

STANDING COMMITTEE ON LABOUR & WELFARE

(2002)

THIRTEENTH LOK SABHA

MINISTRY OF LABOUR

DEMANDS FOR GRANTS

(2002-2003)

TWENTY-FIRST REPORT

LOK SABHA SECRETARIAT

NEW DELHI

April, 2002/Chaitra, 1924 (Saka)

CONTENTS

CHAPTER I

INTRODUCTORY

CHAPTER-II

REPORT – DEMANDS FOR GRANTS (2002-03)

A.	<u>Reimbursement of Administrative Charges to Employees Provident Fund Organisation</u>
B.	<u>Re-Organisation and strengthening of DGFASLI Organisation and Establishment of Special Cells</u>
C.	<u>Directorate General of Mines Safety (DGMS)</u>
D.	<u>Apprenticeship Training Scheme under Apprentices Act 1961</u>
E.	<u>Training in Advanced Training Institutes (ATIs)/Industrial Training Institutes (I.T.Is)</u>
F.	<u>Strengthening of National Vocational Training Institute (NVTI) and Regional Vocational Training Institutes (RVTIs) for Women</u>
G.	<u>Vocational Rehabilitation Centres (VRCs)</u>

LIST OF ABBREVIATION

CHAPTER I

INTRODUCTORY

1.1 The Committee have been informed that the Shram Mantralaya (Ministry of Labour) are responsible for laying down policies 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. 56.

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

- 2225 Welfare of SC/ST and Other Backward Classes.
- 2230 Labour Employment and Training.
- 2552 Lump sum provisions for North Eastern States
- 3601 Grants-in-aid to State Governments.
- 3602 Grants-in-aid to Union Territory Governments.
- 3606 Aid Material and Equipments.
- 4250 Capital Outlay on other Social Services. and 4552
- 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. 145.00 crore during the year 2001-2002 of which Rs.10.36 crore were transferred to Ministry of Urban Affairs and Employment. Further a provision of Rs. 13.31 crore was kept for ongoing/proposed schemes in North Eastern Region.

1.6 Budget Estimates of the Ministry for the year 2002-2003 are placed at Rs.881.62 crore (Plan Rs.148.59 crore and Non-Plan Rs.733.03 crore). The Planning Commission made an allocation of Rs. 170.00 crore towards plan budget for the year 2002-2003 out of which Rs.21.41 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 2002-2003. Further a provision of Rs.17.00 crore have been made for ongoing/proposed schemes in North Eastern Region.

1.7 The Ministry have furnished the following statement showing Budget Estimates/Revised Estimates and expenditure for the year 2001-2002 alongwith percentage of expenditure vis-a-vis the Budget Estimates :-

PLAN

Statement showing Budget Estimates/Revised Estimates for the year 2001-02.

(Rs. in thousand)

Sl.No.	Plan -Item	B.E.	R.E.	Exp.	% of	% of
		2001-	2001-	upto	upto	upto
		2002	2002	Feb	date	date
				2002	Exp.	Exp.

						Over B.E.	Over R.E.
1.	Research & Statistics	75000	70800	56954	75.94	80.44	
2.	Industrial Relations	23000	24200	17836	77.55		
	a. CLC	11900	9000	8751	73.54	73.70	
	b. Strengthening of Adjudication Machinery	2000	1500	912	45.60	97.23	60.80
	c. Strengthening of labour Relation Monitoring Unit at the centre	400	300	171	42.75		57.00
	d. Scheme on education and Trg. to promote workers participation in management						
3.	Working condition & Safety						
	a. DFGASLI						
	b. DGMS	17000	14600	7962	46.84	54.53	
		20000	20400	12597	62.99	61.75	
4.	Labour Education						
	a. CBWE	36600	34000	37900	103.55	111.47	
	b. NLI	22500	20500	15278	67.90	74.53	
5.	Rehabilitation of bonded labour	60300	55200	52565	87.17	95.23	
6.	Improvement in Working Conditions of Child/Women labour	670000					
	a. Child Labour	2000	618000	619773	92.50	100.29	
	b. Women Cell		2000	1056	52.80	52.80	
7.	Employment	20600	9200	7537	36.59	81.92	
8.	Training	132800	115345	143625	108.15	124.52	

	a. Non World Bank Scheme	75800	71455	27812	36.69	38.92
	b. Vocational Trg. Programme					
9.	Other					
	a. Information and Technology	10000	10000	7206	72.06	72.06
		2000	2000	857	42.86	42.85
	b. Grants-in-aid					
10.	Welfare of SC/ST & other backward Classes	8900	6000	3052	34.29	50.870
11.	Lump sum Provision for Schemes on North Eastern States	133100	121300	55873*	41.98	46.06
12.	New Schemes	22500	19600		0.00	0.00
	Total	1346400	1225400	1021844	75.89	83.39

* The amount is not included in the total.

A statement showing the Budget Estimates/Revised Estimates for the year 2001-2002 and expenditure incurred under and Non Plan Schemes/Programmes upto 28.02.2002 alongwith percentage expenditure

(Rs. in thousand)

Sl. No.	Non-Plan Item	B.E. 2001-2002	R.E. 2001-2002	Exp. upto Feb. 2002	% of upto date Exp. Over B.E.	% of upto date Exp. Over R.E.
1.	Secretariat social service	123700	123700	104761	84.69	84.69
2.	Research & Statistics	36200	36200	33950	93.78	93.78
3.	Industrial Relations	161500	141400	125662	77.81	88.87
	a. CLC	16700	16300	12606	75.49	77.34
	b. Labour Tribunal Courts of Enquiry	0	0	0	0.00	0.00
		0	0	0	0.00	0.00
		1875	1800	1742	92.91	96.78
	c. National Arbitration	19225	24250	14242	74.08	58.73

	Promotion Board	100	50	0	0.00	0.00
	d. Wage Board					
	e. Board of Arbitration					
	f. Other Commissions					
	g. Wage Cell					
4.	Working condition & Safety	75519	69900		83.97	90.72
	a. DGFASLI	162781	160100	63416	81.93	83.30
	b. DGMS			133360		
5.	Labour Education		165000	133575	97.50	80.95
	a. CBWE	137000	17000	15583	91.66	91.66
	b. NLI	17000				
6.	Labour Welfare Scheme	1055600	1055600	443537	42.02	42.02
7.	Transfer of Reserve Fund	1075600	1158200	856802	79.66	73.98
8.	Social Security	6604800	4961400	4850000	73.43	97.75
9.	International Cooperation	32200	42600	37362	116.03	87.70
	a. India Contribution to ILO	175	175	163	93.14	93.14
		125	125	0	0.00	0.00
	b. India subscription to ISSA					
	c. Other					
10.	Other Grants Compensation to heavy duty inter state vehicle drivers killed in accident	3500	2500	0	0.00	0.00
11.	Employment	166100	163700	138612	83.45	84.67
12.	Training	248900	243600	199357	80.10	81.84
13.	Others	16100	15500	11361	70.57	73.30
14.	Welfare to SC/ST &	18000	19300	14453	80.29	74.89

	other backward classes					
	Total	9972700	8418400	7190544	72.10	85.41

1.8 It has been noted from the statement furnished by the Ministry that the major funds allocated during 2001-02 under Plan Scheme on some of the Schemes particularly in the Scheme on Strengthening of labour Relation Monitoring Unit at the centre, Education and Training to promote workers participation in management, DGFASLI, DGMS, Women Cell, Employment, Vocational Training Programme, Grants in Aid, and Welfare of SC/ST and other Backward Classes, Lump sum Provision for Schemes on North Eastern States and New Schemes, the expenditure has been very low upto the end of February, 2002. About Rs. 12 crore was reduced at the Revised Estimates stage under the Plan Item.

1.9 When the Committee asked Secretary, Ministry of Labour during the evidence about the reasons for less utilisation of funds, he stated –

"It is true that whatever amount we got, we could not spend due to some reasons. There is a light shortfall in achievement in some of the Schemes. The major reasons have been that in many of these, there is a question of creation of posts. The Ministry of Finance has been very strict about not yielding on this matter of creation of posts and we have been advised to find other methods to execute all our schemes rather than depending creation of new posts. This is a major impediment

1.10 Explaining further, the representative of the Ministry stated –

"..... some of high-tech equipment for which orders were placed that took lot of time. The same was to go to Ludhiana, Kanpur and seven other States which could reach only after the 31 March"

1.11 The Ministry in their written reply furnished to the Committee have stated the following main reasons for low expenditure during the financial year:-

Strengthening of Labour Relation Monitoring Unit at the Centre

Delay in finalizing the configuration of computer accessories in the initial months of the financial year

DGFASLI and DGMS

Non-creation of posts due to ban in creation of posts by the Department of Expenditure, Ministry of Finance

Non-receipt of bills for the computer and allied items procured by DGS&T Rate Contract

The offices of the DGMS and the DGFASLI being scattered all over the country, tabulating the salary component in the expenditure statement taken time and therefore, there is a delay in reflecting this component.

EMPLOYMENT

Non- creation of 489 posts for opening 7 new Vocational Rehabilitation Centers, 5 Skill Training Workshops, 12 Rural Rehabilitation Extension Centers and monitoring cell at the Hqrs.

Proposal for computerization and networking of 11 Employment Exchanges to develop these as model Exchanges could not be finalized as the work could not be given to Computer Maintenance Corporation. Thereafter, the Ministry of Information Technology was approached. The National Informatics Center has now agreed to take up the work and is working on the technical specifications and other details.

VOCATIONAL TRAINING PROGRAMME

One of the Government procurement agencies 'DGS&D' could not supply the equipment in time. In another case this agency supplied the equipment within financial year 2001-2002 but the

claims were not raised during the financial year.

One of the suppliers of hi-tech equipment ordered in January, 2002 could not deliver the equipment at one of the locations in Uttar Pradesh before 31st March, 2002 for want of necessary clearances from sales tax authorities.

The installations of the equipment supplied during the last week of March, 2002 could not be completed and hence 10% amount kept for installations could not be utilised during the financial year 2002-2002 which also resulted in saving.

GRANTS-IN-AID

Non-completion of continuing research studies by NGOs/Vos;

Non-receipt of proper study proposals admissible under the Scheme and as well as useful to the Ministry

WELFARE OF SC/ST & OTHER BACKWARD CLASSES

New Centres proposed to be set up at Itanagar (Arunachal Pradesh) and Agartala (Tripura) could not be set up because of non-creation of posts

Posts required for strengthening of 5 Coaching-cum-Guidance Centres were not created because of non-clearance of Finance

5 posts of Coaching-cum-Guidance Centre at Jowai also were not created because of non-clearance by Finance

1.12 The Committee note that the Ministry of Labour have improved their expenditure in Plan and non-Plan allocations during the year 2001-02 but the expenditure on some of the schemes such as the Schemes on Strengthening of Labour Relation Monitoring Unit at the Centre, Education and Training to promote workers participation in management, DGFASLI, DGMS, Women Cell, Employment, Vocational Training Programme, Grants-in-Aid, Welfare of SC/ST and other Backward Classes, Lump sum Provision for Schemes on North-Eastern States, and New Schemes is not upto the mark upto 28th February, 2002. The reasons put forth by the Ministry for under-utilisation of funds such as non-filling of posts in some of the schemes and delay in supplying of the high-tech equipments to some of the Advanced Training Institutes are not at all convincing to the Committee. The Committee are, therefore, of the opinion that the monitoring and coordination of the Ministry with the States and the implementing agencies is not very effective. The Committee, therefore, recommend that the Ministry of Labour should intensify their monitoring over the Schemes and ensure that all the vacant posts under various organisations are filled up without further delay. The Committee desire that the Ministry should draw up a concrete strategy to release funds to the implementing agencies in the beginning of the financial year so as to avoid rushing of payment of huge bills towards the fag end of the financial year.

1.13 The Committee are surprised to note that there are several schemes run by the Ministry for the welfare of workers, particularly bonded labour, child labour, women labour, welfare of SC/ST & other workers and training but there is no fund earmarked for creating general awareness among the people about any of these schemes. The Committee, therefore, desire that the Ministry should approach the Planning Commission to provide budgetary allocation for meeting the expenses for creating general awareness about the benefits of the Schemes.

1.14 The Committee express their serious concern over the plight of the unorganised labour in the country who constitute by far the largest segment of workers and whose number according to National Sample Survey Organisation (1999-2000) was 369 million but there is no agency available who can take care of safety and health of workers in the unorganised sectors. The Committee are of the opinion that insofar as the occupational safety and health of workers is concerned, the Ministry of Labour is the nodal Ministry. Therefore, the Committee recommend that the Ministry should take initiative to bring a comprehensive legislation for regulating occupational safety and health of workers engaged in the unorganised sectors.

1.15 The Committee express their serious concern over the miserable plight of the public sector employees whose statutory dues amounting to Rs.1747 crore as on 30.9.2001 representing the wages, provident fund dues, ESI dues, gratuity, pension and bonus have not been paid for months together as a result of industrial sickness in the undertakings which employ them. The Committee have been apprised that the matter of payment of statutory dues is under the active consideration of the Group of Ministers for the last two years but the undue delay in payment of outstanding dues, in the opinion of the Committee, is adding to the woes of the employees of the sick PSUs. The Committee, therefore, urge the Ministry to persuade the Ministry of Finance to clear the outstanding dues in a phased and time bound manner to mitigate the hardship of the sick PSUs employees.

1.16 The Committee note that there are about 8.5 million building and other construction workers in the Country and two comprehensive legislations viz. (a) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996; and (b) The Building and Other Construction Workers' Welfare Cess Act, 1996 have been brought on the Statute Book w.e.f. 20.8.1996 but only a very few States such as Kerala, Tamil Nadu, Pondicherry, Delhi and Assam have either notified the rules or constituted the Welfare Boards for the welfare of construction workers. The Committee view this situation very seriously and urge the Ministry to pursue the matter vigorously with all the remaining States for implementing the provisions of the Act both in letter and spirit so as to ameliorate the living conditions of workers engaged in the construction activity.

LIST OF ABBREVIATION

B.E.	Budget Estimates
R.E.	Revised Estimates
DGFASLI	Directorate General of Factory Advice Service and Labour Institute
DGMS	Directorate General of Mines Safety
E.P.F.O.	Employees' Provident Fund Organisation
E.S.I.	Employees State Insurance
S.S.N.	Social Security Number
SSEX	Strengthening of Machinery for Conduct of Statutory Examination
PIF	Providing Infrastructure Facilities
EFC	Economic Finance Commission
NCLPs	National Child Labour Policy/Projects
ATS	Apprenticeship Training Scheme
CAC	Central Apprenticeship Council
DG&ET	Directorate General of Employment and Training
SAC	State Apprenticeship Council
I.T.Is/A.T.Is	Industrial Training Institutes/Advanced Training Institutes
NCVT	National Council of Vocational Training
NVTI/RVTI	National Vocational Training Institute/Regional Vocation Training Institute.
VRC	Vocational Rehabilitation Centre

EMI	Employment Market Information
IMC	Institute Managing Committees
ITC	Industrial Training Centres
ATI-EPI	Advanced Training Institutes for Electronics and Process Instrumentation
SDF	Skill Development Fund
CBWE	Central Board of Workers Education
CLC	Chief Labour Commissioner
NLI	National Labour Institute
EFC/SFC	Expenditure Finance Committee/Standing Finance Committee
T.O./G.O.	Training Officer/Group Instructor

CHAPTER-II
DEMANDS FOR GRANTS

MAJOR HEAD: 2230

SUB-HEAD: 02.02

(A) REIMBURSEMENT OF ADMINISTRATIVE CHARGES TO EMPLOYEES PROVIDENT FUND ORGANISATION

2.1 The Employees Provident Funds and Miscellaneous Provisions Act, 1952 is applicable to factories/establishments employing 20 or more persons. The Act applies to 180 specified industries/classes of establishments. The ceiling for coverage has since been enhanced to Rs.6500/- per month w.e.f. 1.6.2001. As on 31st March, 2001 there were 3,40,013 establishments and factories covered under the Act with a membership of 263.01 lakh under EPF Scheme both in exempted and unexempted sector.

2.2 Ministry have furnished the following Statement showing the number of institutions together with the number of employees covered under the Employees Provident Fund Scheme during the last three years:-

	1998-1999	1999-2000	2000-2001
New Establishments Covered	21,855	20,251	14,258
New Members covered (in lakh)	39.36	32.43	34.10
Total establishments covered	3,18,430	3,26,541	3,40,013
Total membership (in lakh)	231.19	245.37	263.00

2.3 When asked about the number of establishments which are not depositing the provident fund contribution in the office of the Provident Fund Commissioner though they are deducting the amount from the wages of their employees and the action initiated against such defaulting institutions for the last three years , the Ministry have stated that the cases are filed with Police authorities under Section 406/409 of Indian Penal Code against the employers for non-remittance of employees' share of Provident Fund contribution deducted from the wages of the workers. Year wise details are given below:-

Year	Opening Balance of complaints filed with Police	New complaints filed with Police during the year	Challans filed by the Police in Courts	No. of complaints pending with the Police
1998-1999	5891	931	12	6817
1999-2000	6817	1035	21	7226
2000-2001	7226	543	5	7723

CCTS, a compliance tracking software now tracks payment of Employees' and Employer's share on month to month basis for coercive action against the defaulters. This has resulted in better compliance on the part of employers to remit the employee's share of contribution to avoid penal action by the Police authorities/Courts.

2.4 When asked about the details of arrears during the last three years, the Ministry have furnished the following statement:-

Year	Rs. in crore
1998-99	732.10

1999-00	1684.63
2000-01	1981.08

2.5 The Committee has been further informed that apart from other economic causes, the increase in arrears has been due to the detection of default on a month to month basis using a new software as part of the new compliance 2001 programme put in place to set right the deficiencies in the present enforcement system. All necessary legal actions are taken against the defaulters, such as prosecutions under Section 14, complaints under Section 406/409 IPC and other recovery action as laid down under the Act. This along with the new Compliance 2001 Programme initiated has resulted in increased recovery.

2.6 Ministry have stated that prosecution cases launched under section 14 of the EPF & MP Act against defaulting establishments during last three years are as under:-

Year	
2000-01	5048
1999-00	11,128
1998-99	7073

Instructions have been issued to the Regional Provident Fund Commissioners to persuade the judicial authorities for expeditious disposal of the cases.

When asked about the number of cases pending under Sections 7A, 7Q, 8B and 14B of the EPF Act, and their disposal, the Ministry have furnished the following information:-

(a) Details regarding 7A cases for the last three years:-

Year	Work Load	Disposed off	Closing Balance
1998-99	22264	15088	7176
1999-2000	25551	16874	8677
2000-01	33210	21925	11285

(b) Details regarding interest levied and collected under Section 7Q*:-

(Rs. in lakh)

Year	Work Load	Collected	Closing Balance
1999-2000	634.82	35.45	599.37
2000-01	4706.34	1106.28	3600.06

* Section 7Q is the new section added in the EPF & MP Act, hence the figures are available from 1999 onward

(c) Details regarding amount levied and collected under Section 14B

Year	Work Load	Disposed off	Closing Balance
1998-99	10729.15	1263.83	9465.32

1999-2000	12461.86	5012.01	7449.85
2000-01	15451.44	5818.60	9632.84

a. Details regarding Revenue Recovery Certificates issued and disposed under Section 8B:-

Year	Work Load		Disposed off		Closing Balance	
	Cases	Amt.	Cases	Amt.	Cases	Amt.
1998-99	67223	68145.83	19031	21653.79	48192	46492.03
1999-2000	71557	81881.49	21795	18474.64	49762	63406.85
2000-01	72156	89439.19	24381	19220.52	47775	70218.67

2.7 It has been stated that a major project has already been launched titled, "Re-inventing EPFO India". The Project seeks to focus on re-engineering the existing process, eliminating the existing redundancies and setting up a system that reduces turn around time between the receipt of a claim and issue of a cheque to 2-3 days. The new system would enable the organisation to render service to its members at any of the offices of the organization across the country. The new system is being implemented in phases. In the first phase it would be implemented in six pilot sites and then replicated across the country. The target set for the first phase is 24 months.

2.8 As regards amendment in the EPF&MP Act 1952 to do away with the quantum of employment and Scheduled Industries restrictions incorporated in the Act, the Ministry have stated that a proposal for carrying out amendments to Employees' Provident Fund & MP Act, 1952 were considered by the Central Board of Trustees in the 156th Meeting held on 22.01.2002. The Central Board of Trustees requested the Executive Committee of the Board to examine these amendments in detail. Accordingly, the matter was examined by the Executive Committee of the Central Board of Trustees in its meeting held on 22.02.2002. The Executive Committee has considered and recommended these amendments for consideration of the CBT (EPF) as under:-

To remove the Scheduled of Industries and notified classes of establishments in order to extend the Act to all establishments, subject to specification of a negative list containing classes of establishments not coming under the purview of the Act.

To reduce the threshold for coverage from the present 20 by empowering the government to issue the notification taking into account, the capacity of the Employees' Provident Fund Organisation to serve the additional membership. These amendments are likely to be considered by the CBT (EPF) in their forthcoming meeting.

7A. Determination of moneys due from employees

7Q. Payment of interest by the employee for the account that is due till the date of its actual payment

8B. Issue of certificate to the Recovery Officer where any amount is in arrear under Section 8

14. Punishment for avoiding payment to be made under the scheme

14B. Power to recover damages, where an employer makes default in the payment of any contribution to the Fund

2.9 On being enquired about the steps taken by the Government to cover the workforce under the Scheme in the country which stands close to 400 million and 90% of the work force, the Ministry have stated that the number of workers in the unorganised sector being huge and widely dispersed, the extension of a comprehensive social security cover to such workers is a gigantic task and would be a time consuming effort requiring massive resources. Possibilities are being explored by the Government for extending social security cover through Employees Provident Fund Organisation as well as ESI Corporation to identifiable groups which are presently not covered.

2.10 When asked whether there is any proposal to cover not only the persons who are economically weak under the social security cover but also other groups as is prevalent in most of the developed countries, the Ministry in its written reply furnished to the Committee has stated that the proposed amendments under consideration would seek to make Employees' Provident Fund & MP Act, 1952 as a mandatory first pillar of social security in the country. This would make it necessary for all employees to contribute under this Act up to the salary ceiling limit prescribed from time to time. This has become necessary in order to strengthen India's case in WTO negotiations and other forums. This is also required for negotiation of totalisation agreements with other countries or social security authorities of other countries in order to enable portability of social security benefits for Indian expatriate workers and to ensure that such agreement are not loaded against Indian Workers.

2.11 The Committee are constrained to note that out of the 397 million workforce in the country, only about 26.3 million have so far been covered under the Employees Provident Fund Scheme both in exempted and unexempted sectors. The Committee are not happy with this state of affairs. In the opinion of the Committee a large number of labourers are still left to be protected under social security cover. The Committee, therefore, strongly recommend that the Ministry should intensify its coverage and make the concerned Regional Provident Fund Commissioner responsible for providing social security cover to every single eligible person in his area.

2.12 The Committee regret to note that the provident fund arrears are continuously increasing year after year. During the year 2000-01 an amount of Rs.1981.08 crore was outstanding against the defaulting establishments. The Committee further note that a large number of cases are pending under Sections 7A, 7Q, 8B, 14, and 14B of Employees Provident Funds and Miscellaneous Provisions Act, 1952 and also under Sections 406/409 of the Indian Penal Code for a long time. The Committee, therefore, recommend that the Ministry should speed up recovery of outstanding dues by taking appropriate legal action against the defaulting establishments and also take urgent steps for early disposal of pending cases under various Sections of EPF&MP Act, 1952.

2.13 The Committee regret to note that the amendments in the EPF&MP Act, 1952 suggested by the Committee in para 2.36 of their Eleventh Report (10 Lok Sabha) regarding reducing the number of employees from 20 to 10 in an establishment and scheduled industries restrictions are still stated to be under consideration by the Central Board of Trustees (EPF). In the opinion of the Committee, the Ministry do not appear to be serious about taking a final decision in the matter. The Committee, therefore, urge the Ministry to take immediate action to amend the Act so that a large number of employees could be brought under the purview of the Act.

MAJOR HEAD: 2230

MAIN HEAD: 10

(B) RE-ORGAISATION AND STRENGTHENING OF DGFASLI ORGANIZATION AND ESTABLISHMENT OF SPECIAL CELLS

2.14 The Budget Estimates and Revised Estimates for 2001-02 for Directorate General of Factory Advice Service and Labour Institutes were Rs. 1,70,00,000 and Rs. 1,46,00,000 whereas the expenditure incurred was Rs. 79,62,000. Now the Budget Estimates for the year 2002-03 is Rs. 5,73,00,000 (including civil works).

2.15 The Directorate General, Factory Advice Service and Labour Institutes (DGFASLI), Mumbai which is an attached office of the Ministry of Labour functions as a technical arm of the Ministry in regards to matters concerned with safety, health and welfare of workers in factories and ports/docks. It assists the Central Government in formulation and review of policy and legislation on occupational safety and health of workers in factories and ports; maintains liaison with Factory Inspectorates of States and Union Territories in regard to the implementation and enforcement of provisions of the Factories Act, 1948; renders advice on technical matters; enforces the Dock Workers (Safety Health and Welfare) Act, 1986; undertakes research in industrial safety, occupational health, industrial hygiene and industrial psychology etc; and provides training mainly in the field of industrial safety and health including one year Diploma Course in Industrial Safety and three months Post Graduate Certificate Course in Industrial Health (Associate Fellow of Industrial Health-AFIH).

2.16 When asked about the manpower in DGFASLI, it has been stated that over the years, keeping pace with the industrial development and Government policies, the organisation expanded rapidly but the manpower position of the organisation as on 31.10.2001 was as under:-

Manpower of DGFASLI

<u>Units</u>	<u>Technical</u>		<u>Administrative</u>		<u>Total</u>	
	<u>Sanctioned</u>	<u>Working</u>	<u>Sanctioned</u>	<u>Working</u>	<u>Sanctioned</u>	<u>Working</u>
Headquarters	15	13	51	45	66	58

CLI. Mumbai	107	84	107	98	214	182
3 RLIs	85	67	105	92	190	159
Dock-Safety	24	16	36	32	60	48

2.17 On being asked about the number of training activities and appreciation of promotional programmes conducted by DGFASLI during the last three years, the Ministry have furnished the following Statement showing the number of training activities, appreciation or promotional programmes conducted by DGFASLI during the last three years:-

Particulars	Year		
	1999	2000	2001
Long Term Training Programmes	94	78	90
Short Term Training Programmes	68	46	58
Appreciation Programmes	456	397	380
In-company Training Programmes	38	38	50
Promotional Programmes (Exhibition Van)	56	9	57

2.18 When asked about the achievement of the targets fixed by the DGFASLI, the Ministry have stated that the DGFASLI has been implementing 9 Plan Schemes during the 9th Five Year Plan period. The physical targets for these schemes were fixed keeping in view the post to be created for the Schemes. Although, EFCs cleared the schemes, but posts could not be created during the Plan period. Some of the activities were undertaken with the available manpower and utilising the services of persons posted against 42 posts created from earlier plan schemes but all the physical targets could not be achieved particularly in 03 schemes of Dock Safety, Chemical Safety & Occupational Health and RLI, Faridabad. Recently the number of schemes has been reduced by the Planning Commission to 06 by merging the remaining 03 other schemes.

2.19 When asked whether some of the State Governments have not notified the model rules as well as major accident hazards control rules framed by DGFASLI under the Factories Act, 1987 so far, the Ministry have stated that the status regarding notification of Model Rules under Factories (Amendment) Act, 1987 and Major Accident Hazards Control Rules is given below in **Annexure- A & B**. The Ministry is constantly following it up with the State Governments for notification of these Rules.

Annexure-A

Status of Notification of Model Rules under Factories (Amendment) Act, 1987

(as on 11.3.2002)

Sl.No.	State/Union Territory	Status of Notification
1.	Andaman & Nicobar Islands	Not notified
2.	Andhra Pradesh	Notified
3.	Assam	Notified
4.	Bihar	Notified.
5.	Chandigarh	Draft notified.
6.	Daman, Diu, Dadra & Nagar Haveli	Not notified.
7.	National Capital Territory of Delhi	Notified.

8.	Goa	Rules notified.
9.	Gujarat	Draft notification issued.
10.	Haryana	Notified.
11.	Himachal Pradesh	Not notified.
12.	Jammu & Kashmir	Not notified.
13.	Karnataka	Notified.
14.	Kerala	Notified.
15.	Lakshadweep	Notified.
16.	Maharashtra	Notified.
17.	Madhya Pradesh	Not notified.
18.	Manipur	Not notified.
19.	Meghalaya	Notified.
20.	Nagaland	Not notified.
21.	Orissa	Not notified.
22.	Pondicherry	Notified.
23.	Punjab	Draft notified.
24.	Rajasthan	Notified.
25.	Sikkim	Factories Act is being extended.
26.	Tamil Nadu	Notified.
27.	Tripura	Not notified.
28.	Uttar Pradesh	Draft notified.
29.	West Bengal	Notified.

Annexure-B

STATUS OF NOTIFICATION OF CONTROL OF INDUSTRIAL MAJOR ACCIDENT HAZARDS (CIMAH) RULES/MAHC RULES (as on 11.3.2002)

Sl.No.	State/Union territory	<u>CIMAH Rules</u>	
		Model Rules, 1990	Amended Model Rules, 1997
1.	Andaman & Nicobar Islands	No hazardous unit. Hence not notified	No hazardous unit. Hence not notified
2.	Andhra Pradesh	Notified	Notified
3.	Assam	Notified	Draft Rules notified
4.	Bihar	Notified	Sent for publication
5.	Chandigarh	Notified	Draft pending

			publication
6.	Daman, Diu, Dadra & Nagar Haveli	Not Notified	Not notified
7.	National Capital Territory of Delhi	Notified	Under publication
8.	Goa	Notified	Notified
9.	Gujarat	Not notified	Not notified
10.	Haryana	Not notified	Not notified
11.	Himachal Pradesh	Not notified	Not notified
12.	Jammu & Kashmir	Not notified	Not notified
13.	Karnataka	Notified	Draft notified
14.	Kerala	Notified	Notification sent for publication.
15.	Lakshadweep	No hazardous unit. Hence, not notified.	No hazardous unit. Hence not notified.
16.	Maharashtra	Notified	Draft Rules notified
17.	Madhya Pradesh	Notified	Notified
18.	Manipur	Not notified	Not notified
19.	Meghalaya	Notified	Notified
20.	Nagaland	Not notified	Not notified
21.	Orissa	Notified	Notified
22.	Pondicherry	Notified	Notification pending with government
23.	Punjab	Notified	Draft Under consideration
24.	Rajasthan	Notified	Draft sent for notification
25.	Sikkim	State Factories Rules not framed	State Factories Rules not framed
26.	Tamil Nadu	Notified	Draft notification pending with Govt.
27.	Tripura	Not notified	Not notified
28.	Uttar Pradesh	Not notified	Not notified
29.	West Bengal	Notified	Draft sent for notification
30.	Mizoram	No hazardous factory, Notification is premature	No hazardous factory, Notification is premature

OCCUPATIONAL SAFETY AND HEALTH

2.20 When asked whether the Government are contemplating to bring a unified legislation which can take care of Occupational Safety and Health (OSH) in all the sectors as there are numerous legislations dealing with Occupational Safety and Health, the Ministry in its written reply furnished to the Committee have stated that the Working Group on Occupational Safety and Health for the 10th Five Year Plan constituted by the

Planning Commission, Government of India recommended that a general legislation to secure the safety and health of persons at work as well as other persons, against the risk arising out of or in connection with activities at places of work may be enacted and accordingly General Legislation (Umbrella) on the Occupational Safety & Health has been proposed.

DOCK SAFETY:

2.21 Ministry have furnished a Statement showing the number of reportable accidents both fatal and non-fatal together with the reasons during the last three years as under –

Year	Fatal	Non-Fatal	Total
1998-99	24	260	284
1999-2000	25	225	250
2000-2001	20	189	209
2001-2002 (upto Feb. 2002)	32	130	162

The main reasons of accidents in the dockyards i.e. the ports are due to the following factors:-

1. Unitised and break bulk cargo - The main accidents under this agency are due to handling of bags, rails, coils, pipes, billets and timber logs.
2. Means of transportation - The major contribution agency for accidents under this agent are due to lorries, tractor-trailers.
3. Lose gears and ropes - The major contribution agency for accidents under this agent are due to containers, containers spreaders and slings.

2.22 All the fatal and serious accidents are investigated by the officials of Dock Safety Division of DGFASLI to find out the probable causes. On the basis of findings and analysis of the accidents, appropriate measures are taken like issuing of warning orders, show cause notices, prosecution etc. depending upon the seriousness of the contraventions of the provisions under the statutes for non-recurrence.

2.23 The Ministry have furnished the following Statement showing the number of ships and oil tankers inspected during last three years by the Inspectors of Dock Safety as under –

Year	No. of ships and oil tankers inspected
1997-98	1646
1998-99	1465
1999-2000	1443
2000-2001	1345
2001-02 (upto Feb. 02)	1346

The guidelines have been issued to the Inspectorates to prioritise the inspection of ships and oil tankers like -

- a) Tankers / ships carrying chemicals / dangerous goods.
- b) Ships carrying containers, logs, steel cargo, iron scrap and other cargoes likely to inflict physical injury.
- c) Ships / tankers having more contraventions in the earlier visits.

During Inspection of ships and oil tankers by the Inspectorates wherever there is contravention of regulations, the Inspectors issue improvement notices and prohibition orders to the Owner, Master or officer in charge of the ship to rectify the shortcomings.

2.24 When asked whether the inspectorate of Dock Safety as per the scale laid down in the Schedule appended to the Regulations have been set up in all the major ports, the Ministry have stated that as per

section 3(i) the appropriate government i.e. the Central Government in case of major ports, by notification in the Official Gazette appoint Chief Inspector of Dock Safety and Inspectors subordinate to the Chief Inspector of Dock Safety at such ports as may be specified in the notification.

2.25 At present there are Twelve major ports in the country and Inspectors have been positioned in the Inspectorates of Dock Safety that have been set up at eleven major ports (except at Ennore Port). For the Port of Ennore, notified as major Port recently, DGFASLI has initiated action for creation of necessary posts and setting up of Inspectorate.

REGIONAL LABOUR INSTITUTE

2.26 On being asked about the setting up of the Regional Labour Institute at Faridabad, the Ministry have stated that it is still in the formative stage of being set up. The land has been acquired from HUDA and the estimates for construction of the building has been obtained. Two officers from CLI have been assigned the responsibility for undertaking the activities of the Institute.

During evidence on being asked when the Institute is likely to be set up and ready for functional, the representative of the Ministry stated that it will be set up within two years.

2.27 The Committee note that Directorate General of Factory Advice Service & Labour Institutes (DGFASLI) is entrusted with an important task of improving safety, health and welfare of workers in the factories, ports/docks, but it has not been very effective in preventing fatal and non-fatal accidents in ports/docks. The Committee further note that some of the physical targets could not be achieved particularly in 3 schemes of Dock Safety, Chemical Safety and Occupational Health because the necessary posts could not be created during the Plan period. 83 posts are still lying vacant in the organisation. The Committee are not at all happy with the situation keeping in view the fact that number of fatal accidents in ports are increasing. The Committee are of the view that the Organisation should carry out more inspections in factories and docks to identify the causes leading to accidents and suggest remedial measures to minimise the accidents. The Committee, therefore, urge the Ministry to strengthen the organisation by providing sufficient manpower to enable them to intensify their activities and programmes on working conditions, health status of workers and other matters relating to industrial safety in the factories and ports.

2.28 The Committee regret to note that some of the States have not so far notified the model rules as well as major accident hazards control rules framed by DGFASLI under the Factories Act, 1987 which is indicative of the poor monitoring done by the Ministry. The Committee are of the firm view that there should be no compromise insofar as safety and health of the workers is concerned and, therefore, desire that the Ministry should persuade the remaining State Governments to frame relevant safety rules under the Factories Act without any further delay.

2.29 The Committee note that there are numerous legislations, e.g. Dock Workers (Safety, Health & Welfare) Act, 1986; Factories Act, 1948; Mines Act, 1952; Major Ports Act; Plantations Labour Act, 1951, etc., dealing with the occupational safety and health (OSH) in a fragmented manner resulting in duplication in some areas. The Committee desire that the Government should enact an umbrella legislation on occupational safety and health to secure the safety and health of workers against the risk.

2.30 The Committee are constrained to note that the Regional Labour Institute at Faridabad is still in the initial stage of being set up. Although the Ministry took possession of land from the Haryana Urban Development Authority for construction of building for RLI at Faridabad two years back, but they have not been able to construct its own building so far. The Committee, therefore, desire that the Ministry should make all out efforts to construct its building within two years so as to make the institute fully functional.

Major Head: 2230

Main Head: 102.09

(C) DIRECTORATE GENERAL OF MINES SAFETY (DGMS)

2.31 The Budget Estimates and Revised Estimates for 2001-02 for the Directorate General of Mines Safety were Rs.2,00,00,000 and Rs.2,40,00,000 respectively and the Budget Estimates for 2002-03 are Rs.19,90,00,000 (Rs. 16,75,00,000 Non-Plan + Rs.315,00,000 Plan).

2.32 Under the Constitution of India, safety, welfare and health of workers employed in mines are the concern of Central Government. The Directorate General of Mines Safety is responsible for the safety, health and welfare of workers in coal and non-coal mines and oil fields. DGMS with its headquarters at Dhanbad with its Zonal, Regional and Sub-regional offices spread over mining areas, is entrusted with the responsibility of enforcing the provisions of the Mines Act, 1952 and the rules and regulations framed thereunder in coal, metalliferous and oil mines. Apart from inspection of mines the Directorate General also undertakes investigations into all fatal accidents and certain serious accidents and dangerous occurrences of similar mishaps.

2.33 The Ministry have furnished the following Statement showing the total number of inspections and enquiries conducted in mines by DGMS during the last three years:

Year	No. of inspections	No. of enquiries
1998-1999	7616	1620
1999-2000	9702	1749
2000-2001	9490	1539

Target of total No. of inspections and enquiries to be conducted during the period from April, 2001 to March, 2002 :

	Inspections	Enquiries
Target 2001-2002	8500	1650
Achievement up to January, 2002 (Provisional)	6908	1354

Inspection norms are likely to be completed by 31st March, 2002.

The priority of inspection is decided on the basis of the nature of hazards involved and risk analysis in case of underground coal mines, underground metalliferous mines, big mechanized opencast mines, oil mines followed by small mines. As and when complaints or information about accident is received, small mines are also inspected. The Ministry has further stated that there are large number of small opencast mines which remain un-inspected due to the inadequate number of inspecting officers. Section 3 of the Mines Act, provides for exemption due to which Mines Act, is not applicable to many small minor mineral mines. In order to ensure that safety standards in the mines including the small mines are followed, the system of calling quarterly returns from the Mines as per the Mines Act, 1952 and the rules and regulations framed thereunder has been implemented. Further an amendment to Mines Act, 1952 is under consideration to introduce the concept of statutory audit by the management to act as a self regulating mechanism.

2.34 The Ministry have stated that the total allocation of Rs.393 lakhs was made available for the old and new plan schemes. Out of 05 new plan schemes, approval for PIF and SSEX was given and the other 03 plan schemes were merged with PIF. The Budget Estimates for the year 1999-2000 for new plan schemes amounting to Rs.66 lakhs was surrendered at RE stage on

account of delay in completing procedural formalities regarding conveying of EFC/SFC. The DGMS proposed the plan schemes along with staff components. The funds allocated for the PIF and SSEX in the 10th Five Year Plan are as per details given below :-

Rupees in lakhs

Sl. No.	Name of the scheme	10 th Year Allocation	Five Plan Budget estimates 2002-2003
1.	SSEX	650.00	35.00
2.	PIF	1800.00*	130.00*

- Including civil works

2.35 When asked about the comprehensive survey of aged coal mines, the Ministry have stated that it is carried out once in three to four years. However, some districts/sections of each coal mine are invariably inspected every year. DGMS has issued circular to the managements of the mines to conduct check surveys. In the Xth Plan a Scheme for "Modernization of survey capabilities in DGMS, through digitization of mine plans and automated survey system" has been introduced to strengthen and upgrade the survey capabilities of the DGMS.

2.36 As regard the number of the accidents in mines, the Ministry have furnished the details during the last three years is as under:-

Type of Accident	No. of accidents in			
	1999	2000	2001*	2002*
Fatal	188	167	189	23
Serious	825	843	691	82

*Provisional. Data are as on 5.3.2002

2.37. Reasons for accidents include fall of roof, fall of sides, rope haulage, inundation, dumpers, trucks and tankers, non-transportation machinery including loading, cutting and drilling machines and heavy earth moving machinery, explosives, electricity, fall of persons, fall of objects, and accidents due to dust, gas and fire.

2.38 No. of workers killed and injured in the underground coal mines are given below year-wise.

Year	No. of workers killed	No. of workers seriously injured
1999	84	446
2000	75	474
2001*	106	391
2002*	10	42

*Provisional Data are as on 5.3.2002

2.39 When enquired about the reasons for accidents in mines, it was informed that the accidents in mines often do take place due to non-availability (non-provision) of safety measures, such as formation of benches in the sides of a quarry, adequate berms on haul roads, making and keeping the roof and sides of underground workings secure, and so on. Additionally, carelessness or negligence in conducting operations such as blasting without taking proper precautions, removing persons from the danger zone before blasting, or in resorting to unauthorized riding on the tubs of a rope haulage system or in reversing of dumpers without ensuring that the path is clear of persons also cause accidents, even though no lack or non-availability of safety measures is involved in these cases.

2.40 When asked about the details of prosecution cases launched against the erring managements/officials in the mines and cases disposed of during the last three years, Ministry have furnished the following information:-

Year	Prosecution launched	Disposal of the cases launched during the last 3 years	Total disposal including old cases in the last three years
1999	89	04	27
2000	82	02	25
2001	68	Nil	15

2.41 Ministry of Labour in consultation with Ministry of Law, Justice and Company Affairs requested the Registrar Generals of the various High Courts where the cases are pending to designate one Judicial Magistrate/Metropolitan Magistrate in the District exclusively to deal with the cases under the Mines Act, 1952. The Registrar Generals were subsequently reminded at several occasions. The response received from various High Courts is as under:-

Name of the Court	Response received
High Court of Allahabad	The Registrar General of High Court of Allahabad was pleased to nominate the Court of First Additional Chief Judicial Magistrate to deal with all the pending cases under the Mines Act. This Court was also directed to make the disposal of all these cases within a period of three months.
High Court of Patna	The Registrar General of High Court of Patna decided that the Sub Divisional Judicial Magistrate, Dhanbad be vested with the powers under the Mines Act, 1952 and to act as a Special Court. Directions were also issued that this Court should deal with the cases of the District of Dhanbad and also that of the other Districts of the State Bihar.
High Court of Rajasthan	The Registrar General of High Court of Rajasthan intimated that the Chief Judicial Magistrates have been directed to empower one of the Judicial Magistrates posted in the District to deal with these cases on priority basis. The progress of these cases are being monitored by the Registrar General. District and Sessions judges were also requested to monitor the progress of these cases.
High Court of Tamil Nadu	The Registrar General of High Court of Tamil Nadu intimated that the pendency of cases does not warrant constitution of a Special Court or Designated Court for these cases. However, Addl. District Judges- cum-Chief Judicial Magistrates have been directed to expedite the cases pending under the Mines Act.
High Court of Andhra Pradesh	The Registrar General of High Court of Andhra Pradesh intimated that only 36 cases are pending under the Mines Act and there is no necessity to designate one Court of Judicial Magistrate of First Class at District Head quarters exclusively to deal with the cases filed under the Mines Act. However, necessary

	instructions has been issued to respective Judicial Magistrates to dispose off the cases filed under Mines Act by giving day to day trial.
High Court of Mumbai	The Registrar of High Court of Mumbai intimated that it is not necessary to designate one Magistrate per District and Metropolitan Town specially for the trial of the cases under the Mines Act because the pendency of the Mines Act cases is trifling as compared to pendency of cases of other Acts.
High Court of Punjab and Haryana	The Registrar of Punjab and Haryana High Court intimated that since the number of cases under the Mines Act are very meagre, no special Court/Designate Court be set up in Haryana.
High Court of Madhya Pradesh	The Addl. Registrar of High Court of Madhya Pradesh have intimated that the proposal of designating one Judicial Magistrate in the Districts to deal with the cases under the Mines Act has been disapproved by this High Court.

•

The Registrar Generals of the remaining High Courts have also been reminded from time to time to expedite their reply.

2.42 As regards, the progress made in respect of the implementation of "Enforcement of Mine Safety Laws through improved Legal set up of DGMS under the plan scheme, the Ministry have stated that this scheme has been examined in consultation with the IFD of the Ministry who have made certain observations which are under consideration in DGMS.

2.43 When asked whether any step has been taken for creation of posts of inspecting officers or whether any Assessment Committee has been constituted to justify the posts, the Ministry have furnished the following Statement showing the present sanctioned strength of officers of DGMS. The proposal for Cadre Review of the Inspecting Officers of the DGMS is under examination in the Ministry. IWSU has also undertaken a study to assess the requirement of the staff strength in DGMS. Their report is awaited.

The table given below shows the discipline-wise strength of the inspecting officers of DGMS (as on 01.01.2002).

Sl. No.	Designation	Mining		Electrical		Mechanical		Occupational Health	
		Sanctioned Strength	In position	Sanctioned strength	In position	Sanctioned Strength	In position	Sanctioned Strength	In position
1.	Director General	1	1						
2.	Dy. Director General	7	6	1	1				
3.	Director	29	22	4	4	2	2		
4.	Deputy Director	82	73	18	16	10	9	1	1
5.	Asstt. Director	4	2	-	-	-	-	Grade-I - 3	2
								Grade-II - 5	4
Total		123	104	23	21	12	11	9	7

Sanctioned Strength – 167 In Position – 143 Shortage-24

2.44 The Ministry have also stated that the scheme titled "Strengthening of Mines Safety Enforcement Machinery" has been examined in consultation with the IFD of the Ministry who have made certain observations which are under consideration in DGMS.

2.45 When asked whether there is any proposal to introduce external third party safety audit system for assessing status of safety in Indian Mines keeping in view the government policies regarding down-sizing and optimum utilization of existing man-power, the Ministry have stated that there is a proposal to amend the Mines Act, 1952 to introduce external third party audit system which is under consideration in the Ministry in consultation with the other Central Government Departments/Ministries and the State Governments. The Mining Auditor will be accredited by an independent agency to undertake audit, in consistence with the provision of the Act and of regulations, rules, bye-laws and any orders made under safety, health and welfare measures in a mine or group of mines.

2.46 The Committee are constrained to note that though the safety, health and working conditions of workers employed in mines are in the domain of DGMS, who besides inspection of mines is charged with the undertaking of investigations into all fatal accidents in coal and non-coal mines, the number of fatal accidents in mines are on the high side. The stereotype reasons put forth by the Ministry such as fall of roof, fall of sides and non-availability of safety measures, etc. are not convincing to the Committee. The Committee feel that the safety norms are not properly being enforced in the mines and periodic inspections are not being carried out by DGMS due to shortage of staff. The Committee, therefore, strongly recommend that the DGMS Organisation should be strengthened by providing adequate staff to enable them to carry out inspections of mines at regular intervals.

2.47 The Committee also note that there are a large number of small mines which remain uninspected due to inadequate number of inspecting officers with the DGMS. The Committee, therefore, desire that the Ministry should bring an amendment in the Mines Act to delegate the power to the State Governments to inspect the small mines in their States. The Committee further desire that the Government should also consider the feasibility of introducing external third party safety audit system for assessing the status of safety in the mines, particularly in view of the Government policy of down-sizing and optimum utilization of existing man power in the DGMS Organisation.

Major Head: 2230

Main Head: 03

(D) APPRENTICESHIP TRAINING SCHEME UNDER APPRENTICES ACT, 1961.

2.48 The Apprentices Act was enacted in 1961 and implemented w.e.f. 1.3.1962. The main objective of the Act was to regulate the programme of training of apprentices in the industry so as to conform to the prescribed syllabi, period of training etc. as laid down by the Central Apprenticeship Council; and to utilise fully the facilities available in the industry for imparting practical training with a view to meeting the requirements of skilled manpower for industry. Overall responsibility is with the Directorate General of Employment and Training (DGE&T) in the Union Ministry of Labour. DGE&T is also responsible for implementation of the Act in respect of Trade Apprentices in the Central Government Undertakings and Departments. This is done through six Regional Directorates of Apprenticeship Training located at Kolkata, Mumbai, Chennai, Hyderabad, Kanpur and Faridabad.

2.49 254 groups of industries are covered under the Act and about 17,800 establishments engage apprentices. Seats for trade apprentices are located by the Apprenticeship Adviser on the basis of prescribed ratio of apprentices to workers and availability of training facilities. Training programme is prepared in joint consultation between Apprenticeship Adviser & Establishment concerned.

2.50 The Ministry have furnished the following Training Statistics of Trade Apprentices in the Central, State/Private Sectors –

Training Statistics of Trade Apprentices in the Central, State/Private Sectors

(Position as on 30.6.2001)

Sl.No.		Central Sector	State/Private	Total
1.	No. of Seats located	34612	182332	216944
2.	No. of Seats utilised	25520	130014	155534
3.	% utilisation of seats	74%	71%	72%
4.	Minorities/Weaker Section (Out of Seats Utilised)	4468	15433	19901
	a) Scheduled Caste (SC)	18%	12%	13%
	b) Scheduled Tribes (ST)	1441 6%	6469 5%	7910 5%
	c) Minorities	1770 7%	9513 7%	11283 7%
	d) Physically Handicapped	167 1%	392 0.02%	559 0.03%
	e) Women	1257 5%	3940 3%	5197 3%

Training Statistics of Graduate, Technician & Technician (Vocational) Apprentices

(Position as on 30.6.2001)

Sl.No.		Graduate	Technician	Technical (Vocational)	Total
1.	No. of Seats located	20263	38785	20546	79594
2.	No. of Seats utilised	6679	21832	5106	33617

3.	% utilisation of seats	33%	56%	25%	42%
4.	Minorities/Weaker Section (Out of Seats Utilised)	705		154	2493
	a) Scheduled Caste (SC)	11%	1634 7%	3%	7%
	b) Scheduled Tribes (ST)	78 1%	269 1%	21 0.37%	368 1%
	c) Minorities	394 6%	1134 5%	627 12%	2155 6%
	d) Physically Handicapped	11 0.16%	31 0.14%	6 0.11%	48 0.14%
	e) Women	1216 18%	2472 11%	2971 58%	6659 20%

2.51 When asked whether any attempt has been made to modify the Apprentices Act, 1961, particularly to meet the challenges of technological advancements in Indian Industry and the economic globalisation, the Ministry in a reply furnished to the Committee has stated that in order to meet the challenges of technological advancements in Indian Industry and the economic globalization, new trades have been designated from time to time and existing trades in which there are no employment prospects have been deleted under the Apprentices Act, 1961.

2.52 The Ministry have stated that some Industries/Establishments have defaulted in fulfilling the quota of apprentices' seats. Concerned CEO's of Central Sector Establishments have been asked to ensure utilization of full quota in their establishments failing which action as per section 30(1)(c) of the Act would be taken. The State Apprenticeship Advisers have also been requested to ensure utilization of full quota of apprentices in the State Public and Private Sectors. A draft advertisement has been sent to DAVP for issue in leading newspapers inviting attention of the establishments covered under the Act regarding their obligation to engage full quota of apprentices and the penal provision under section 30(1)(c).

2.53 Under section 30(1)(c) of the Act, " If any employer contravenes the provisions of this Act relating to the number of apprentices which he is required to engage under those provisions, he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both."

2.54 The apprentices generally register themselves with the employment exchanges. As per the information available 134328 Job-seekers with full term apprenticeship were on the Live Register of the employment exchanges as on 31st December, 1998. As per the survey carried out in 1988, about 38.7% of the National Apprenticeship Certificate holders were employed but continued on the rolls of the employment exchanges for better/regular employment/employment in the organized sector. The placement made through the employment exchanges was of the order of only 2590. Jobs to the apprentices depend on the growth of the economy and additional job creation.

2.55 The Committee are deeply concerned at the present level of utilisation of seats located for trade apprentices in establishments both in the Central and State Sectors. In the Central and State Sectors, the percentage utilisation of seats comes to 74% and 71% respectively which is far too less than the number of seats located for trade apprentices in various establishments. The position in respect of seats located and seats utilised in Graduate, Technician & Technician (Vocational Apprentices) is even worse i.e only 42%. The Committee are distressed to note that the percentage of seats located and seats utilised in respect of physically handicapped both in the Central and State Sectors is very very low i.e. 0.03 per cent. The Committee are not happy with the situation and, therefore, urge the Ministry to take up the matter with both the Central and State establishments so that the gap between the seats utilised and seats located is bridged in all the trades. The Committee also strongly recommend that the 3% seats reserved for physically handicapped should be fully utilised in all the trades. They are also of view that the Ministry should undertake a survey of establishments where utilisation of seats is minimal.

2.56 The Committee note with concern that the Apprentices Act provides for engaging apprentices in industries/establishments but some of the employers easily contravene the provisions of the Act. In the opinion of the Committee, the enforcement machinery is required to be properly geared up and the employers should be persuaded to fulfill the obligation to engage full quota of apprenticeships in their establishments. The Committee, therefore, urge the Ministry to use both the methods of persuasion and legal action against the employers both in public and private sectors so that seats located for trade apprentices are fully utilised.

Major Head: 2230

Main Head: 03

(E) TRAINING IN ADVANCED TRAINING INSTITUTES (ATIs) /INDUSTRIAL TRAINING INSTITUTES (I.T.Is)

2.57 Objective of the Training in I.T.Is./A.T.Is is to ensure steady flow of skilled workers, to raise the quality and quantity of industrial production by systematic training of potential workers; and to reduce unemployment among the educated youth by equipping them with suitable skills for industrial employment.

2.58 The Ministry have stated that Advanced Training Institutes (ATIs) are under the control of DGE&T and ITIs are under the administrative control of State Governments/UTs. Some financial assistance was, however, provided through centrally sponsored schemes under World Bank assisted Vocational Training Project during 1989-1998 covering 565 Government ITI s in 28 States/UTs. Under a centrally sponsored scheme "Establishment of ITI s in North Eastern States and Sikkim" 35 existing ITI s in NE region are being modernized/strengthened.

2.59 565 ITI s in 28 States/UTs were modernized under 13 centrally sponsored schemes from the year 1989 to 1998 with credit funding from the World Bank. An expenditure of about Rs.300.00 crore was incurred on procurement of equipment under the schemes covered under the Project.

2.60 The details of payments made to State Governments for equipment procurement etc. during 1998-99, 1999-2000 and 2000-01 are as follows: Rs.Lakh

1998-1999	1999-2000	2000-2001
2723.68	257.46	74.65

As regards Advanced Training Institutes (ATIs), new equipment like CNC Horizontal Machining Centre and Vertical Machining Centre, AutoCAD Mechanical Desktop, MasterCAM with all necessary Hardware, Gas Chromatograph, Function Generator, Instrumentation Tutor etc. were provided.

2.61 As regards expenditure incurred on ATIs in last three years the Ministry have furnish the following statement:-

(Rs. in Thousand)

	1998-1999	1999-2000	2000-2001
ATI Howrah	2301	7423	2350
ATI Kanpur	3121	4924	2430
ATI Chennai	2416	1758	2713
ATI Hyderabad	2116	5168	2169
ATI Mumbai	2552	5323	2297
ATI Ludhiana	2416	5782	1733
ATI-EPI Hyderabad	3200	60	33
ATI-EPI Dehradun	412	867	538
G. Total	18534	31305	14263

2.62 On being asked about the functioning of the Apex Hitech Institute at Bangalore, it was informed that it is still functioning in a limited way with temporary accommodation provided by FTI Bangalore. The institute is presently conducting courses on AUTOCAD, CAD-3D Library, Microcontrollers, Teachware development, CNC turning/milling, MS-Window & Office etc.

2.63 As regards setting up of the Institute with its own building and infrastructure, Expenditure Finance Committee (EFC) while considering the proposal in its meeting held on 05.03.1998 accorded approval 'in-principle' to the setting up of the Institute subject to external assistance being tied up by the Ministry. Efforts have been made to explore technical and financial assistance from foreign agencies, through Department of Economic Affairs (DEA), Ministry of Finance for setting up the Institute with its own building and infrastructure but no mutually acceptable agreement could be reached. It has now been proposed to construct new building and provide equipment to the Apex-Hitech Institute for making it fully functional from Government of India Plan funds during Xth Plan Period. An outlay of Rs.24.50 crore has been proposed for the purpose. The proposal would require the approval of SFC/EFC for implementation.

2.64 On being asked whether the Government are contemplating to review and restructure the National Vocational Training System (NVTS) under DGE&T which have grown up and expanded in the areas of functioning but the monitoring mechanism has not been modified substantially for the last many years, the Ministry have stated that in order to re-structure the National Vocational Training System (NVTS) and to bring qualitative improvement, a proposal to create an apex level statutory body, namely All India Council for Vocational Training (AICVT) by merging National Council for Vocational Training (NCVT) and Central Apprenticeship Council (CAC) is under consideration.

2.65 The Committee note that the funds utilized in some of the ATIs are very low as compared to the previous years particularly in ATIs at Howrah, Kanpur, Hyderabad, Mumbai and Ludhiana. The Committee have been apprised that the Apex-Hitech Institute at Bangalore, the proposal for setting up of which was considered by the Expenditure Finance Committee, is still functioning in a limited way with temporary accommodation provided by FTI, Bangalore. The Committee are not happy with the situation. In the opinion of the Committee, the Apex-Hitech Institute at Bangalore could have been set up much earlier. The Committee, therefore, desire that the Ministry should make all out efforts to set up the Institute at Bangalore and make it fully functional.

MAJOR HEAD: 2230

MAIN HEAD: 07

(F) STRENGTHENING OF NATIONAL VOCATIONAL TRAINING INSTITUTE (NVTI) AND REGIONAL VOCATIONAL TRAINING INSTITUTE (RVTIs) FOR WOMEN

2.66 It has been stated that the Women's Vocational Training Programme in the Ministry of Labour, launched in 1974, aimed at the social development and economic growth of women through vocational/skill training. A separate Women's Cell was established for the purpose, which has developed into the Women's Occupational Training Directorate. The Directorate is responsible for formulating and pursuing long term policies related to Women's Vocational Training in the country under the Central Sector, the Institutional Network includes – A National Vocational Training Institute (NVTI) for Women, the apex institute at Noida (1977); and 10 Regional Vocational Training Institutes (RVTIs) for Women at Mumbai, Bangalore, Trivandrum, Hissar, Calcutta, Tura, Allahabad, Indore, Vadodara, Jaipur.

2.67 When asked about the funds allocated to NVTI/RVTIs for the financial year 2001-02 and its actual expenditure incurred upto February, 2002, the Ministry have furnished the following statement:

(Rs. in lakh)

Institute	2001-2002 B.E	Expend Upto Feb.	% of expend. ***
NVTI Noida	135.32	95.33	70.45
RVTI Mumbai	60.81	35.70	58.71
RVTI Bangalore	80.29	65.34	81.38
RVTI Trivandrum	49.55	31.68	63.94
RVTI Hissar	28.90	20.85	72.15
RVTI Calcutta	33.85	16.40	48.45
RVTI Tura	44.00	15.40	35.00
RVTI Allahabad	30.80	22.27	72.31
RVTI Indore	28.65	26.40	92.15
RVTI Vadodara	16.45	12.86	78.18
RVTI Jaipur	33.10	25.86	78.13
Total			

2.68 On being enquired about the steps taken to improve the quality & effectiveness of the vocational training both under the State & Central Sector, the Ministry have stated that DGET has been regularly taking steps to improve the quality & effectiveness of the vocational training

both under the State & Central Sector. Syllabi of various trades are periodically revised by the respective Trade Committees to keep pace with the rapidly changing technology in the industry and also the market demands. New trades in emerging areas like Information Technology, Telecommunications, Hotel, etc. have been introduced/identified for introduction under the Craftsmen Training Schemes.

2.69 Development of an Institute is a continuous process. It is proposed to develop the NVTI and RVTIs for their optimum utilisation by modernising these Institutes in a phased manner, under the X Plan scheme "Modernization of NVTI and 10 RVTIs" and to increase the proficiency, it is proposed to train the trainees and trainers in specialized areas through tie-ups with reputed organizations.

2.70 Ministry have furnished a statement showing the present position of training officers, vocational instructors etc. in the NVTI/RVTIs as against the sanctioned strength and since when lying vacant as under:-

Posts	Sanctioned	Filled	Vacant
Faculty			
T.O.	56 * + 38 ----- Tot. 94	23 * + 28 ----- Tot. 51	33* + 10 ----- Tot. 43
V.I.	42 * + 22 ----- Tot. 64	24 * + 18 ----- Tot. 42	18 * + 4 ----- Tot. 22
G.I.	12 ** + 11 ----- 23	02	12 ** + 9 ----- Tot. 21

* Posts created under erstwhile World Bank Scheme

** RRs for these posts are under finalisation.

Posts are lying vacant for varying periods some of which are even more than one year.

Reasons for non- filling up the posts :-

When the recruitment actions were on, the recruitment roster had to be revised as per DOPT's instructions contained in their order dated 2.7.1997 to make the reservation roster post-based as against vacancy-based. As a result the posts already advertised by the UPSC had to be re-advertised, which created a lot of time gap and delayed the filling up process.

The Fifth Pay Commission recommended merger of pay scales of posts of Training Officers (T.Os.) and Group Instructor (G.Is) , which also required revision of Recruitment Rules (RRs) for all the posts. The RRs for the post of V.Is have been notified and that of T.Os. and G.Is. have been approved by D.O.P.T. as well as by

UPSC and are to be notified after vetting by the Ministry of Law, which is being forwarded to them.

The position for filling up each category of instructional posts is as follows:-

T.O. - Total vacant- 43 posts. Panel of 8 selected candidates received from UPSC is under process. Requisition of filling up of 24 posts of T.Os were sent on 8th Dec. 2000 (16 posts) and 31st Dec. 2001 (8 posts). Out of these 24 posts. 16 posts have already been advertised and action for remaining 8 posts is under process with UPSC. Out of 16 posts, panel of 1 candidate has also been received. Action for one post would be taken after revised RRs are notified. Remaining 10 posts have been advertised on deputation basis.

G.I. – Total vacant- 21 posts. Against 11 posts of G.Is., only 4 nominations were received from UPSC, of which 2 have already joined, one did not join and for one post pre-recruitment formalities are not yet over. The remaining posts are yet to be forwarded to UPSC. Meanwhile as per recommendations of the Fifth Pay Commission, the posts of G.Is were upgraded to TOs level, therefore the RRs had to be revised. The 12 posts of G.Is created in December '97 and earlier vacant 8 G.Is would be requisitioned to UPSC as soon as the revised RRs are notified.

V.I. - Total vacant- 22 posts. One post has been advertised and remaining 6 are being processed. For the remaining 15 posts, despite repeated advertisements, suitable candidates are not available on deputation basis and hence being re-advertised through DAVP.

Framing/ amendment of Recruitment Rules is a lengthy process. The draft RRs for the posts of Training Officers were initially referred to DOPT in July 1999. After approval of DOPT, the same were forwarded to UPSC in March 2000. The UPSC after their detailed scrutiny and series of discussions have approved the said RRs recently in Feb. 2002. RRs would be notified after vetting by the Ministry of Law.

2.71 When asked about the construction of the building of RVTI-Jaipur and Allahabad, the Ministry have informed that RVTI at Jaipur will be completed in about 2 months time and that of RVTI-Allahabad by the end of this calendar year.

2.72 The Planning Commission has approved in March, 2001 the merger of the scheme with the ongoing scheme "Strengthening of NVTI/RVTIs" . The Institutes have now gradually taken up the work for replacing the obsolete and unserviceable equipment.

2.73 When asked about the present status for setting up of RVTIs for women at Bhubaneswar in Orissa, Patna in Bihar and one in Punjab which were proposed for inclusion in the Ninth Five Year Plan, the Ministry have stated that the above said RVTIs were included in the Ninth Plan schemes but the Planning Commission gave in-principle approval for the setting up of RVTI at Bhubaneswar only. Setting up of RVTI at Bhubaneswar was taken up after the State Government of Orissa gave a commitment to allot suitable plot of land free of cost and also to allot temporary accommodation till RVTI's own buildings are constructed. Despite repeated requests to the State Government, the land has not yet been allotted. They have however, earmarked temporary accommodation for the Institute. Since the land is essential and has not yet been allotted, the Institute has not been established.

2.74 For RVTI in Bihar the State Government has offered land at Kaimur in Mohania Block of district Bhabua. The State Government has been requested to clarify the easy accessibility of this land and also to inform the number of women ITIs in near vicinity of Kaimur to justify the location. The State Government has also been requested to identify suitable temporary accommodation for initial setting up of the institute.

2.75 The possibility of setting up of RVTI in Punjab is being examined in the campus of Advanced Training Institute at Ludhiana which is functioning under the Directorate General of Employment & Training.

2.76 At present there are 10 Regional Vocational Training Institutes (RVTIs) at Bangalore, Mumbai, Calcutta, Tura Thiruvananthapuram, Indore, Jaipur, Allahabad, Hisar & Vadodara and one National Vocational Training Institute (NVTI) at Noida. Four of these Institutes viz., NVTI at Noida and RVTIs at Mumbai, Thiruvananthapuram and Bangalore have their own permanent buildings. Seven RVTIs are operating from temporary accommodations given by the respective State Governments in their ITI buildings.

2.77 As regards construction of buildings some delays have occurred but now the position is improving fast. Construction of buildings for RVTIs at Tura and Jaipur have almost been completed and are likely to be handed over by the CPWD very shortly. Construction of buildings for RVTIs at Calcutta and Allahabad are likely to be completed by the end of 2002. For RVTIs at Vadodara and Hissar (to be shifted to Panipat where the state government has provided land) CPWD has been requested to prepare the building drawings and for RVTI, Indore the land is yet to be acquired.

2.78 The propose is to develop the NVTI and RVTIs to ensure optimal and proficient utilisation of the infrastructure. The Committee has also been informed that the development of an Institute is a continuous process. The Ministry has further stated that it is proposed to develop the NVTI and RVTIs for their optimum utilisation by modernising these Institutes in a phased manner, under the X Plan scheme "Modernization of NVTI and 10 RVTIs" and to increase the proficiency, it is proposed to train the trainees and trainers in specialized areas through tie-ups with reputed organizations.

2.79 The Committee are surprised to note that though the DGE&T provides training facilities to women in the country to increase their employability and participation in the economy through NVTI/RVTIs, the percentage of expenditure in some of the institutes is in the range of 35 to 65 per cent. The reasons put forth by the Ministry i.e. delay in supply of equipment, non-filling of vacant posts are not acceptable to the Committee. The Committee are of the opinion that the monitoring of the Ministry over these projects has not been very effective. The Committee, therefore, urge the Ministry to fill the vacant posts and supply the equipments well in time so that the funds allocated for the purpose could be fully utilised and the objectives of the Vocational Training Institutes could be achieved. The Committee further recommend that the Ministry should take immediate steps to replace the obsolete and unserviceable equipments in order to increase proficiency of the trainees in the specialised areas.

2.80 The Committee regret to note that out of the 10 RVTIs, 7 are still operating in temporary accommodations given by the respective State Governments in their ITI buildings and the construction work at various places such as RVTIs at Jaipur, Allahabad and Kaimpur (Bihar) has been badly delayed. The reasons given by the Ministry that the State Governments have not allotted the land for construction of buildings are not acceptable to the Committee. The Committee, therefore, recommend that the Ministry should make all out efforts with the concerned State Governments for allotment of land at the earliest so that these RVTIs are established and become fully operational without any further delay.

Major Head: 2230

MAIN HEAD: 07

(G) VOCATIONAL REHABILITATION CENTRES(VRCs)

2.81 The Ministry has informed that 17 Vocational Rehabilitation Centres for handicapped have been functioning in the country. The DGE&T has been regularly coordinating and supporting the Ministry of Social Justice and Empowerment which is the nodal Ministry for the welfare of people with disabilities. These Centres evaluate the residual capacities of persons with disabilities and provide them adjustment training, facilitating them with early economic rehabilitation. Efforts are also made to assist them in obtaining other suitable rehabilitation services such as job placement, training for self-employment and in plant training.

2.82 The funds allocated and the expenditure incurred on each of the 17 Vocational Rehabilitation Centres functioning in the country during the year 2001-2002 are given below. Funds allocated at present are adequate for the existing centers.

Name of the V.R.C	Funds allocated (in lakh)		Expenditure Incurred (in lakh)	
	2000-01	2001-02	2000-01	2001-02 (upto Feb 2002)
Agartala	21.00	30.00	17.67	20.80
Ahemdabad	51.40	53.68	40.29	46.00
Bangalore	60.05	51.97	41.67	41.13
Bhubaneshwar	35.28	33.14	26.84	26.04
Calcutta	43.30	34.44	33.98	33.50
Chennia	64.10	54.98	46.97	49.90
Guwahati	34.30	30.31	24.57	28.20
Hyderabad	62.00	62.08	50.39	44.80
Jabalpur	41.39	35.30	27.50	28.02
Jaipur	31.75	31.22	27.60	27.50
Kanpur	86.90	48.37	36.97	40.72
Ludhiana	36.10	35.82	28.40	29.20
Mumbai	68.60	51.89	59.63	50.21
New Delhi	39.49	32.10	28.65	30.00
Patna	29.93	32.40	23.78	23.20
Trivandrum	59.80	59.72	51.82	50.00
Vadodara	27.50	36.51	19.12	20.80

2.83 The Committee have also been informed that these Vocational Rehabilitation Centres are not sufficient since it caters only 16 States and leaves 19 States/Union Territories completely uncovered. At present, one Vocational Rehabilitation Centre exists in each of the 16 States (Except for Gujarat where there are two). One Centre in each State is also not sufficient considering the population, geographical area and the number of clients to be served.

2.84 There is a proposal to establish at least one VRC in each State/UT. During the Ninth Five Year Plan, it was proposed to cover 7 States/UTs out of 19 uncovered States/UTs by opening one Vocational Rehabilitation Centre in each of these States. The States proposed to be covered during the 9th Plan were Himachal Pradesh, J&K, Haryana, Goa, Pondicherry, Manipur and Mizoram. The remaining States are proposed to be covered subsequently.

2.85 Planning Commission approved setting up of 7 new VRCs, 5 Skill Training Workshops and 12 Rural Rehabilitation Extension Centres with a staff contingent of 489 during the 9th Plan. The proposal was approved by the Standing Finance Committee as well as Integrated Finance. The creation of posts is now under consideration of the Ministry of Finance. Once the posts are sanctioned by Ministry of Finance, the Vocational Rehabilitation Centres can be set up.

2.86 The Committee are constrained to note that there are millions of handicapped in the country and only 17 vocational rehabilitation centres have been set up for them in sixteen States. The Committee feel that keeping in view the millions of handicapped in the country the number of the rehabilitation centres is too small to cater to their needs. The Committee have been informed that the Planning Commission had approved setting up of 7 new VRCs, 5 Skill Training Workshops and 12 Rehabilitation Extension Centres with a staff contingent of 469 during the Ninth Plan but the creation of posts is under the consideration of the Ministry of Finance. The Committee are not happy with the situation wherein the creation of posts is taking an unduly long time, particularly on a matter concerning the handicapped. The Committee, therefore, strongly recommend that the proposals approved by the Planning Commission during the 9th Five Year Plan should be implemented without further delay.

Dr. Sushil Kumar Indora,

Chairman, Standing Committee on Labour & Welfare

New Delhi: April, 2002 Chaitra, 1924 (Saka)
