

STANDING COMMITTEE ON LABOUR & WELFARE

(2001)

**ELEVENTH REPORT
(THIRTEENTH LOK SABHA)**

**MINISTRY OF LABOUR
DEMANDS FOR GRANTS
(2001-2002)**

Presented to Lok Sabha on 20th April, 2001

Laid in Rajya Sabha on 20th April, 2001

LOK SABHA SECRETARIAT

NEW DELHI

April, 2001/Chaitra, 1923 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR AND
WELFARE (2001)**

Dr. Sushil Kumar Indora-Chairman

**MEMBERS
LOK SABHA**

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3. Shri Alam Amir
4. Shri Ashok Argal
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RAJYA SABHA

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34. Shri Ramachandra Khuntia
35. Shri Fali S. Nariman
36. Shri C.O. Poulouse
37. Shri Mirza Abdul Rashid
38. Shri Ka.Ra. Subbian,

SECRETARIAT

1. Shri Joginder Singh - Joint Secretary
2. Shri J.P.Sharma - Deputy Secretary
3. Shri B. D. Swan - Under Secretary
4. Shri S.K. Saxena - Committee Officer

INTRODUCTION

I, the Chairman of the Standing Committee on Labour and Welfare (2001) having been authorised by the Committee to submit the Report on their behalf, present this Eleventh Report, on the Demands for Grants, 2001-2002 on the Ministry of Labour.

2. The Committee considered the Demands for Grants pertaining to the Ministry of Labour for the current year i.e. 2001-2002 which were laid on the Table of the House on 19 March, 2001. Thereafter, the Committee took evidence of the representatives of the Ministry of Labour on 24.3.2001. The Committee considered and adopted the Report at their sitting held on 18th April, 2001.

3. The Committee wish to express their thanks to the Officers of the Ministry of Labour for placing before them the detailed written notes on the subject and for furnishing the information the Committee desired in connection with the examination of the Demands for Grants and tendering evidence before the Committee.

4. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in thick type in the body of the Report and have also been reproduced in a consolidated form in Annexure-II to the Report.

NEW DELHI;

18 April, 2001
28 Chaitra 1923 (Saka)

Dr. Sushil Kumar Indora,
Chairman,
Standing Committee on
Labour and Welfare

CHAPTER I

INTRODUCTORY

1.1 The Committee have been informed that the Shram Mantralaya (Ministry of Labour) is responsible for laying down policy in respect of labour matters including industrial relations, cooperation between labour and management, settlement of labour disputes, regulation of wages and other conditions of work and safety, women labour and child labour, labour welfare, social security etc. besides development and administration of employment service and training of craftsmen on national basis.

1.2 The implementation of the policies in regard to the above matters is also the responsibility of the State Governments concurrently with the Central Government.

1.3 The Demands for Grants asked for by the Ministry are given under Demand No. 53.

1.4 To achieve the objectives, fund are required by the Ministry under the following Heads:-

1. 2251 Secretariat – Social Service
2. 2225 Welfare of SC/ST and other Backward Classes.
3. 2230 Labour Employment and Training.
4. 2552 Lump sum provisions for North Eastern Region
5. 3601 Grants-in-aid to State Governments.
6. 3602 Grants-in-aid to Union Territory Governments.
7. 3606 Aid Material and Equipments.
8. 4250 & Capital Outlay on other Social Services.
4552
9. 6250 Loans for other Social Services.

1.5 It has been stated in the Performance Budget that the Planning Commission made an allocation of Rs.123.00 crore during the year 2000-2001 of which Rs.25.00 crore were transferred to Ministry of Urban Affairs and Employment. Further a provision of Rs. 9.8 crore was kept for ongoing/proposed Schemes in North Eastern Region.

1.6 Budget Estimates of the Ministry for the year 2001-2002 are placed at Rs.1025.88 crore (Plan Rs.134.64 crore and Non-Plan Rs.891.24 crore). The Planning Commission made an allocation of Rs. 145.00 crore towards plan budget for the year 2001-2002 out of which Rs.10.36 crore have been transferred to Ministry of Urban Affairs and Employment for incorporation in the budget document of that Ministry for Capital Works to be executed during 2001-2002. Further a provision of Rs.13.31 crore have been made for ongoing/proposed Schemes in North Eastern Region.

1.7 The Ministry has furnished the following statement showing Budget Estimates/Revised Estimates and expenditure for the year 2000-2001 alongwith percentage of expenditure vis-a-vis the Budget Estimates upto 28.2.2001 :-

Statement showing Budget Estimates/Revised Estimates for the year 2000-2001

S.No.	Activity	Plan					(Rs. In crore)	
		B.E. 2000- 2001	R.E. 2000- 2001	Exp.% of Exp. Upto 28.2.2001		B.E. 2001-2002		
				Expen. %				
1.	Research and Statistics	8.00	7.00	5.66	70.73	7.50		
2.	Industrial Relations		3.60	2.88	2.38	66.11	3.73	
3.	Working Conditions and Safety	3.95	3.45	2.05	51.90	3.70		

4.	Labour Education	6.59	5.93	5.07	76.93	5.91
5.	Rehabilitation of Bonded Labour	4.25	4.25	0.58	13.51	6.05
6.	Improvement in Working Conditions of Child/Women Labour	36.20	35.83	29.09	80.36	67.2
7.	*Other items	1.05	0.95	0.58	55.24	2.45
8.	Employment	3.79	2.34	0.62	16.22	2.06
9.	Training	19.56	17.61	12.87	65.80	20.86
10.	Welfare of SC/ST and other backward classes	1.21	0.76	0.32	26.71	0.89
11.	Lump Sum Provision for North Eastern Region	9.80	9.00	3.57	36.43	13.31
	TOTAL	98.00	90.00	62.79	64.07	134.64

Non-Plan

S.No.	Activity	(Rs. in Crore)					
		B.E. 2000- 2001	R.E. 2000- 2001	Exp and. % Exp. Upto 28.2.2001 Expen. %	BE 2001- 2002	2001- 2002	
1.	Sectt.Social Services		12.71	11.10	9.80	77.12	12.37
2.	Research and Statistics	3.70	3.49	3.42	92.46	3.62	
3.	Industrial Relations		20.00	17.18	14.68	73.40	19.94
4.	Working Conditions & Safety	24.20	23.04	18.97	78.39	23.83	
5.	Labour Welfare schemes		65.08	73.38	39.91	61.33	105.56
6.	Transfer to Reserve Fund	74.10	80.38	74.50	100.53	107.56	
7.	Social security	604.21	604.21	603.95	99.96	660.48	
8.	Labour Education		16.30	14.67	13.86	85.03	15.40
9.	International Cooperation	3.25	2.66	2.54	78.15	3.25	
10.	Other items	1.62	1.55	1.28	79.14	1.61	
11.	Employment	17.10	16.07	12.76	74.60	16.61	
12.	Training	25.44	23.61	20.25	79.58	24.42	
13.	Welfare of SC/ST and Other Backward Classes	2.08	1.74	1.40	67.25	1.80	
14.	Compensation to Families of Heavy Duty inter state Vehicle drivers	0.30	0.30	-	0.00	0.35	
15.	Aid Equipment And material	0.75	0.65	0.19	25.76	0.47	
	TOTAL	870.84	874.03	817.51	93.88	997.27	

1.8 It has been noted from the Statement furnished by the Ministry that the major fund allocated during 2000-2001 under Plan Scheme on Rehabilitation of Bonded Labour, Employment, Welfare of SC/ST and other Backward Classes have not been fully utilized.

1.9 Giving reasons for less utilization of fund on the above schemes, the Secretary, Ministry of Labour stated during evidence as under:

“ There was less expenditure during the first six months of the year due to various reasons. We have to obtain utilisation certificates from the State Governments on various schemes to the effect whether fund has been utilised. Besides this, we also have to obtain the approval of Planning Commission on some schemes. In many schemes there is involvement of sanction/filling up of the staff. Approval for the I.T.I. Schemes, for which we had made provision, was obtained in the end of the year, although we made efforts for this approval throughout the year. Due to delay in approval, the Finance Ministry took a decision and 90 crore rupees were released instead of 98 crore rupees.”

Adding further, the Secretary inter alia stated as under:

“we did not get formal proposals from the State Governments under the Bonded Labour Scheme and as such we could not release the fund. We had no apprehensions

that they would not be able to utilize the fund. But the Ministry of Finance applied formula and reduced the amount after observing the expenditure made in the first six months, although we could have easily utilised the amount of rupees 98 crore. We had to spend money after formulating a programme on the basis of allotment of Rs.90 crore.”

1.10 The Committee are constrained to note that out of allocation of Rs. 98.00 crore for the financial year 2000-2001, the Ministry has been able to utilize only Rs.62.79 crore i.e. 64.07% of the Budget Estimates upto 28 February, 2001. The expenditure on certain schemes such as Rehabilitation of Bonded Labour, Employment, Welfare of SC/ST and other Backward Classes is below 30%. The arguments put forth by the Ministry for shortfall in the expenditure such as non receipt of the utilization certificates from the States and not getting approval from the Planning Commission on certain schemes in time are of routine nature and not at all appealing to the Committee. The Committee are, therefore, of the opinion that the Ministry is lacking coordination with the States as well as with the Planning Commission and its monitoring over the performance of the schemes is required to be more effective. The Committee, therefore, recommend that the Ministry should have a thorough monitoring over the Central as well as the Centrally Sponsored Schemes and should ensure that the funds allocated for various schemes are fully utilized during the financial year itself.

1.11 The Committee further note that the Budget Estimates are approved by the Parliament through Annual Budget of the Government of India usually in the month of April/May which are subsequently reduced or enhanced by the Ministry of Finance at the Revised Estimates stage on the basis of the expenditure during the first six months of the year on pro-rata basis. The reasons stated by the Ministry that the reduction of fund at R.E. stage was due to delayed approval of their I.T.Is scheme are not acceptable to the Committee as the reduction formula has been applied for slow progress of expenditure in the first six months to Ministry's other schemes also. The Committee, therefore, recommend that the Ministry should improve their planning and tone up their monitoring over the schemes so that the expenditure remains at even pace throughout the year to avoid reduction at Revised Estimates stage.

1.12 The Committee also note with distress that despite their recommendations the Ministry has not been able to bring central legislation for 74.6 million odd agricultural workers who constitute by far the largest segment of the unorganized section of the society. The Committee have been informed that there are certain reservations expressed by a few State Governments on some of the components of the draft legislation including identifying the source of the fund. The Committee are of the view that the agricultural labour form the most vulnerable section among the workers dependent on wage employment and hence there is a need to protect their interests. The Committee, therefore, strongly recommend that the Ministry should formulate a concrete scheme to provide minimum social security for the agricultural workers viz. security of employment, hours of work, payment of wages and machinery for settlement of disputes etc.

1.13 The Committee further express their serious concern that a major category of unorganized sector is home based workers who are constrained to work at home and sometimes in premises outside home other than the work place of the employer and subjected to exploitation in various forms are devoid of job and social security. The Committee, therefore, urge the Ministry to formulate a National Policy for Home Based Workers by providing social security and regulating their service conditions. The Committee also desire that the Ministry should take measures for constitution of Welfare Fund as is done in the case of beedi workers.

CHAPTER II

- DEMANDS FOR GRANTS 2001-2002

Major Head: 2230

Sub-head: 06

(A) LABOUR TRIBUNAL COURTS OF ENQUIRY AND CONCILIATION BOARDS

2.1 Budget Estimates and the Revised Estimates for the year 2000-2001 were Rs.1,55,00 thousands and Rs.1,50,19 thousands under the non plan scheme and the Government have now proposed Rs.1,67,00 thousands for the scheme.

2.2 On being asked about the total outlay approved by the Planning for the 9th Five Year Plan and the expenditure incurred on the Scheme during the first 4 years of the Plan, the Ministry in a written reply furnished to the Committee has stated that under the Plan Scheme "Strengthening of Adjudication Machinery, CGITs" the Planning Commission has provided an amount of Rs.300 lakhs for the 9th Five Year Plan (1997-2002) and the expenditure incurred during the four years are as under:

Expenditure incurred

1997-1998	Rs. 5.33 lakhs
1998-1999	Rs. 12.00 lakhs
1999-2000	Rs 73.80 lakhs
2000-2001	Rs.82.11 Lakhs (Anticipated)
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Total:	Rs.173.24 lakhs

2.3 Stating the reasons for shortfall in the plan expenditure, the Ministry has informed that 5 New CGITs in the current financial year could not be opened. It has been suggested that the proposal to open the new CGITs will have to be considered by the Standing Finance Committee. The meeting of the SFC will be convened soon so that the 5 new CGITs are established during the 9th Five Year Plan Period.

2.4 Regarding utilization of balance fund, the Ministry has further stated that all attempts would be made to utilize the balance amount of Rs.126.76 lakhs during the financial year 2001-2002.

2.5 When asked whether the Ministry is satisfied with the performance of CGITs-cum-labour courts, the Ministry has stated that the performance of CGITs is not entirely to our satisfaction. There are constraints on the part of the Ministry to improve the performance of the CGITs. Presently, on account of the unattractive terms and conditions of Presiding Officers mostly Presiding Officers, who have superannuated are available. Serving Judicial Officers do not find it sufficiently attractive to join the post. Steps have, however been initiated to improve the terms and conditions of the post of Presiding Officers. Certain amendments to the I.D. Act, 1947, are also contemplated to improve the functioning of the CGITs. None the less, the Presiding Officers are impressed upon from time to time to reduce the pendency of cases in their respective CGITs.

2.6 There are 17 Central Government Industrial Tribunals-cum-Labour Courts constituted by the Labour Ministry dealing with industrial disputes in respect of which the Central Government is the appropriate Government. The Ministry of Labour has furnished the following statement, showing the number of cases registered and pending in the Labour Courts during the last 3 years:-

THE NUMBER OF INDUSTRIAL DISPUTES AND APPLICATIONS HANDLED BY THE CGIT-CUM-LABOUR COURTS DURING THE YEAR 1999 (AS ON 30th NOVEMBER, 2000)

Name of CGIT	No. of Industrial Disputes				Number of applications			
	B/F as on 1 st Jan, 2000	Received During 1.1.2000 to 30.11.2000	Disposed of During 1.1.2000 to 30.11.2000	Pending as on 30 th Oct, 2000	B/F as on 1.1.2000	Received During 1.1.2000 to 30.11.2000	Disposed of During 1.1.2000 to 30.11.2000	Pending as on 30 st Nov, 2000
1	2	3	4	5	6	7	8	9
1. Asansol	309	97	-	406	47	4	-	51
2. Bangalore	441	78	4	515	448	-	10	438
3. Calcutta	184	41	20	205	33	21	22	32
*4. Chandigarh	1374	272	19	1627	313	27	27	313
5. Dhanbad 1	1286	326	83	1529	295	29	15	309
6. Dhanbad2	1170	82	-	1252	63	-	-	63
7. Jabalpur	1229	198	62	1365	570	115	5	680
8. Kanpur	624	118	116	626	687	159	357	489
9. Mumbai 1	189	54	40	203	66	9	1	74
10. Mumbai 2	292	112	133	271	429	432	14	847
+11. New Delhi	1057	108	80	1085	350	132	64	418
12. Jaipur	141	67	92	116	27	39	27	39
13. Lucknow	31	205	23	213	-	232	190	42
**14. Nagpur	71	166	29	208	-	-	-	-
15. Chennai	-	88	21	67	-	111	103	8
<16. Bhubaneswar	-	23	-	23	-	-	-	-
#17. Hyderabad	-	-	-	-	-	-	-	-
TOTAL	8398	2035	722	9711	3328	1310	835	3803

* Upto August, 2000
 \$ upto September, 2000
 + Upto October, 2000
 ** Upto July, 2000
 # Started functioning w.e.f. 20.10.2000

2.7 When asked about the present status of the cases pending during the year 2000, the Ministry has furnished the figures which included 1997, 1998 and 1999, figures for 2000 are as under:

BF 7225
 Received 3661
 Disposed of 812
Pending: 10074

2.8 Stating the reasons for pendency of industrial disputes in various labour courts in the country, the Ministry has stated the following main reasons for pendency:-

- i) Inadequate number of Industrial Tribunals and Labour Courts,
- ii) Delay in filling up of the vacancies of Presiding Officers,
- iii) Absence of affected parties at the time of hearing,
- iv) The discretion of the Central Government regarding reference of cases for adjudication has been lately reduced by judgements of the Supreme Court. Almost all the disputes relating to termination of employment are sent for adjudication.
- v) The CGITs set up recently in Bhubaneswar, Chennai and Hyderabad have just received the unadjudicated central sphere cases which on account of the non-existence of any CGIT in these places were referred to the State Labour Courts for adjudication and are still pending. Therefore, strictly speaking, these pending cases cannot be said to have added to the present pendency.
- vi) On account of the unattractive terms and conditions that go with the appointment of Presiding Officers, getting the names of judges suitable for appointment as Presiding Officers from the High Courts is in itself a difficult proposition. Moreover, sometimes, this particular exercise also turns out to be futile, as even after selection, judges refuse the offer. However, a proposal to revise the salaries and other allowances of the Presiding Officers is lying with the Ministry of Finance.

2.9 On being asked about the steps taken by the Ministry to clear the backlog of cases pending in different Courts, the Ministry stated that the pendency of old cases is meticulously watched at regular intervals and Presiding Officers are requested to reduce the pendency of cases in their respective CGIT-cum-Labour Courts. The Ministry has also been taking the following steps to reduce the pendency:-

- (a)Expeditious steps are being taken to fill up the few vacant posts of Presiding Officers in Central Government Industrial Tribunal-cum-Labour Courts after observing all necessary formalities.
- (b)A meeting of all Presiding Officers was held on 06.04.99 in which the need to dispose of pending cases was impressed upon while the next meeting will be held shortly.
- (c)A departmental manual of procedure for use of Presiding Officers in CGIT-cum-Labour Courts has been issued. It is expected that this manual would be useful for the Presiding Officers to dispose of cases quickly.

2.10 The Ministry has stated that there is a proposal for opening of 5 more CGITs during 9th Five Year Plan (1997-2002) in central sphere. The location of these CGITs would be - 1.Ahmedabad, 2. Guwahati, 3. Ernakulam, 4-5. Additional CGIT in Delhi & Chandigarh.

2.11 Explaining the reasons for not setting up more CGITs, the Secretary stated during evidence as under:

“we have not been able to set up more Central Government Industrial Tribunals in the year that has passed by although there is a scheme for setting up of more tribunals. We have done the initial spadework.”

2.12 When asked about the Labour Courts and Tribunals Courts which are non functional, the Ministry in their written reply furnished to the Committee has stated that at present the following CGITs are non-functional due to the absence of Presiding Officers:

1. CGIT No.1, Mumbai, 2. CGIT No.2, Dhanbad, 3. CGIT, Bangalore, 4. CGIT, Asansol.

2.13 The Presiding Officer for the CGIT-cum-Labour Court No.1, Mumbai is yet to be selected. The Judicial Officer selected and given offer of appointment to the post, ultimately refused the offer. Hence, a fresh panel of names have been called for from various High Courts. Some names of eligible Judicial Officers have since been received and are under process. The appointment of Presiding Officers in CGIT No.2, Dhanbad, Bangalore & Asansol has since been made & they are likely to join their respective CGITs very soon.

2.14 As regards filling up of vacancies of Presiding Officers in CGIT-cum-Labour Courts, the Secretary stated as under:-

“whole process of filling up these posts is very time consuming. We have to approach the High Courts and get the panel of names from them, and it is not possible for us to side-step this arrangement. We are thinking of bringing about some amendment in the laws but till that time we will have to follow this procedure.”

2.15 The Ministry has also stated that a proposal to revise the pay-scale of Presiding Officers is still under the consideration of the Government. It has, however, been decided that the basic pay drawn by the P.O.s while holding the last post before retirement will be protected by suitably adjusting the basic pay in the present pay scale of P.O.s, who are employed on re-employment terms. As regards P.O.s who are appointed on deputation terms, the last pay is already protected and the usual deputation allowances of the Central Government are provided.

2.16 As regards proposal for computerization in the existing CGIT-cum-Labour Courts, the Ministry has stated that at present there are 17 CGITs functioning under plan & non-plan all over the country. Computers & peripheral have been provided to 6 CGITs namely Bombay No.1 & 2, Calcutta, Dhanbad No.1, Kanpur, & New Delhi functioning under non-plan. Payment for providing computers & peripheral has been made to NICS with the request to install computer by 31.3.2001 in the 7 CGITs namely Bangalore, Jaipur, Lucknow, Nagpur, Chennai, Bhubaneswar & Hyderabad functioning under plan.

2.17 The Committee note with concern that 10074 industrial disputes and 3803 applications under various labour courts are pending for disposal and the Ministry has failed to get approval of the Standing Finance Committee for setting up of five new CGITs-cum-labour courts at Gauhati, Ahmedabad, Earnakulam, Delhi and Chandigarh which were proposed during the 9th Five Year Plan (1997-2002) and also the posts of Presiding Officers have not been filled as yet. The Committee are not happy with the situation keeping in view the piling up of pending cases year after year in various labour courts and the proposal for setting up of new 5 CGITs-cum-labour courts still remains on papers even after the lapse of 4 years of the 9th Five Year Plan. The Committee therefore desire that the Ministry should take all out efforts to set up these CGITs without further delay.

2.18 Despite Committee's recommendations, the Ministry has not been able to make the terms and conditions including pay scales of the Presiding Officers more attractive and fill the vacant posts in a number of CGITs. The Committee view the situation very seriously and observe that a number of CGITs are still non-functional in the absence of Presiding Officers. The Committee, therefore, urge the Government to finalize the revision of scales of Presiding Officers without further delay and ensure that the CGITs at Mumbai, Dhanbad, Banaglore and Asansol become functional and the pending cases are disposed of expeditiously.

2.19 The Committee further note with distress that out of 17 CGITs-cum-labour Courts in the Country, only 6 CGITs have so far been computerized under non-plan scheme and payment for providing computers & peripheral has been made to NICS with the request to instal computer by 31.3.2001 in the 7 CGITs namely Bangalore, Jaipur, Lucknow, Nagpur, Chennai, Bhubaneswar & Hyderabad functioning under plan. The Committee desire that rest of the CGITs-cum-labour Courts should also be computerized during the 9th Five Year Plan itself.

MAJOR HEAD: 2230
Sub-Head: 08.02

(B) STRENGTHENING OF INDUSTRIAL RELATIONS MACHINERY

2.20 The Central Industrial Relations Machinery (CIRM) headed by the Chief Labour Commissioner (Central) is entrusted with the task of maintaining good industrial relations' in the Central sphere. At the headquarters, CIRM has a complement of 25 officers who perform line and staff functions. In the field, the machinery has a complement of 251 officers and their establishments are spread over different parts of the country with zonal, regional and unit level formations.

2.21 The functions of CIRM broadly consist of settlement of industrial disputes, enforcement of labour laws in Central sphere and verification of membership of trade unions. During 1999, CIRM intervened in 447 (P) cases of threatened strikes – and its conciliatory efforts succeeded in averting 366(P) strikes which represents a success rate of 81%. The CIRM officers focus special attention on the enforcement of labour legislations.

2.22 When asked about the total outlay approved by the Planning Commission under the augmenting and strengthening of enforcement machinery and the expenditure incurred so far, the Ministry has stated that this scheme is a new scheme of the 9th Plan. The posts under the scheme are yet to be created/sanctioned. Though the proposal for holding the SFC was put up to IFD through the Ministry, the IFD have observed that unless the work norms are studied by SIU, the SFC cannot be convened. In the 9th Plan an outlay of Rs.1000 lakh was kept for the scheme but since the posts under the scheme are yet to be created there is no expenditure as such and token amount of Rs.1 lakh has been kept for the scheme.

2.23 On being asked whether the enforcement machinery is keeping pace with the increased volume of trade and business in the country, the Ministry in its reply furnished to the Committee has stated that though the industrial activity and the volume of trade and business as also the number of Laws on the statute book have increased considerably, the enforcement machinery has not kept pace with the same. Numerically, the machinery is too inadequate. Prior to the judgement of the Supreme Court in the case of Air India Corporation Ltd., vs. United Labour Union, there were about 1.5 lakh establishments in the central sphere. As a result of this judgement this number has now gone up to around 2 lakh.. Against this there are 125-130 Labour Enforcement Officers effectively available at any given point of time for the enforcement work. They are able to carry out about 30,000 to 33,000 inspections in a year which means an establishment can get inspected only once in 5 years or so. There is an urgent need to increase the strength of the officers at all levels of the CIRM so that frequency of the inspections is increased and coverage widened. The organization of the CLC(C) has formulated to augment and strengthen the enforcement machinery through creation of additional posts. The proposal however is yet to be approved.

2.24 Explaining the shortage in the enforcement machinery, the Secretary stated during the evidence as under:-

“Sir, in the Central Government, we have the Central Labour Commissioner and he is providing the enforcement umbrella for such of the units which come within the purview of the Central Government. Here also, it is found that the machinery that is at his disposal is much too small compared to number of units that have to be inspected. In fact, if we go by the traditional approach that a unit has to be inspected in detail, according to his estimates, a unit can be visited once in every five years and it cannot be visited every year. So, we have to find some good method as to how to see that non-compliance is minimal and where enforcement is weak, what kind of interventions can be taken. We have found that in a large number of our schemes, the

amounts are sometimes spent with some element of delay. I will very briefly like to say that whenever there are schemes which involve addition of staff or creation of posts, they encounter a lot of trouble because the general policy of the Government is to see that the size of the Government machinery does not go up. The Planning Commission at the first instance and the Finance Ministry at the second instance, ask all kinds of questions to satisfy themselves whether we can go ahead without adding to the staff.”

2.25 The Ministry has further informed that in order to widen the coverage of the enforcement machinery and to increase the frequency of the inspections, the strength of the enforcement machinery will have to be augmented in proportion to the number of establishments it is required to inspect. The Organisation would require approximately 700 LEOs (C) if each establishment is to be inspected at least once in a year whereas the sanctioned strength of the LEOs (C) as on date is 164. Keeping in view the constraints of the enforcement machinery the emphasis is now being given to inspection of establishments in the organized sector only.

2.26 The Committee have also been informed that the penal provisions of almost all the labour enactments enforced by the CIRM provide for the penalties of fine or imprisonment or both. It has been the experience of the enforcement machinery that almost in all prosecution cases where the employers are convicted of violation of provision of the labour laws, the penalty of imprisonment is rarely awarded. Usually, fine is imposed on the defaulting employers. The amount of fine prescribed in almost all the labour enactments except one or two is very meager and the fines awarded by the courts are much less than the prescribed fines. For the employers paying the fine is a much cheaper proposition than to comply with the provisions of laws for which they may have to incur heavy expenditure. The lesser punishments prescribed under the laws embolden the offending employers to continue to violate the labour laws. Some of the labour laws for example the Factories Act, 1948 have a stringent penal provision providing for a stiff fine of Rs.1,00,000/- for non compliance with the provisions of the Act. This certainly acts as a deterrent.

2.27 The Committee note that as a result of economic globalization the industrial activity and the volume of trade and business has increased manifold but the enforcement machinery is not keeping pace with the same. In the opinion of the Committee, the Paltry staff of 125-130 Labour Enforcement Officers to deal with nearly two lac odd establishments in the central sphere alone is not adequate to cope up with the inspection work effectively. The Committee, therefore, recommend that the Ministry should take up the matter with the Planning Commission, Ministry of Finance and Ministry of Personnel to strengthen the enforcement machinery and augment the number of enforcement officers so that every establishment/industry could be inspected at least once in a year.

2.28 The Committee have been informed that the plethora of labour laws contain penal provision in the form of fines which are very low and such provisions do not have any deterrent effect on the offending employers. The experience of the enforcement machinery reveals that almost in all prosecution cases where the employers are convicted of violation of provisions, all labour laws impose fines the amount of which is so meagre that for the defaulter it is a cheaper proposition than to comply with the laws. The Committee, therefore, recommend that the Ministry should review the various labour laws and make suitable amendments thereto by way of providing stringent punishment against the infringements/violations committed.

Major Head: 2230

Minor Head: 01.109

(C) BEEDI WORKERS WELFARE FUND

2.29 The Budget Estimates and the Revised Estimates for 2000-2001 under the Beedi Workers Welfare Fund were Rs.38,81,00 thousands and Rs.50,22,52 thousands and the Budget Estimates for 2001-2002 is Rs.66,81,87 thousands under the Non Plan Scheme.

2.30 It has been stated in the Annual Report of the Ministry of Labour for the year 2000-2001 that an overwhelming majority of beedi workers, estimated to be around 4.4 million, are home workers. Therefore the identification of these workers is a must for effectively extending benefits under the welfare schemes to them. The State Governments also help in identifying and issuing cards to beedi workers. The number of identity cards issued by them in various States is as under:-

STATEMENT SHOWING STATE-WISE DETAILS OF THE TOTAL NUMBER OF BEEDI WORKERS.

Sl.No.	Name of the State	Total No.of Beedi Workers Estimated at present	No. of Identity Cards issued till date
1.	Andhra Pradesh	6,25,000	5,99,440
2.	Assam	7,725	5,791
3.	Bihar	3,91,500	2,44,847
4.	Gujarat	50,000	48,509
5.	Karnataka	3,60,876	2,98,395
6.	Kerala	1,36,416	1,12,887
7.	Madhya Pradesh	7,50,000	6,94,824
8.	Maharashtra	2,56,000	2,03,669
9.	Orissa	1,60,000	1,49,003
10.	Rajasthan	1,00,000	70,999
11.	Tripura	5,000	4,814
12.	Tamil Nadu	6,37,619	6,37,619
13.	Uttar Pradesh	4,50,000	2,41,962
14.	West Bengal	4,97,758	4,97,758
	TOTAL	44,27,894	38,10,517

2.31 Adding further regarding issuing of identity cards to Bidi Workers, the representative of the Ministry stated during evidence as under:

“We have amended the Beedi Workers Welfare Fund Rules, 1978 because there was some lacuna. We have added Rule 42 in the Rules. The law provided that the employer has to issue Identity Cards. Now that the employer was not issuing the Identity Cards, there was no corresponding provision for prosecuting the employer. Now, we have also authorized the Welfare Commissioners and their staff to prosecute them for this. So, we have taken care of it.”

2.32 As regards fresh survey of beedi workers in the States, the representative of the Ministry stated as under:

“Constantly more bidi workers are entering and still more are going out.”

2.33 The Ministry has furnished the following table indicating the State wise rates of minimum wages per thousand manufactured beedis:-

Sl. No.	Name of the State	Minimum Wage Rate for rolling beedis (Rs.per thousand beedis rolled)
---------	-------------------	--

1.	Andhra Pradesh	45.65
2.	Assam	40.80
3.	Bihar	41.81
4.	Gujarat	64.80
5.	Karnataka	53.23
6.	Kerala	60.96
7.	Madhya Pradesh	32.42
8.	Maharashtra	39.00
9.	Orissa	42.50
10.	Rajasthan	34.50
11.	Tripura	29.00
12.	Tamil Nadu	37.68
13.	Uttar Pradesh	59.62
14.	West Bengal	61.62

2.34 When asked about the steps taken to reduce the disparities in minimum wages of the Beedi workers in different States, the Ministry has stated that as is evident from the above statement of rates and minimum wages in different States, the lowest range of minimum wage is Rs.29.00 per thousand manufactured beedis in Tripura and highest is Rs.64.80 in Gujarat. The Central Government has introduced national floor level minimum wage in 1996 with a view to lessening the disparities in the minimum wages throughout the country. The State Governments have been advised to ensure that in none of the scheduled employment under them, the minimum wages are below the national floor level minimum wage, which is Rs.45/- at present w.e.f. November,1999. The responsibility of enforcing employment provisions is of the State Govts as per the Beedi and Cigar Workers (Conditions of Employment) Act, 1966.

2.35 Keeping in mind the endeavour on the part of the Central Government to bring down regional disparities in minimum wages, the State Governments were suggested to constitute a State level Committee of Officials comprising of officials of the adjoining States with a view to :

- Examining various issues leading to fixation of minimum wages in the States within a region.
- Bringing about uniformity in the matter of addition of employments to the schedule to Minimum Wages Act.
- Bringing about uniformity in minimum wages and through adoption of standard norms on the basis of consensus and
- Ensuring better enforcement of minimum wages.

2.36 As per information received so far, the Government of Tamil Nadu (with their counterparts in Southern Region) and Orissa (with their counterparts in Eastern Region) have shown their interest in this regard.

2.37 Total number of dispensaries being run by Labour Welfare Organisation for beedi workers is 210 (including Chest Clinic at Nimita (W.B.) and total number of hospitals is 4 as on date. During the last three years, one 50-bedded hospital at Dhuliyon (W.B.) in the year 2000 has been commissioned and two dispensaries one each at Barh (Bihar) and one Kamkhyanagar in Dhenkal District (Bhubneswar) has been commissioned by Labour Welfare Organisation. Demands for commissioning of new hospitals and dispensaries are being received from various parts of the country. However, Labour Welfare Organisation having limited fund in the Beedi Workers Welfare Fund is not in a position to meet the full requirements of the Beedi workers.

2.38 The Ministry has stated in its written reply furnished to the Committee that the hospitals are commissioned to provide basic health care to the beedi workers and for specialized treatment, beds are reserved in the other hospitals where such facilities are available. Efforts are made to provide modern equipments as far as possible and steps are taken to improve the facilities as per requirement. The feedback received from the Doctors is considered for upgrading the facilities as per the requirement.

2.39 The Committee note with concern that the government have identified about 44 lakh beedi workers in different parts of the country whereas more than 6 lakh identity cards are yet to be issued by them. The Committee fail to understand as to how the remaining beedi workers would be able to get the various welfare benefits. In the opinion of the Committee, the Ministry lacks coordination with the State Governments and their monitoring over the scheme has not been up to the mark. The Committee, therefore, strongly recommend that the Government should evolve certain way out in consultation with the State Governments for issuance of identity cards to the beedi workers including “Ghar Khata” workers in a phased manner so that they are no longer deprived of the benefits of welfare schemes being run by the Government in this regard. The Committee also desire that a fresh survey should also be conducted to know the exact number of beedi workers.

2.40 The Committee are concerned to note that minimum rates of wages for the beedi workers differ from state to state i.e. Rs. 29 per thousand manufactured beedis in Tripura being the minimum and the highest is Rs.64.80 in Gujarat which is clearly indicative of the fact that there is no uniformity in the floor level wages paid to the beedi workers . In the opinion of the Committee, the matter should be pursued with the State Governments and UT Administrations and impress upon them to have atleast Common National Minimum Floor Level Wage for the beedi workers throughout the country.

Major Head : 2230
Sub Head : 102.09

(D) Directorate General of Mines Safety (DGMS)

2.41 The Budget Estimates and Revised Estimates for 2000-2001 for the Directorate General of Mines Safety were Rs.18,31,00 thousands and Rs.17,70,30 thousands respectively and the Budget Estimates for 2001-2002 are Rs. 18,27,81 thousands.

2.42 The Directorate General of Mines Safety has been entrusted with the function of enforcing the provisions of the Mines Act, 1952 and the Rules and Regulations framed thereunder, including the Mines Rules, the Mines Rescue Rules and the Mines Vocational Training Rules in respect of all Mines and the Creche Rules in respect of Non-coal Mines. The Officers of the Directorate are empowered as Inspectors of Mines under the Mines Act, 1952. The Inspectors conduct/undertake regular inspections, besides inquiring into all fatal accidents and some of the serious accidents depending upon the nature of the accident and the gravity of the situation. These inquiries serve the dual purpose of identifying the causes and responsibilities for the accidents and formulating remedial measures to prevent recurrence of similar mishaps.

2.43 The following statement shows number of inspections carried out in mines by the officers of DGMS during the last three years –year-wise.

Year	Total No. of Inspections	Total No. of Enquiries	Grant Total of Inspections and Enquiries

1998	7457	1554	9011
1999	9365	1828	11193
2000*	9299	1503	10802

* Provisional being reconciled

2.44 During the year 2000-2001, a target for inspections was set at 9494 against which inspecting officers of DGMS made 8142 inspections up to the month of December, 2000. It is expected that by end of the financial year, the target set will be achieved.

2.45 When asked about the number of accidents occurred in the coal mines during the years 1998, 1999 and 2000, the representative of the Ministry during evidence stated that in the year 2000, 107 fatal accidents took place and 134 persons died in it. In the year 1999, 127 accidents took place and 138 persons died in it. In the year 1998, 128 accidents took place in which 146 persons died.

2.46 The Ministry has stated in its written reply furnished to the Committee that Sections 63 to 74 under chapter IX of the Mines Act, 1952 deal with penalties and procedures. These penalties have been prescribed for different categories of offences as mentioned therein. Section 69 of the Mines Act, 1952 deals with penalty for non appointment of manager which prescribes punishment with imprisonment for a term which may extend for three months or with fine which may extend up to Rs.2000/- or both. It has been observed that generally the courts are not imposing fine to the maximum extent and the delinquents are let off with meagre amount of fine between Rs.100/- to Rs.1,000/- in default imprisonment for certain period. This meagre amount of fine does not deter the owner from committing the offence in future. Similarly section 72 C(1) (a) deals with penalty for loss of life which prescribes for imprisonment which may extend to two years or fine of Rs.5000/- or both. The court generally imposes fine only and do not sentence jail imprisonment to the delinquents. The penalty is not much so as to deter the delinquents from committing the offence.

2.47 Details of number of prosecution cases launched against erring managements, etc. are given below.

Year	No. of prosecution cases launched	No. of cases disposed
1998	53	3
1999	92	3
2000	77	NIL

2.48 The Ministry in its written reply furnished to the Committee has stated that the matter has been taken with the Registrars of the High Courts where the cases under the Mines Act are pending. The Registrar General of the High Courts of Uttar Pradesh, Bihar, Andhra Pradesh, Rajasthan have issued directions for setting up of Special Courts etc. The Registrars of High Courts of Maharashtra, Tamil Nadu, Madhya Pradesh and Punjab & Haryana have regretted their inability.

2.49 As regards proposal of the DGMS for amendment of the Mines Act providing provision for Special Courts to be constituted /designated for dealing with cases under the Mines Act, the Ministry has stated that the matter was examined in consultation with Ministry of Law and finally it was decided to request the Registrars of the High Courts where the cases under the Mines Act are pending for setting up Special Court/Designated Court. The Ministry has already taken up the matter with the Registrars of the High Courts where the cases under the Mines Act are pending

2.50 The scheme has been examined in consultation with the IFD of the Ministry who have made certain observations which are under consideration.

2.51 The Ministry has stated that DGMS is facing serious difficulties in engaging outside lawyers to dispose of the criminal cases because of extremely low rates of fees approved by the Government for conducting such cases. Ministry of Law, Justice and Co. Affairs has recently enhanced the fees payable to lawyers in September, 1999.

2.52 DGMS has a total sanctioned strength of 1070 persons with 937 in position as indicated below:

CATEGORY	SANCTIONED STRENGTH	IN POSITION STRENGTH
GROUP-A	177	136
GROUP-B	75	67
GROUP-C	535	473
GROUP-D	283	261
TOTAL	1070	937

2.53 The Ministry has furnished the following table indicating the discipline-wise strength of the inspecting officers of DGMS (As on 1.1.2001)

Sl. No.	Designation	Mining		Discipline Electrical		Mechanical		O.H	
		S	P	S	P	S	P	S	P
1.	Director General	1	1						
2.	Dy. Director	7	3	1	1				
3.	General								
4.	Director	29	27	4	4	2	2	-	-
5.	Dy. Director	82	60	18	16	10	9	1	1
6.	Asstt. Director	4	3	-	-	-	-	GR.I 3	1
								GR.II 5	2
	TOTAL	123	94	23	21	12	11	9	4
S. Sanctioned = 167P – In position + 130 Shortage = 37 (22%)									

2.54 Explaining the shortage of staff in the DGMS Department, the Secretary of the Ministry stated during evidence as under:

“During the last fifteen years the size of the mining industry has become almost four-fold. But we remain in size where we were. One of the recommendations of the Kumaramangalam Committee appointed by the Government, about which there is a reference here also was that every mine should be inspected completely. Inspection means a complete inspection. Complete inspection of one coal mine is a very long process. It may take ten days. Every mine should be inspected at least once in a year. If the conditions are bad, then inspection at more frequency should take place. In addition, there should be follow up and special inspections. With the resources available to us, we are able to make one complete inspection in three to four years as far as coal mines are concerned.”

2.55 Secretary further added -

“ The work has been done only after the report of Kumaramanglam Committee was submitted. In 1986, 28 posts of inspecting officers were created. Subsequently in Seventh Plan 16 more posts were created. As I have said earlier the Ministry of Finance is not in favour of creating more posts. Your support will encourage us to take this further. We will try to improve upon the present situation.”

2.56 In a written reply furnished to the Committee regarding present ban on recruitment/filling of vacant posts, the Ministry has stated as under:

“ It is felt that the general ban on creation/recruitment/filling of post including the recently announced non filling of yearly 2% of posts for next 5 years should not apply in the case of inspecting officer of DGMS which has a major bearing on life and safety of mine workers. It may be clarified that the DGMS officers have to perform statutory functions and as such question of ban on creation/filling of post should not be made applicable.”

2.57 The scheme “Strengthening of Mines Safety Enforcement Machinery” has been received and is under examination.

2.58 As regard mishaps in Bagdigi near Dhanbad and Durgapur Rayatwari colliery of Western Coalfields Ltd. at Chandrapur the Ministry has stated that Court of Enquires have been set up under Section 24 of the mines Act, 1952 to establish the causes and circumstances attending the accidents at Bagdigi Colliery of M/s BCCL on 2nd February, 2001 and accident at Durgapur Rayatwari Colliery of M/s WCL. on 5th March, 2001.

2.59 The representative of the Ministry during evidence stated as under:

“Whenever a disaster of this kind took place, it is enquired upon. At that time we try to seize the documents but some documents are always deliberately misplaced. A similar thing has happened in this case also. Important documents are in our possession. The mine management has made efforts in this direction.”

2.60 Due to shortage of inspecting officers, complete inspection of every coal mine could be carried out once in three to four years. Similarly, mines other than coal mines could not be inspected at desired frequency. In fact very large number of small opencast mines remain uninspected for years together.

2.61 Details of complete inspections in mines by DGMS officers during the year 2000-2001 upto January 2001 is given in the following table:-

Inspection Discipline	Total number of Coal Mines	Number of Coal Mines where complete inspections done	Total number of metalliferous mines submitting returns to DGMS*	Number of metal mines where complete Inspections done	Total Number of Oil Mines	Number of oil mines where complete Inspections done
Mining	598	159	1873	966	41	1
Electrical		116		68		9
Mechanical		75		80		3
Occu. Health		47		6		
Total	598	397	1873	1120	41	14

*** The actual number of mines are more than 10 times.**

2.62 On being asked whether the safety norms are implemented forcefully, the Ministry has stated that in order to make enforcement of safety laws more stringent, penalties under the Mines Act are proposed to be enhanced and special courts are proposed to be set up to deal with Mines Act cases expeditiously.

2.63 The inspecting officers of DGMS oversee the compliance of law relating to safety by a system of inspection with the manpower resources available and take further follow-up

action on the violations revealed during the inspections and inquiries.

2.64 The Committee note with utmost concern that during the last 15 years the size of the mining industry has increased four-fold whereas staff component of DGMS remained static which is grossly inadequate in meeting the safety operations in mines. The Committee further note that out of 598 coal mines, the Department has been able to make complete inspections in respect of only 159 coal mines during the year 2000-2001 and has expressed its inability that due to shortage of inspecting staff, complete inspection of coal mines could be carried out only once in four years. Out of total strength of 1070, the Department has at present 130 inspecting officers against the sanctioned strength of 167. The Committee are totally distressed over the situation of inadequate inspecting staff and observe that the proposed ban of non-filling of 2% posts every year shall have serious impact on the safety operations in mines. The Committee, therefore, strongly feel that there should be no compromise insofar as safety of mine workers is concerned and therefore, recommend that the proposed ban should not be applicable to the inspecting staff of the DGMS and unfilled posts as per requirement may be filled up without further delay. The Committee also recommend that the mine safety enforcement machinery should be strengthened in order to enable the inspecting machinery to fully inspect every coal mine atleast once a year.

2.65 The Committee also note with concern that no case has been disposed of out of 77 prosecution cases launched against the erring managements during 2000. The Registrar Generals of the High Courts of Uttar Pradesh, Bihar, Andhra Pradesh, Rajasthan have issued directions for setting up of Special Courts. The Committee, therefore, recommend that the Ministry should pursue with the remaining State Governments to set up Special Courts in their States at the earliest to dispose of cases pending under the Mines Act. Action taken in this regard may be communicated to the Committee.

2.66 The Committee further note that penalties prescribed for different categories of offences under the Mines Act are very meagre which do not have deterrent effect on potential offenders. The Committee, therefore, desire that the Ministry should bring suitable amendments in the Mines Act to provide for stringent punishments against the offenders.

MAJOR HEAD: 2230

SUB-HEAD: 01

SOCIAL SECURITY FOR LABOUR DEPOSIT LINKED INSURANCE SCHEME

(E) EMPLOYEES STATE INSURANCE SCHEME

2.67 The ESI Act provides for health care and cash benefit payments in the cases of sickness, maternity and employment injury. It is applicable to non-seasonal factories using power and employing 10 or more persons and non power using factories and certain other establishments employing 20 or more persons. The Act is being implemented area-wise in a phased manner. The ESI Scheme is operated in 655 centres situated in 22 States/Union Territories. As on 31.3.2000 there are 8.60 million employees and 33.37 million beneficiaries covered under the Scheme.

2.68 On being asked about the establishments covered under the scheme during the last three years, Ministry has furnished the following table:-

Year **Factories/Establishments
Covered**

1997-98	212931
1998-99	219804
1999-2000	225076

2.69 The ESI Scheme is being implemented areawise in a phased manner. During the last three years the Scheme was extended at 73 new areas covering about 1.34 lakh additional employees. The ESI Act applies on its own vigour. However, inspections and surveys are also launched periodically so as to detect default and secure compliance from the defaulting establishments.

2.70 The Ministry has stated that a sum of Rs.524.79 crore was arrears as on 31.3.2000 on account of default by the employers of covered establishments. Out of this, an amount of Rs.256.89 crore was locked up due to various reasons such as enterprises having gone into liquidations, enterprises being declared sick by the Board for Industrial and Financial Reconstruction (BIFR), enterprises being under Rehabilitation scheme sanctioned by BIFR, recovery being disputed in Courts etc. The balance amounting to Rs.267.90 crore represented the effective arrears. The Corporation has been taking necessary legal and penal action under various provisions of the ESI Act, and under the Indian Penal Code for recovery of ESI dues. The Corporation has also set up its own recovery machinery in all the implemented States. During 1999-2000, the Corporation realised Rs.65.17 crore from the defaulters through its own recovery machinery, whereas, an amount of Rs.31.66 crore was further recovered between April to September, 2000.

2.71 As regards region-wise position of arrears, the Ministry has furnished the following statement:--

(Rs. in Crores)

Name of the Region	As on 31.3.98	As on 31.3.99	As on 31.3.2000
Andhra Pradesh	26.57	43.80	42.60
Assam	4.70	4.04	4.84
Bihar	11.03	11.55	11.69
Delhi	4.20	7.63	11.55
Gujarat	21.92	24.35	29.22
Haryana	6.19	7.36	9.22
Karnataka			
i) Bangalore	13.97	20.25	25.64
ii) Hubli	-	4.37	5.48
Kerala	10.06	14.35	15.98
Madhya Pradesh	21.41	21.84	23.06
i) Mumbai	45.22	39.68	53.95
ii) Marol			
iii) Thane			
iv) Nagpur	4.43	5.56	6.14
v) Pune	21.13	26.12	25.42
Goa	2.62	3.02	3.10
Orissa	7.36	10.91	12.68
Punjab	12.85	14.65	14.28
Rajasthan	4.08	5.40	6.41
Tamil Nadu			

i) Chennai	11.71	23.36	29.21
ii) Pondicherry	0.84	0.91	0.85
iii) Coimbatore	2.95	4.10	5.06
iv) Madurai	7.02	8.26	11.01
Uttar Pradesh	40.71	41.27	54.52
West Bengal	100.04	109.51	122.88
TOTAL	381.01	452.28	524.79

2.72 When asked about the actions initiated against the defaulters, the Ministry has stated that different kinds of coercive recovery notices, including Bank attachment, filing of FIR etc. are issued to the defaulters. Recovery targets have been fixed by the DG, ESIC for each region and performance is closely monitored on monthly basis.

2.73 As regards disposal of cases pending under section 406/409 of I.P.C during the last three years the Ministry has furnished the following table stating the position of prosecution cases filed:-

Sl. No.	Particulars	1997-98	1998-99	1999-2000	2000-20(Upto 31/12)
1.	No. of cases pending At the beginning of the Year	1,959	2080	2214	2088
2.	No. of cases filed during the year.	168	188	123	83
3.	No. of cases decided during the year.	47	54	249	52
4.	No. of cases pending at the end of the year.	2,080	2,214	2,088	2,119

2.74 The Ministry has also furnished the following table regarding position of prosecution cases filed under Section 85 of the ESI Act and their disposal upto 31.3.2000.

Sl. No.	Particulars	1997-98	1998-99	1999-2000	2000-2001 (Upto 31.12.2000)
1.	No. of cases pending at the beginning of the year	14,085	14,975	16,564	16,196
2.	No. of cases filed during the year	2,227	3,055	2,312	161
3.	No. of cases decided during the year	1,337	1,466	2,680	1,751
4.	No. of cases pending at the end of the year	14,975	16,564	16,196	14,606

2.75 The Ministry has stated that a Committee under the Chairmanship of Shri S. Sathyam, a Retired Secretary to Government of India was constituted to look into the working of the ESI Hospital, the general quality of services, quality of medical equipments and medical supplies, quality of drugs etc. and to study the level of satisfaction among the beneficiaries of ESI Corporation/Scheme.

2.76 The recommendations of the Committee regarding enhancement of the ceiling on expenditure on medical care from Rupees 500/- to Rupees 600/- per insured person per annum, issue of photo – Identity Cards to I.Ps and family members, creation of medical posts

as per the prescribed norms, enhancement of in-house capabilities of ESI hospitals, introduction of Health Record Booklet for each beneficiary, non-reservation in favour of small scale industries for supply of medicines, multi-level quality control checks, deterrent penal action for supply of sub-standard drugs, purchase of medicines in strip packs, adequate delegation of power to facilitate local purchase of medicines, uniformity in OPD timings etc. have been accepted.

2.77 In order to improve medical facilities in ESI Hospitals the Corporation has formulated an action plan and referred to the State Governments for implementation in consultation with the ESIC. Till date ESI Corporation has sanctioned more than Rs.42 crore for purchase of equipments to various States in the country.

2.78 Equipments sanctioned under Action Plan 1998-99 to various States are as follows:-

1. Ultrasound
2. SemiAuto analyzer/Auto analyzer
3. Resuscitation equipments
4. Dental Units
5. Cardiac monitor
6. Equipments for dispensaries

2.79 When asked about the number of proposals for procurement of equipments received, sanctioned and pending with the Corporation for the last three years, the Ministry has furnished a statement shown in the following Annexure:

ANNEXURE

Sl. No.	Name of State/Hospital	Name & No. of Equipments	Date	Remarks
1.	MAHARASHTRA Worli Hospital	Upgradation of departments through 52 equipments	16.12.99	38 Equipments worth Rs.129.65 lacs sanctioned. Remaining under process.
2.	Ulhasnagar Hospital	Action Plan 1999-2000. 22 equipments	-do-	State Govts. asked to indicate equipments and staff in position. No response received reminder issued on 28.2.2000
3.	GUJARAT ESI Hospital, Bapu Nagar	Sanction of Auto Analyser	23.8.99	Letter written to State Govt. on 4.5.2000 regarding clarification on cost and ceiling and proforma invoice. State Govt. not responded. Reminder issued on 30.1.2001
4.	Naroda Hospital	Equipments for Chest Division	15.7.99	Actively under process
5.	Directorate	Computerisation under Action Plan 1999-2000	9.11.99	Letter written to State on 20.6.2000 regarding clarification on cost specification. Reminder issued on 28.2.2001
6.	MADHYA PRADESH	Action Plan 1999-2000	3.4.2000	Letter written to State Govt. on 20.4.2000 to send Action Plan hospital wise in proper proforma. Reminder issued on 20.12.2000 asking the State Govt. to indicate only equipments required for upgradation of departments as approved under Action Plan. No response from State Govt.
7.	RAJASTHAN Jaipur	Action Plan 1999-2000	6.3.2000	Letter written to State Govt. on 2.5.2000 to send Action as it was not received through State Govt. Reminder issues on 27.2.2001
8.	UTTAR PRADESH ESI Hospital Pandunagar	Establishment of Trauma center	19.4.2000	State Govt has been asked to sanction necessary staff vide letter dated 16.5.2000
9.	ESI Hospital Pandunagar	Special orthopaedic equipments	10.9.99	Called for revised proposal of indigenous equipments from State Govt. vide our letter issued on 8.2.2000
10.	ESI Hospital, Pandunagar	Physiotherapy unit	10.9.99	State Govt. has been requested to send the condemnation certificate of S.W. diathermy machine vide letter dated 17.1.2000 –Reminder sent
11.	ESI Hospital, Sarvodaya Nagar	Neonatal unit equipment	20.2.2000	Dir. ESIS has been requested to send proposal through State Govt. in prescribed proforma along with complete information
12.	PONDICHERRY Gorimando Hospital	Ambulance (PYZ-3172)	27.9.1998	Letter has been sent to State Govt. for sending Condemnation Certificate and other information. Reminder issued
13.	-do-	Pulse Oximeter	12.1.2000	The letter has been sent to DIMS for sending proposal through State

				Govt. on 16.2.2000. Reminder issued on 16.10.2000
14.	KERALA ESIH Vadavtur	300 MA X-ray machine	15.2.99	Information called for assessing the requirement of the equipments reply awaited
15.	Olaikara Hospital	-do-	23.10.99	Letter has been sent to State Govt. for sending original copy or attested copy of the Condemnation Certificate on 1.2.99. Reminder have been sent on 15.5.2000 & 28.8.2000.
16.	Peroorkada Hospital	I.C.C.Unit	19.4.99	State Govt. has been requested to send a comprehensive proposal for all hospitals under Action Plan 1999-2000 with full justification
17.	Ambulances for 8 Hospitals	Ambulance	25.3.2000	State Govt. asked to send separate proforma for each hospital, with necessary certificates including condemnation certificate, on 20.4.2000, 14.8.2000 & 14.11.2000
18.	Action Plan 1999-2000	22 equipments	-	On 4.9.2000 State Govt. was requested to submit the proposal as per DG DO letter dated 18.6.98 reminder issued on 30.1.2001
23.	TAMIL NADU Coimbatore	C.T. Scan	15.11.99	Full justification called for on 5.1.2000
24.	-do-	EPABX Board (replacement of PBX)	30.6.2000	On 17.8.2000, State Govt. was requested to submit the proposal in proforma with condemnation certificate of PBX. Reminder issued on 19.9.2000
25.	-do-	Revised sanction Motor Vehicle TMW-244	15.6.99	Letter has been sent to State Govt for clarifying the reasons for not purchasing sanctioned Ambulance in 1997, vide letters dated 20.5.2000, 18.9.2000, 18.10.2000 On 4/6/12/2000, State Govt. was again requested to clarify the issue of enhancement in cost.
26.	-do-	Sanction against condemned vehicle No.TMW-2018	6.3.2000	Letter has been sent to State Govt. to send the proposal in the prescribed proforma alongwith condemnation certificate, on 19.5.2000. Reminders issued on 8.8.2000 , 9.11.2000
27.	Aynavaram	C.T. Scan	15.11.99	Full justification called for or 5.1.2000
28.	-do-	Provision of Modern Equipment	4.4.2000	On 12.5.2000, letter has been sent to State Govt. for sending the proposal in prescribed proforma along with necessary certificates and also for sending the condemnation certificate of available equipments.
29.	Dispensaries	Initial Equipment (1999- 2000)	22.2.2000	On 19.5.2000 letter has been sent to State Govt. for sending cost of equipments
30.	Salem Hospital	Inter-com facility	2.11.99	On 10.3.2000 letter has been sent to State Govt for sending condemnation certificate
31.	Directorate	Computerisation	4.1.2000	Hospital-wise proposal called for on 4.7.2000. Reminders issued on 26/29.9.2000
32.	WEST BENGAL Maniktala Hospital	Installation of 4 dialysis unit	18.9.2000	Letter written to State Govt. on 6.12.2000 for sending clarification
33.	-do-	PBX Board	5.9.2000	Letter written to State Govt. on 14.11.2000 for sending condemnation certificate Reminder issued on 27.2.2000
34.	KARNATAKA ESI Hospital, Rajajinagar	500 mA X-ray Machine	19.6.2000	On 20.7.2000, State Govt. requested to send the condemnation certificate of available machine. Reply awaited
35.	-do-	Ophthalmic Operating Micro-scope	3.10.2000	The State Govt. has been requested to send the above proposal under the Action Plan 1999-2000. Reminder issued on 31.10.2000
36.	ESI Hospital, Davengere	Ambulance	July, 1998	Sanction will be issued shortly
37.	ESI Hospital Dendell	Ambulance	July, 1998	Sanction will be issued shortly
38.	Tumkur Disp.	Ambulance	July, 1998	On 26.9.2000, State Govt. was requested to submit fresh proposal in prescribed proforma alongwith the DG Certificate. Letter received on 14.3.2001 will be processed
39.	ESI Hospital, Indiranagar	Trauma center	30.1.2000	The proposal is under examination
40.	Action Plan	1999-2000	17.8.2000	On dated 20.9.2000, Director has been requested to submit the

				proposal through State Govt. in prescribed proforma alongwith necessary Certificate
41.	Directorate and two Hospitals-Rajaji & Indira Nagar	EPABX Board	July, 2000	On 6.12.2000, State Govt. was requested to send the proposal in prescribed proforma alongwith necessary Certificates

2.80 Regarding the monitoring on procurement of equipments, the representative of the Ministry during the course of evidence stated as under:

“We give them advance money. Thereafter, correspondence goes on with them. Meetings are held, discussions also take place. Local officers meet the senior officers of State Government to pursue the matter. At Central level, we also ponder over it during quarterly meetings held between Standing Committee and Corporation. We meet Secretaries and senior officers also request them to expedite the matter. Some States are definitely doing much better and there is no dispute on that. Some States are following a very long procedure which delays the matter.”

2.81 During the last two years the General Purpose Sub Committee visited Gujarat from 4.1.99 to 7.1.99 and Orissa from 10.9.2000 to 16.9.2000. The observations/suggestions made by the GPSC are interalia about poor maintenance of hospitals, shortage of medical, paramedical staff, lack of drugs, medicines, dressing, equipments low rate of occupancy of hospitals etc. The observations/suggestions made by the GPSC are considered in the ESI Corporation and forwarded to the concerned State Government for taking appropriate remedial measures.

2.82 All the States where the ESI Scheme is in operation have given their consent for setting up revolving fund for expeditious financing of speciality/super-speciality treatment under ESI Scheme.

2.83 On being asked about setting up of the revolving fund in the States, the Ministry in its reply furnished to the Committee has stated that the system of revolving fund has been set up in the States of Andhra Pradesh, Assam, Bihar, Gujarat, Goa, Himachal Pradesh, Jammu & Kashmir, Kerala, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Uttar Pradesh and West Bengal. In Tamilnadu and Orissa the revolving fund is in the process of being established. However, there is so far no positive consent for establishment of revolving fund from the Governments of Haryana, Meghalaya, Pondicherry and Chandigarh Administration.

2.84 Explaining further, the representative of the Ministry stated as under:

“We are considering to establish a new system in this regard because it is being noticed that the fund released to some States from budget get deposited in their fund and are not received by the Directorate of E.S.I in time which prevents them to make their own procurements. We have started a new system. I myself have written to Chief Secretary of each State that for the super specialty treatment and for further progress, the revolving fund mechanism should be arranged for equipments. The amount of the revolving fund will remain with the R.Ds of the State. State Directorate will directly issue the sanction and fund will be released by our R.Ds. It will check the diversion of fund to the other sectors”.

2.85 The Ministry has further stated that the responsibility for administration of ESI medical care vests in the State Governments/UT administration except in Delhi and Noida where it is being administered by the ESIC direct. However for providing better treatment to the insured persons the Corporation has decided to develop 12 model hospitals in different states. Necessary communication in this regard has been sent to the State Governments asking for their views about location and development of such hospitals. As the matter is still in an embryonic stage and involves consent of the State Governments it is difficult to indicate the time by which these hospital will fully developed.

2.86 When asked whether an amount of Rs.50 crore has been earmarked in ESIC budget to set up 12 Model ESI hospitals in the country, the Ministry has stated that keeping in view the statutory responsibilities of the ESI Corporation and the fact that the diagnostic and other facilities are becoming very expensive, ESIC has proposed to develop one model hospital in

each State. To start with, 12 such hospitals are proposed to be developed. Before taking up the projects, the State Govts. have been requested to identify one of their hospitals for development as Model Hospitals.

2.87 On being asked about the setting up of one super speciality center for Cardio Thoracic Surgery and treatment of cancer each at Delhi and Mumbai, the Ministry has stated that since development of Super Specialities is cost intensive, it is felt that ESIC should develop such centers in a phased manner. In view of the fact that the number of cases requiring advanced Cardiology treatment and treatment of cancer is very high as compared to other super specialities, ESI Corporation is considering development of these two Super Specialities in the first instance.

2.88 When asked whether any case of sub-standard drugs supplied to the ESI Hospitals and dispensaries has been noticed by the Corporation during the last three years, the Ministry has stated that there are complaints received from various States regarding drugs being sub-standard on test analysis. The ESIC has taken action against the defaulting firms as per terms and conditions of ESI Rate contracts.

2.89 The Committee note with distress that a huge amount of ESI dues to the tune of Rs.524.79 crore as on 31.3.2000 outstanding against the covered defaulting establishments is mostly because of non-action on the part of the State Governments. Despite best efforts of the Corporation in taking necessary legal and penal action against the defaulters, the outstanding amount is not being fully realized. The Committee are of the opinion that the ESI scheme should not be financially weakened due to non-realisation of outstanding dues and further urge the Ministry to pursue the matter vigorously with the respective State Governments to realise the arrears expeditiously. Progress achieved in this regard may be communicated to the Committee.

2.90 The Committee are happy to note that some of the State Governments have accepted the idea of setting up of Revolving Fund in the States for expeditious financing for speciality/superspeciality treatment under the ESI Scheme. The Committee have also been informed that the fund released to State Governments from the Central Fund are not received by the Directorate of ESI in time and have been diverted to some other sector because of their financial crunch. The Committee, therefore, desire that the Ministry should pursue vigorously with the State Governments of Haryana, Tamilnadu, Orissa, Meghalaya, Pondicherry and Chandigarh Administration to set up the Revolving Fund in their States for the super speciality treatment under ESI Scheme and the Ministry should also ensure that the fund released from the Corporation to the State Governments is not diverted to any other scheme.

2.91 The Committee note that most of the ESI hospitals run by the State Governments do not have diagnostic facilities and the services available to the Insured Persons (I.Ps) are not upto the mark. Also complaints have been received by the Committee during their visits to ESI Hospitals at Ahmedabad, Cochin, Mumbai and Calcutta about shortage of medical and para-medical staff, lack of drugs, medicines and dressings, equipments. In some of the hospitals run by the State Governments, equipments requisitioned could not be procured for more than a year. The Committee are of the view that in the absence of doctors, medicines and equipments, a worker is deprived of basic medical facilities. The Committee, therefore, strongly recommend that the Ministry should monitor the functioning of Corporation effectively and ensure that the medicines and equipments requisitioned by the hospitals are supplied to them in time. Also the ESI Corporation should take necessary steps for filling the vacancies of medical and para-medical staff in the hospitals/dispensaries without further delay. The Committee also desire that the Ministry should impress upon the State Governments to identify atleast one of the ESI Hospitals in their States for development by ESI Corporation as Model Hospital for providing diagnostic and other facilities to the I.Ps.

MAJOR HEAD: 2230

Sub-Head: 02.101

(F) EMPLOYMENT SCENARIO

2.92 In India, due to the large agrarian sector with seasonal operations time disposition and availability for work have been the criteria for measuring employment. The accepted method of measuring employment is the usual status. Reliable estimates of employment/unemployment are generated through National Sample Surveys conducted once in five years by National Sample Survey Organisation(NSSO).

2.93 The approaches to tackling the task of unemployment have varied from time to time. In the initial years of planning reliance was placed primarily on the expectations of a rapid industrial development and control of population. These expectations did not materialize and it was observed that the rate of growth of employment was generally much lower than the growth rate of GDP in the economy. Successive plans, strategies, policies and programmes were, therefore, designed to bring about a special focus on employment generation as a specific objective. While employment levels expanded steadily during the seventies and eighties, the rate of growth of employment continued to lag behind that of the labour force. Unemployment among the educated showed a rising trend.

2.94 On being asked whether the Ministry has any authentic data regarding the number of jobs generated during the last 4 years of the Ninth Plan Period, the Ministry has stated that authentic data on the number of jobs actually generated during the first four years of the Ninth Plan period are not available.

2.95 The Ministry in its Annual Report 1997-98 had stated that the expansion of employment opportunities has been an important objective of development planning in India. There has been a significant growth in employment over the years. However, relatively higher growth rate of population and labour force has led to an increase in the volume of unemployment from one Plan period to another. The 8th Plan aimed at bringing employment into sharper focus in a medium-term perspective with the goal of reducing unemployment to negligible proportions by 2002 A.D.

2.96 The Ministry had further stated that the labour force is projected to increase by about 35 million during 1992-97 and further by 36 million during 1997-2002. The total number of persons requiring employment will be 58 million during 1992-97 and 94 million over the ten year period 1992-2002. As against 2.2% per annum growth of employment during 1971-91, an average employment growth rate of 3 per cent per annum achieved over the next ten years, which may be within the realm of feasibility, can bring the economy to a near full employment situation by 2002 A.D.

2.97 As per the results of the National Sample Survey conducted in 1993-94, total labour force as on 1.1.94, as per Usual Principal Status was of the order of 342 million. About 8% of the total work force is employed in the formal or organized sector while remaining 92% work in the informal or unorganized sector. The capacity of the organized sector to absorb additional accretion to the labour force, taking into account the current accent on modernization and automation, is limited. In other words, an overwhelming proportion of the increase in the labour force will have to be adjusted in the unorganized sector. About 300 million plus workers are placed today in unorganized/informal sector in India agriculture workers account for the majority of this work force.

2.98 As regards employment in the organized sector, the Ministry has stated that it is nearly stagnant, i.e., scope for additional employment generation in the organized sector is less. Therefore, growth of regular salaried employment in this sector for the youth will be limited.

As on 31st March, 1999 the public and private sectors continued to employ around 19.4 million and 8.7 million persons respectively. On the whole both Public and Private Sectors showed near stagnant situation with respect to additional employment generation.

2.99 The Ministry has stated that due to technological changes taking place in the economy demand for skilled manpower has increased considerably. The exact extent of redundancy of unskilled and semi-skilled category of manpower is not available. The major

area of concern here is in organized manufacturing sector where technological changes and competition indicate the need for right sizing the establishments.

2.100 The Ministry has furnished the following year-wise registration, placement, vacancies notified, submission made and Live Register for the period 1990 to 1999 as under:-

(IN

THOUSANDS)

Year	Employment Exchanges UEIGBx\$	Registration	Placement	Vacancies Notified	Submission Made	Live Register
1.	2.	3.	4.	5.	6.	7.
1990	851	6540.6	264.5	490.9	4432.2	34631.8
1991	854	6235.9	253.0	458.6	4531.2	36299.7
1992	860	5300.6	238.7	419.6	3652.0	36758.4
1993	887	5532.2	231.4	384.7	3317.8	36275.5
1994	891	5927.3	204.9	396.4	3723.4	36691.5
1995	895	5858.1	214.9	385.7	3569.9	36742.3
1996	914	5872.4	233.0	423.9	3605.9	37429.6
1997	934	6321.9	275.0	393.0	3767.8	39139.9
1998	945	5851.8	233.3	358.8	3076.6	40089.6
1999	955	5966.0	221.3	328.9	2653.2	40371.4

2.101 The Ministry has stated that about 41 million job seekers (all of them not necessarily unemployed) are registered with the 958 Employment Exchanges located throughout the country. 72% of the job seekers registered with the Employment Exchanges are less than 30 years of age.

2.102 On being asked about the problem of unemployment which has assumed alarming situation in our country and is causing aggravated frustration amongst younger generation the Ministry has stated that the Central Government is aware of the unemployment situation that the country is currently facing. The approach to the 9th Plan envisages priority to agriculture and rural development with a view to generating productive employment and eradication of poverty. Productive employment is an important dimension of the State policy that seeks to achieve growth with equity. The Government of India has been implementing various self-employment and wage-employment programmes both in rural and urban areas with a view to providing employment to the unemployed. While in rural areas Swarna Jayanti Gram Swarozgar Yojana, Jawahar Gram Samridhi Yojana and Employment Assurance Scheme are being implemented, the programmes implemented in the urban areas are Prime Minister's Rozgar Yojana and Swarna Jayanti Shahari Rozgar Yojana. Under the direction of the Hon'ble Prime Minister a Task Force under the Chairmanship of Member, Planning Commission has also been set up with a view to suggest various measures required to be taken to create at least 100 million jobs in a period of ten years. The Task Force report is at the final stage of submission.

2.103 The Committee are deeply concerned over the unemployment scenario in the country especially in view of the fact that at present both public and private sectors showed near stagnation with respect to additional employment generation particularly for the educated youth and the quantum of unemployment has increased from one Plan Period to another. The Committee further observe that the Ministry does not have a clear idea of the number of jobs generated during the 9th Five Year Plan. The Committee, therefore, fail to understand as to how the Ministry would be able to achieve its goal of reducing unemployment to a negligible proportion by 2002. They are of the

view that the Ministry should pursue its primary objective of generating greater productive employment in the growth process. The Committee, while recognizing the high incidence of underemployment and increasing casualisation of labour, feel that the Ministry should take proper initiatives to enhance the employment opportunities for the poor, particularly those who are in seasonal occupations. Also the Ministry should give more emphasis on skill training and education to meet the changing requirements of enterprises in a dynamic and competitive environment.

2.104 The Committee further desire that the Ministry should make all out efforts in coordination with other Central Ministries and State Governments to increase the coverage of families under targeted employment programmes such as Swarna Jayanti Gram Swarozgar Yojana, Jawahar Gram Samridhi Scheme in rural areas and Prime Ministers' Rozgar Yojana and Swarna Jayati Shahari Rozgar Yojana in the Urban Areas.

Major Head-2230
Minor Head-01.112

(G) REHABILITATION OF BONDED LABOUR

2.105 The Bonded Labour System has been abolished by law through out the country with effect from 25th October, 1975 under the Bonded Labour System (Abolition) Act, 1976. This Act provides for the abolition of the system of bonded labour. It freed unilaterally all the bonded labourers from bondage with simultaneous liquidation of their debts. It made the practice of bondage a cognizable offence punishable by law.

2.106 The Incidence of bonded labour has been reported from 13 States viz., Andhra Pradesh, Arunachal Pradesh, Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu and Uttar Pradesh. Until 1978 the released bonded labourers were being rehabilitated by the State Governments mainly under various on-going programmes relating to area development and welfare of backward classes. With a view to supplementing the efforts of the State Governments a Centrally Sponsored Plan Scheme was launched in May 1978, under which the State Governments are provided Central Financial assistance on matching contribution, 50:50 basis for the rehabilitation of bonded labourers. Upto March, 2000, rehabilitation grant to the extent of Rs.10,000/- per head were provided for his/her rehabilitation. The scheme has been modified in May,2000 and rehabilitation grant has been raised to Rs.20,000/- per freed bonded labour. Besides, the Central Government would also provide 100% subsidy to State Governments for conducting district-wise survey on bonded labour, evaluatory studies, awareness generation, monitoring and review of the process of identification and rehabilitation of bonded labourers.

2.107 The Ministry has furnished the State-wise position of bonded labourers identified and amount of Central Share of assistance released for their rehabilitation as under:

Name of the State	Number of Bonded Labourers		
	Identified and Released	Rehabilitated	Central assistance provided (Rs. in lakhs)
Andhra Pradesh	36,289	29,552	680.10
Bihar	13,092	12,368	314.48
Karnataka	62,727	55,231	1382.78
Madhya Pradesh	12,822	11,897	146.35
Orissa	49,971	46,843	898.13
Rajasthan	7,478	6,321	71.42
Maharashtra	1,384	1,300	8.25
Uttar Pradesh	27,797	27,797	533.22
Kerala	823	710	15.56
Haryana	544	21	0.42

Gujarat	64	64	1.01
Arunachal Pradesh	3,526	1,416	70.84
Tamil Nadu	63894	61,749	1279.54
Total	2,80,411*	2,55,269**	5402.10*

*19,962 bonded labour are not traceable because either they have died or left the place without leaving their address.

**5180 identified, bonded labourers are in the process of rehabilitation.

2.108 Regular meetings under the Chairmanship of Hon'ble Labour Minister and Secretary (L) are held with the representatives of the State Government to review the implementation of the Centrally Sponsored Scheme and the Bonded Labour System (Abolition) Act, 1976. In these meetings, the State Governments are inter-alia advised to ensure constitution of the Vigilance Committees at District and Sub-division level as per Sec. 13 of the Bonded Labour Act, holding of regular meetings of the Vigilance Committees, survey of bonded labourers on regular basis, issue of release certificates as soon as bonded labourers are identified, formulation of rehabilitation package for effective rehabilitation of released bonded labourers, filing of prosecution cases against the bonded labour keepers as per the Act, etc.

2.109 Out of 8880 identified bonded labourers who were awaiting for rehabilitation as on 31st March, 2000, 3700 bonded labourers have since been rehabilitated during 2000-2001 and remaining 5180 identified bonded labourers are in the process of being rehabilitated.

2.110 The Centrally sponsored scheme has been modified in May 2000. In the modified scheme, besides increasing the rehabilitation assistance from Rs.10,000/- to Rs.20,000/- per bonded labour, components like survey of bonded labour, evaluatory study and awareness generation have been included. As per the modified scheme, Rs.10 lakhs would be provided every year to a state government for creating awareness in the minds of people who are economically and socially deprived of their basic legitimate rights. Further, in the modified scheme a sum of Rs.2 Lakhs per Distt. will be provided for conducting survey of bonded labourers once in three years in a Distt. and Rs.5 Lakhs every year for conducting five evaluatory studies in five Districts. During 2000-2001, an amount of Rs.50.00 lakhs has been released for conducting surveys of bonded labour in 25 Districts in the State of Haryana, Punjab, Rajasthan and Tamil Nadu. An amount of Rs.5.00 lakhs has also been released for conducting evaluatory studies in 5 Districts of Rajasthan during 2000-2001.

2.111 In the meeting held on 13.4.2000, State Governments have been advised for holding of orientation and training workshops for Executive Magistrates and Judicial Magistrates on regular basis at the sub-divisional, distt. and state level with a view to sensitizing the labour law enforcement machinery and the officers of sub-divisional and distt. administrations.

2.112 The Committee note with concern that since the enactment of Bonded Labour System (Abolition) Act,1976, 2,80,411 have been identified as bonded labourers and out of which 2,55,269 have been reported to be rehabilitated by the State Governments with a total expenditure of Rs.5402.10 lakhs upto 28.2.2001 under the Centrally Sponsored Scheme and 5180 bonded labourers are waiting for rehabilitation whereas 19,962 bonded labourers are not traceable. In the opinion of the Committee, the Ministry has failed to rehabilitate these bonded labourers in the year 2000-01. The Committee are not happy with the situation that not much progress has been made even after a lapse of one year in rehabilitating these bonded labourers in the country. The Committee are of the opinion that the monitoring of the Ministry is not up to the mark and urge the Ministry to rehabilitate the remaining bonded labourers without further loss of time.

2.113 The Committee also note that an amount of Rs.50.00 lakhs has been released for conducting surveys of bonded labour in 25 Districts in the States of Haryana, Punjab, Rajasthan and Tamil Nadu and an amount of Rs. 5 lakh has also been released for conducting evaluatory studies in 5 Districts of Rajasthan during 2000-2001. The Committee desire that the Ministry should conduct surveys and make Evaluation Studies in the specified areas through reputed agencies/organizations regarding the scheme so that the bonded labourers could be identified and rehabilitated.

MAJOR HEAD: 2230

SUB-HEAD: 02.03

(H) NATIONAL CHILD LABOUR POLICY

2.114 The policy of the Government is to ban employment of children below the age of 14 years in factories, mines and hazardous employments and to regulate the working conditions of children in other employments. The Child Labour (Prohibition & Regulations) Act, 1986 seeks to achieve this basic objective. It prohibits employment of children in 13 occupations & 51 processes.

2.115 The Indian Constitution requires the State to protect children against being forced by economic necessity to enter vocation unsuited to their age and strength. In pursuance of the constitutional mandate, the Government announced the National Policy on Child Labour in August, 1987.

2.116 With a view to fulfilling the constitutional mandate, a major programme was launched on 15th August, 1994 for withdrawing child labour working in hazardous occupations and rehabilitating them through Special Schools. So far 93 child labour projects have been sanctioned in child labour endemic States under the National Child Labour Project Scheme for covering 1.9 lakh children. The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 20th January, 1999 approved continuance of the Scheme of National Child Labour Project during the Ninth Five Year Plan. The CCEA also approved increase in number of projects to 100. The allocation for 1997-98, 1998-99 was Rs. 78.43 crore and 50.00 crore. The actual expenditure for these two years was to the order of Rs.13.17 crore and 27.44 crore. The allocation for the year 1999-2000 was Rs.34.00 crore and the actual expenditure was 37.96 crore. The Allocation for the year 2000-2001 is Rs.36.00 crore.

2.117 When asked about the increase in the number of Child Labour Projects in the Country during the tenure of Ninth Five Year Plan, the Ministry in its written reply furnished to the Committee has stated that the Government so far approved 99 National Child Labour Projects in 13 child labour endemic States for the rehabilitation of about 2 lakh children withdrawn from work. Two proposals for setting up National Child Labour Projects are under consideration. Large scale expansion in number of National Child Labour Projects will be proposed while submitting the proposal for the Tenth Five Year Plan.

2.118 On being asked about setting up of State Level Monitoring Committees in the States/U.Ts., the Ministry has stated that State Level Monitoring Committees have so far been constituted in the States of Andhra Pradesh, Orissa, Karnataka, Maharashtra and Tamil Nadu. The status of the constitution of these Committees in other States has not been received. These States have been reminded for intimating the progress in this regard. Evaluation reports of the NCLPs by the existing State Level Committees have not been received so far.

2.119 When asked about the fund allocated for the scheme, the Secretary of the Ministry stated during the course of evidence:

“We had sought more fund but the Planning Commission put a limit on us and we have to be content with the amount. We are running Child Labour Programmes in 96 districts, whereas we have identified 133 districts in total where Child-Labour problem is there. This programme is already under implementation in 96 districts,

there are 18 districts in the 96 districts which are not covered in the list of 133. This programme has to be implemented in 155 districts in total we have covered two lakh children so far while approximately 20 lakh children are engaged in hazardous occupations. If we target to cover them by 2005 and want to overcome this problem, we will have to implement a comprehensive programme. Keeping all this in view, a large amount of money is needed. The Planning Commission have provided less fund due to financial reasons, we are therefore making do with what we have been provided we had asked for Rs.120 crore but we could get Rs.67 crore only.”

2.120 As regards survey of the Child Labour engaged in hazardous industries, the Secretary stated as under

“It is highly sensitive issue and it is better for us in long run to have an authentic survey. Some of the western countries infer that about 100 million children are engaged as labourer in our country. For the time being we are thinking to carry on with the figures of census, which we treat as accurate. We have decided to conduct a survey and it would be conducted by the National Sample Survey Organisation. This is a very costly affair.”

2.121 The Committee appreciate the efforts of the Ministry that out of total 100 National Child Labour Projects approved by the Cabinet Committee on Economic Affairs (CCEA) during the 9th Five Year Plan, they have been able to take approval for 99 NCLPs in 13 child labour endemic States and 2 proposals for setting up NCLPs are under consideration of the Government to cover two lakh children. The Committee are constrained to note that the Planning Commission has put a limit on the funds for these projects. The Committee have been informed that these projects are being run in 96 districts, whereas the Ministry has identified 133 districts in total where 20 lakh children are engaged in hazardous occupations. In the opinion of the Committee it is not enough for the Ministry to cover only 2 lakh children who are engaged in hazardous occupations but they should also consider the plight of other working children. The Committee, therefore, desire that the Ministry, while submitting the proposal for the Tenth Five Year Plan to the Planning Commission, should concretise their plan for a large scale expansion in number of National Child Labour Projects along with budgetary provisions. Also the Ministry should conduct a fresh survey through National Sample Survey Organisation (NSSO) to identify the actual number of working children still languishing in the hazardous industries.

**New Delhi:
18 April, 2001.
28 Chaitra, 1923**

**Dr. Sushil Kumar Indora,
Chairman,
Standing Committee on Labour &
Welfare.**

**MINUTES OF THE SIXTH SITTING OF THE STANDING COMMITTEE ON
LABOUR AND WELFARE HELD ON 18 APRIL, 2001.**

The Committee met from 15.00 hrs. to 17.00 hrs. in Committee Room 'E'
Parliament House Annexe, New Delhi.

PRESENT

Dr. Sushil Kumar Indora- Chairman

**MEMBERS
LOK SABHA**

1. Shri Denzil B. Atkinson
2. Smt. Sandhya Bauri
3. Shri Manibhai Ramjibhai Chaudhuri
4. Shri Virendra Kumar
5. Shri Parsuram Majhi
6. Shri Raj Narain Passi
7. Shri Madhab Rajbangshi
8. Dr. Ram Lakhani Singh
9. Dr. N. Venkataswamy

RAJYA SABHA

10. Shri B.P. Apte
11. Shri Ramachandra Khuntia
12. Shri Ka.Ra. Subbian,
13. Ms. Frida Topno

SECRETARIAT

1. Shri Joginder Singh- Joint Secretary
2. Shri J. P. Sharma- Deputy Secretary
3. Shri B. D. Swan- Under Secretary

2. At the outset, the Committee took up the draft Eleventh Report on Demands for Grants relating to the Ministry of Labour for the year 2001-2002 and adopted the Report without any amendment.

3. XX XX XX

4. XX XX XX

5. The Committee authorised the Chairman to finalise the above Reports and present the same to Parliament on their behalf.

6. The Committee then placed on record their deep appreciation and thanks to the officers and staff of the Lok Sabha Secretariat for their hard work and valuable assistance rendered by them to facilitate the work of Committee in all matters and in preparing their draft reports within the limited time.

The Committee then adjourned.