

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

UNSTARRED QUESTION NO:3007

ANSWERED ON:16.03.2015

INSPECTION AT FACTORIES

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

- (a) whether the Government has proposed to simplify the rules for inspections by removing arbitrary inspections at factories/ industries;
- (b) if so, the details thereof and the reasons therefor;
- (c) the time by which the said proposal is likely to be implemented along with the advantage likely to be derived out of the proposed changing rules; and
- (d) the details of steps taken by the Government to turn India into a more investment friendly country?

Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT (SHRI BANDARU DATTATREYA)

(a) to (c): In order to bring transparency and accountability in the enforcement of labour laws, Ministry of Labour & Employment has formulated a Transparent labour inspection scheme in Central sphere catering to 4 organisations under the Ministry namely Office of Chief Labour Commissioner (Central), Directorate General of Mines Safety, Employees Provident Fund Organisation and Employees State Insurance Corporation. Under this inspection scheme, a computerized list of inspections are generated randomly based on risk based objective criteria. Serious matters are covered under the mandatory inspection list whereas complaints based inspections are determined centrally after examination based on data and evidence. The scheme provides for mandatory uploading of Inspection Reports within 72 hours. The scheme is being implemented through the "Shram Suvidha" Web-Portal of the Ministry since 16.10.2014.

(d): Government has taken several initiatives to address the issue of complexity in compliance by the industry because of multiplicity of labour laws and enforcement agencies. The steps taken by the Government include:

(i) Governance reforms through use of technology including launching of unified Shram Suvidha Portal which provides for allotment of unique Labour Identification Number (LIN) to establishments and also a transparent Labour Inspection Scheme through computerized system based on risk based criteria. Further, under the Employees Provident Fund Organisation (EPFO), portability for Employees Provident Fund is being provided through Universal Account Number (UAN).

(ii) Legislative measures to make Labour Laws more effective and contemporary as well as to bring ease of compliance. The amendments in the Labour Laws (Exemption from furnishing returns and maintaining registers by certain Establishments Act, 1988) carried out recently will make it easy for the very small and small industrial units to maintain the records and registers for compliance of labour laws. This will improve in making conducive atmosphere for development of business and industry in the country.