

**Background Material for “10<sup>th</sup> Editors’ Conference on Social Sector Issues” to be held on 18-19 January, 2010**

**(Ministry of Labour & Employment)**

**1. Vocational Training**

Vocational Training with a view to creating a world-class skilled labour force is being given maximum importance. To help the youth build their career, training courses are being offered through a network of 2076 Industrial Training Institutes (ITIs) and 5509 Industrial Training Centres (ITCs) located all over the country. About 1.06 million training seats are available in these ITIs / ITCs.

Action is continuing for upgradation of 100 ITIs with domestic resources, 400 ITIs with World Bank assistance and 1396 ITIs (in specific trade and skills) under Public Private Partnership (PPP) mode so as to create “Centres of Excellence (COE)” for producing multi-skilled workforce of world standard.

The ‘Skill Development Initiative’ Scheme was started in 2006-07 for the school drop-outs and existing workers especially in the informal sector. Action is continuing to achieve the objective to train one million persons in first five years in Modular Employable Skills (MES) framework and thereafter one million every year.

Steps are being taken to establish 1500 new ITIs and 5000 Skill Development Centres in PPP mode in unserved blocks of the country in order to provide training facilities in such areas.

Employment Exchanges are being upgraded on a mission mode under e-governance project.

National Skill Development Policy has been formulated.

**2. Unorganized Sector Workers**

The ‘Rashtriya Swasthya Bima Yojana’ in the Unorganized Sector has been made operational from 01.04.2008 to provide health insurance to all the Below Poverty Line (BPL) families, a unit of five over period of five years. The scheme envisages provision of issuance of a smart card to the beneficiary. As on 31.12.2009, 88.87 Lakh Cards have been issued.

The Unorganized Workers’ Social Security Act, 2008 has been enacted.

**3. Child Labour**

Government announced a comprehensive National Policy on Child Labour in August, 1987 which among other things envisaged a Project-based Action Plan for the welfare of working children in areas of high concentration of child labour. Under the action plan, National Child Labour Project (NCLP) Scheme was launched in 12 child labour endemic districts in 1988. The number of districts covered under the Scheme has been substantially enhanced to 271.

The NCLP Scheme provides for the establishment of the special schools/transitional education centers to impart non-formal/formal education, vocational training, supplementary nutrition, monthly stipend and regular health check-ups, etc. to children withdrawn from hazardous employment so as to prepare them to join mainstream schools. More than 10,000 special schools have been

sanctioned with enrolment of approximately 5.00 lakh children. About 5.21 Lakh children have been mainstreamed.

For the rehabilitation of migrant and trafficked child labour, Government has initiated a number of steps and has issued a detailed protocol for prevention, rescue, repatriation and rehabilitation of these children, to the State Governments for compliance.

As poverty is the primary cause of such a social evil, the educational rehabilitation of such children is further complemented by the economic rehabilitation of the families of child labour through the convergence approach so that the child labour and their families are covered under the benefits of the schemes of various Ministries/Departments of the Government of India like Human Resource Development, Women & Child Development, Urban Housing & Rural Poverty Alleviation, Rural Development as well as Panchayati Raj institutions. Convergence with the Railways is also in the offing to prevent migration/trafficking of children for work.

#### **4. Social Security**

##### **Employees' Provident Fund Organization (EPFO)**

The Employees' Provident Fund Organization covers about 5.70 lakh establishments and 4.71 crore subscribers. The initiatives taken by the Corporation include the computerization plan of the organization which is being implemented with the help of NIC.

##### **Employees State Insurance Corporation (ESIC)**

The Employees State Insurance Corporation (ESIC) covers about 1.30 crore insured persons and 5.00crore beneficiaries. The ESIC provides them insurance and health care facilities through State Government Hospitals or directly, with a network of 148 hospitals, 42 hospital Annexes and 1442 dispensaries / ISM Units. New geographical areas are also being covered.

ESIC provides social protection to the organized sector workers through a scheme called "Rajiv Gandhi Shramik Kalyan Yojana" w.e.f. 01.04.2005 under which insured persons who lose their jobs due to retrenchment, closure of factories / establishments and permanent invalidity are eligible for a monthly unemployment allowance for a maximum period of one year alongwith the medical cover.

To improve the quality of delivery of service, the ESIC is taking initiatives like Medical Education Projects and the IT Roll Out Plan.

#### **5. Wages**

In order to reduce the disparity in minimum wages across the country, the Central Government has mooted the concept of the National Floor Level Minimum Wage. On the basis of increase in the Consumer Price Index, the Central Government has recently revised the National Floor Level Minimum Wages from Rs.80/- to Rs.100/- per day with effect from 01.11.2007. But it is only persuasive in nature, without any statutory backing. The State Governments are requested to

fix/revise minimum wages in scheduled employments under their respective jurisdiction so that they are at least at par with the National Floor Level Minimum Wage.

In the Central Sphere minimum rates of wages were revised for workers in the Employment of “construction”, “loading and unloading” and “non-coal mining” w.e.f 20.05.2009 in the range of Rs.120/- to rs.240/- per day for different categories of workers.

#### **The Payment of Wages (Nomination) Rules, 2009**

In pursuance of the recommendations of the Special Task Force set up the Ministry of Women & Child Development on complete legal equality to women, the Central Government has notified the Payment of Wages (Nomination) Rules, 2009 vide Notification GSR No.882(E) dated the 29<sup>th</sup> June, 2009 defining the procedure for nomination and restricting the nomination by workers to his family members as far as applicable in exercise of powers conferred by sub-section (5) of section 26 of the Payment of Wages Act, 1936.

#### **6. Bonus**

The Payment of Bonus Act, 1965, which provides for payment of bonus to employees of factories and establishments employing 20 or more persons, has been amended to enhance the eligibility limit from Rs.3,500/- to Rs.10,000/- and calculation ceiling from Rs.2,500/- to Rs.3,500/-, per month while making employees employed through contractors on building operations eligible for payment of bonus under the Act. The amendments come into force w.e.f. 01.04.2006.

#### **7. Legislative Measures**

Amendment to the Workmen’s Compensation Act, 1923 to, inter-alia, make it gender-neutral 2009 has been passed by both the Houses of the Parliament.

Amendment to the Payment of Gratuity Act, 1972 to cover teachers in educational institutions in the Act has been passed by both the Houses of the Parliament.

Reports of the Parliamentary Standing Committee on Labour in respect of the amendments in the Plantation Labour Act, 1951, the Industrial Disputes Act, 1947 and the Employees’ State Insurance Act, 1948 introduced in the Parliament have been received. These Reports are being examined and follow up action is being taken.

#### **8. Others**

The Government had constituted two Wage Boards one for the Working Journalists and another for Non-Journalist Newspaper Employees as per Section 9 and 13(c) of the Working Journalists & Other Newspaper Employees (Conditions of Service) & Miscellaneous Provisions Act, 1955. The Wage Boards have recommended interim hike of 30% in wages, which has been approved by the Cabinet. Follow-up action for its notification is being taken.

**National Policy on Safety, Health and Environment at Workplace (NPSHEW) seeking to provide general guidelines for all stakeholders such as Governments, inspection authorities, employers, research and development institutions, educational institutions for developing a safety culture and ensuring safety, health and congenial environment at all workplaces has been announced on 20<sup>th</sup> February, 2009**

**The National Policy on HIV / AIDS and the World of Work has been announced on 30<sup>th</sup> October, 2009.**

**The Labour Bureau conducted a sample survey for four quarters to assess the impact of economic slowdown on employment in India covering 2581 units pertaining to important sectors like Mines, Textiles, Metals, Gems and Jewellery, Automobile Transport and IT/BPO etc. pertaining to October-December 2008 and January-March, April-June and July-September, 2009. It showed that there was loss of job to the extent of 0.5 million during the first quarter, which improved by 0.25 million in the second quarter, again declined by 1.31 million in the third quarter and further improved by 0.5 million in the fourth quarter.**

**Steps have been initiated to undertake an annual survey of employment and unemployment.**

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