performance of the Ministry appear satisfactory.**

**71. The Committee note that the due to imposition of model code of conduct in the wake of State Assembly elections, publicity for the Scheme could not commence. Now as the Elections are over, the Committee recommend that the Ministry may give wide publicity to the Scheme for creating awareness of the employers as well as intended beneficiaries.**

**72. The Committee note that the budgetary allocations amounting to ₹ 1000 crore are in accordance with estimated funding requirement for 10 lakh new employments in the first year of operations followed by 5 lakh additional employment in the subsequent years. The Committee are of the view that the role of the Ministry is confined to transferring the funds to EPFO for making reimbursement to respective employers. As regards generation of employment they have no role to play. The Committee, therefore, desire that the Ministry may coordinate with other Ministries like the Ministry of Textiles where the employment opportunities are generated so as to enable them to meet the physical and financial targets. At the same time, the Committee urge EPFO to utilize all the digital interventions to the fullest to exercise an effective control over its operations.**

## **VII. CHILD LABOUR**

73. As per the documents furnished to the Committee, the National Child Labour Policy (NCLP) was started in 1988 in the areas of high concentration of child labour for their identification, withdrawal and rehabilitation. The Scheme is currently being implemented in 270 districts of 21 States in the country. During the year 2016-17 an amount of Rs.139.50 crore was kept at BE which were later slashed to Rs. 104.95 crore and the actual utilisation upto 31.12.2016 was Rs. 57.45 crore.

Asked about the reasons for under utilisation of funds to the tune of Rs. 47.49 crore, the Ministry stated as under:

"The actual expenditure (including issue of LOA to DAVP) till 31.12.2016 is Rs 62.32 Cr( = Rs 57.45 Cr + Rs 4.87 Cr LOA) and the remaining amount Rs 42.68 Cr is within the ceiling of 33% of BE to be spent in the last quarter of the current financial year 2016-17. The expenditure has been made on the basis of documents received from the Project Societies under the chairmanship of DM/DC."

74. Asked to state the estimated expenditure till the end of current financial year, the Ministry stated as under:

"The actual expenditure (including LOA to DAVP) till 28.2.2017 is Rs 77.67 Cr while the amount for which sanction has been issued by the Child Labour Division is Rs84.03 Cr. Further , 2nd phase of Media campaign of Rs 8 crores is in its final phase of execution and settlement of bills will be done during the month of March, 2017. Further, documents have been received from several project societies during the end of February, 2017 and these proposals are already under process. In view of the above, the estimated expenditure till the end of current financial year will be approx. 105 Cr."

75. Asked about the estimated number of economically active children in the age group of 5-14 years and also the Urban:Rural ratio, the Ministry replied as under:

"As per Census 2011, total number of economically active children in the age group of 5-14 years is 1,01,28,663 (includes main + marginal + workers worked for less than 3 months)."

"As per Census 2011, the number of child labour in the age group of 5-14 years is as under:-

Total child labour in urban area	Total population of children (5-14 years) in urban area	Total child labour in rural area	Total population of children (5-14 years) in rural area
20,26,322	6,90,25,232	81,02,341	19,06,12,106

76. Asked about any deviation noticed during monitoring of the project where the children already rehabilitated under this programme have again been compelled to go back to work as child labour, cases came to

light and the follow up action taken by the Ministry, the Ministry submitted as under:

"NCLP District Project Society is empowered to identify target group and suitably rehabilitate into formal system of education. No specific cases have been reported in the Ministry. The number of children mainstreamed so far is approx. 12 lakhs. It would be feasible to monitor the incidences of children going back to work after being rehabilitated after linking of Aadhar number with the account of the beneficiaries."

77. The Scheme is being implemented in 270 districts in 21 States, whereas at present there are approx 707 districts, asked whether it could be presumed that there was child labour existent in only 270 districts and the criteria for choosing only 270 districts for implementation of the Scheme, the Ministry replied as under:

"NCLP Scheme is implemented where there is high incidence of child and adolescent labour. NCLP Scheme is sanctioned for approx. 270 districts and expansion of this scheme has already been made to all other districts. A communication in this regard has already been sent to State / UT and districts. The district administration and State Governments / UT Administrations have been requested to assess the presence of child and adolescent labour. The District administration has also been requested to send the request for survey fund of Rs 4 lakhs with the recommendation of the state government / UT Administration to Ministry. So far requests from 4 new districts for release of survey fund has been received by the Ministry. Further, in totality (old + new project societies) survey fund has been released for 104 districts since 2015-16."

78. On perusal of the documents submitted by the Ministry, it was observed that during the financial year 2017-18, Rs. 160 crore have been provisioned for National Child Labour Project including grants in aid to voluntary agencies and reimbursement of assistance to bonded labour. Asked the Ministry to furnish breakup of the amount allocated to each of the said schemes, the Ministry submitted as under:

"An amount of Rs. 150.00 crore has been allocated in the scheme of National Child Labour Project including grants in aid to voluntary agencies and Rs. 10.00 crore has been allocated in the scheme of reimbursement of assistance to bonded labour."

79. The Committee then desired to know about the reasons for a very small allocation under the head. The Ministry replied as under:

"The scheme for the rehabilitation of bonded labour has been revised and now rehabilitation is made on the reimbursement basis which has also been linked conviction of the accused, further on boarding of the scheme is also taking time DBT mission."

80. The Committee asked whether the allocation is sufficient to run all the three Schemes. The Ministry replied in positive.

81. The documents submitted by the Ministry reveal that the rate of honorarium of volunteers and staff of Project Society and Special Training Centres had been enhanced w.e.f. 1.1.2016 as per the recommendations of Expenditure Finance Committee (EFC). Accordingly, the guidelines for implementation of NCLP have been revised w.e.f. 1.4.2016. Asked about the rate of honorarium given prior to 01.01.2016 and what are the revised rate w.e.f. 01.01.2016, the Ministry submitted as under:

**Honorarium under NCLP Scheme**

<b>Volunteers/Staff</b>	<b>Prior to 01.01.2016 (amount in Rs.)</b>	<b>Revised w.e.f. 01.1.2016 (amount in Rs.)</b>
<b>Project Society</b>		
Project Director	12000 per month	18000 per month
Field Officer/Programme Manager	8000 per month	12000 per month
Clerk-cum- Accountant	3000 per month	8000 per month
Steno/DEO	3000 per month	6000 per month
Driver*	2750 per month	6000 per month
Helper/Peon	2000 per month	3500 per month
<b>Special Training Centre</b>		
Educational Instructor	4000 per month	6000 per month
Vocational Instructor	4000 per month	8000 per month (1 Vocational Instructor for every 3 Centres)
Clerk-cum- Accountant	3000 per month	5000 per month

Helper/Peon	2000 per month	3500 per month
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\*Applicable to those Projects formed in 8<sup>th</sup>& 9<sup>th</sup> Plan and purchase of vehicle and driver was allowed.

82. Asked about the honorarium given to the volunteers of NCLP is at par with the honorarium given in other schemes and whether it is sufficient to attract volunteers to work for NCLP, the Ministry replied as under:

"No. However, numerous representations/requests received for enhancement of honorarium is under consideration."

**83. The Committee note that as per Census 2011, there are 1,01,28,663 economically active children in the age group of 5-14 years which include main+marginal+workers who worked for less than 3 months. They further note that out of the identified children only 12 lakh children have been mainstreamed and also there have been possibility of children going back to work after being rehabilitated. While noting the large gap between the identified and rehabilitated child labour, the Committee are pained to note that additions have been witnessed in the number of child labour during the last 6 years after the census of 2011. The Committee also feel that a large gap between the identification and rehabilitation of child labour would ultimate lead to these children getting lost into**

**the vicious circle of being a labourer again. They therefore, desire that the rehabilitation process must be strengthened along with appropriate monitoring mechanism so that the process of rehabilitation be speeded up leaving no scope for the identified children to go back to work. The Committee also feel the need to identify child labour in domestic households and also in the motion pictures/documentaries industry, and rehabilitate them. The Committee desire to be apprised of the measures the Ministry proposes to take in this direction.**

**84. The Committee note that as of now the NCLP Scheme is implemented in 270 districts across 21 States where the incidences of child and adolescent labour is high. They further note that expansion of this scheme has been made to all other districts and accordingly district administration and State Governments/UT Administrations have been requested to assess the presence of child and adolescent labour. The Committee further find that for carrying out survey, a fund of ₹ 4 lakh is given to the District Administration with the recommendation of the State/UT Administration to the Ministry. However, so far only 4 such requests from new**

**districts have been received for release of survey fund. The Committee opine that getting requests only from 4 new districts could be due to communication gap with the District Administration or other factors like shortage of man-power etc. They therefore, desire that under the NCLP, a strategy be worked out to give further boost to the demand for releasing the survey fund followed by strict monitoring of the funds released and results achieved so that the entire child labour in all concerned districts could be rehabilitated.**

**New Delhi;  
17th March, 2017  
26th Phalguna, 1938 (Saka)**

**DR. KIRIT SOMAIYA  
CHAIRPERSON,  
STANDING COMMITTEE ON LABOUR**



**STANDING COMMITTEE ON LABOUR**

**(2016-17)**

**Minutes of the Thirteenth Sitting of the Committee**

The Committee sat on Thursday, the 2<sup>nd</sup> March, 2017 from 1130 hrs. to 1300 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

**PRESENT**

**Dr. Kirit Somaiya - CHAIRPERSON**

**MEMBERS**

**LOK SABHA**

2. Shri Rajesh Kumar Diwakar
3. Shri Ashok Dohare
4. Shri Devajibhai Govindbhai Fatepara
5. Shri Satish Kumar Gautam
6. Shri C.N. Jayadevan
7. Shri Bahadur Singh Koli
8. Dr. Arun Kumar
9. Shri Kaushalendra Kumar
10. Shri Hari Manjhi
11. Shri R. Parthipan
12. Shri Hariom Singh Rathore
13. Shri Kodikunnil Suresh

**RAJYA SABHA**

14. Shri Nazir Ahmed Laway
15. Shri Amar Shankar Sable
16. Shri Tapan Kumar Sen
17. Shri Ravi Prakash Verma
18. Shri N. Gokulakrishnan

**SECRETARIAT**

1. Ms. Rimjhim Prasad - Joint Secretary
2. Smt. Anita B. Panda - Director
3. Smt. Archana Srivastva - Under Secretary

## Witnesses

### Representatives of the Ministry of Labour and Employment

1. Smt. M. Sathiyavathy Secretary
2. Shri Heera Lal Samariya Additional Secretary
3. Shri Arun Goel Additional Secretary & Financial Advisor
4. Shri K.M. Gupta Sr. LEA
5. Shri Rajeev Arora Joint Secretary
6. Shri R.K. Gupta Joint Secretary
7. Shri Manish Kumar Gupta Joint Secretary
8. Shri Rajit Punhani Joint Secretary
9. Shri Devender Singh EA
10. Shri Deepak Kumar DG, ESIC
11. Shri V.P. Joy CPFC
12. Shri Avneesh Singh DGFASLI
13. Shri Daljit Singh DDG, Labour Bureau
14. Shri Anil Kumar Nayak CLC(C)
15. Shri Madan Mohan Chief Controller of Accounts
16. Shri Praveen Srivastava DDG
17. Shri P.K. Sarkar DDG, DGMS

2. At the outset, the Chairperson informed the Members about the sad demise of Haji Abdul Salam, Member of the Standing Committee on Labour (2016-17) on 28th February, 2017. The Committee then passed the obituary resolution and stood up in silence for one minute in respect of the departed soul.

3. The Chairperson then welcomed the representatives of the Ministry of Labour & Employment (MoLE) to the sitting of the Committee for taking oral evidence of the Ministry on 'Demands for Grants (2017-18)'. The Chairperson then drew attention of the representatives to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings of the Committee during deposition before the Parliamentary Committees. He then asked the Secretary, MoLE, to give an overview of the actual expenditure for the previous year (2016-17) and the Budgetary provisions for the year 2017-18 for various programmes/activities/schemes and the plan of action on the part of the Ministry for optimal utilisation of the earmarked funds.

4. The Secretary, accordingly, briefed the Committee *inter-alia* highlighting the Budget Estimates (BE) of the Ministry, Schemes/Activities of the Ministry, Major Plan Schemes (2016-17), non-plan Schemes (2016-17), BE 2017-18 (Major Schemes), requirement of additional funds, labour law reforms, initiatives of the Ministry, initiatives of ESIC, EPFO, DGFASLI, DGLW, DGMS, CLC(C), Labour Bureau etc. She also apprised the Committee of the actual expenditure vis-à-vis allocations made during the previous fiscal and the physical performance of various subjects schemes/projects/ programmes announced by the Government. The Secretary and other representatives of the Ministry also responded to various queries raised by the Members which *inter-alia* included ESIC 2.0 initiative of the Ministry, achievements of ESIC and EPFO, housing for EPF subscribers and eligibility conditions for withdrawal for housing, IT initiatives and online payments in EPFO, National Child Labour Project, Employment initiatives like Pradhan Mantri Rojgar Protsahan Yojana, National Career Service, Inclusive Employability, Shram Suvidha Portal, etc.

5. As some points required detailed reply, the Chairperson asked the Secretary, MoLE to furnish written replies thereon alongwith replies to the questionnaire handed over to her within 48 hours. The Secretary assured to comply.

6. The Chairperson thanked the Secretary and other representatives of the Ministry for furnishing valuable information on the subject and responding to the queries of the Members.

(The witnesses then withdrew)

[A copy of the verbatim proceedings was kept on record]

**The Committee then adjourned.**

**STANDING COMMITTEE ON LABOUR**

**(2016-17)**

**Minutes of the Fourteenth Sitting of the Committee**

The Committee sat on Friday, the 17<sup>th</sup> March, 2017 from 1000 hrs. to 1030 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

**PRESENT**

**Dr. Kirit Somaiya - CHAIRPERSON**

**MEMBERS**

**LOK SABHA**

2. Shri Udayanraje Pratapsingh Bhonsle
3. Shri Satish Chandra Dubey
4. Shri C.N. Jayadevan
5. Shri R. Parthipan
6. Shri Hariom Singh Rathore
7. Shri Naba Kumar Sarania
8. Shri Dayakar Pasunoori

**RAJYA SABHA**

9. Shri Ram Narayn Dudi
10. Shri Nazir Ahmed Laway
11. Shri P.L. Punia
12. Shri Amar Shankar Sable
13. Ms. Dola Sen
14. Shri Tapan Kumar Sen
15. Shri Ravi Prakash Verma

**SECRETARIAT**

1. Ms. Rimjhim Prasad - Joint Secretary
2. Smt. Anita B. Panda - Director
3. Shri K.C. Pandey - Deputy Secretary
4. Smt. Archana Srivastva - Under Secretary

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to consider and adopt the following draft Reports:

- (i) Demands for Grants (2017-18) of the Ministry of Labour & Employment;
- (ii) XX XX XX XX XX; and
- (iii) XX XX XX XX XX.

3. The Committee took up the Draft Reports one by one for consideration and adoption. Giving an overview of the Recommendations made in the Draft Reports, the Chairperson requested the Members to give their suggestions thereon, if any.

3. The Committee then adopted all the three Reports, with minor modification.

4. The Committee then authorized the Chairperson to present the Reports to both the Houses.

**The Committee then adjourned.**

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XX Does not pertain to this Report.