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**STANDING COMMITTEE ON LABOUR
(2004-05)**

FOURTEENTH LOK SABHA

MINISTRY OF LABOUR AND EMPLOYMENT

**DEMANDS FOR GRANTS
(2004-2005)**

FIRST REPORT

Presented to Lok Sabha on 19.8.04

Laid in Rajya Sabha on 19.8.04

**LOK SABHA SECRETARIAT
NEW DELHI
August, 2004/Sravana, 1926 (Saka)**

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**COMPOSITION OF THE COMMITTEE ON LABOUR
(2004)**

Shri P.K. Vasudevan Nair-CHAIRMAN

**MEMBERS
LOK SABHA**

2. Shri Furkan Ansari
3. Shri Joachim Baxla
4. Shri Santasri Chatterjee
5. Shri Munawwar Hassan Chaudhary
6. Smt. Anuradha Choudhary
7. Shri Sukhdev Singh Dhindsa
8. Shri Thawar Chand Gehlot
9. Dr. Satyanarayan Jatiya
10. Shri Virendra Kumar
11. Smt. Sushila Kerketta
12. Shri Rajesh Kumar Manjhi
13. Shri Ananta Nayak
14. Shri Bassangouda Patil (Yatnal)
15. Shri Lal Mani Prasad
16. Shri Chandradev Prasad Rajbhar
17. Dr. Dhan Singh Rawat
18. Shri Chandra Pratap Singh
19. Smt. C.S. Sujatha
20. Shri Parasnath Yadav

RAJYA SABHA

21. Shri Gandhi Azad
22. Shri Lekhraj Bachani
23. Shri Jayanta Bhattacharya
24. Shri Debabrata Biswas
25. Ms. Pramila Bohidar
26. Shri B.S. Gnanadesikan
27. Shri Rudra Narayan Pany
28. Shri K. Chandran Pillai
29. Shri Dilip Ray

SECRETARIAT

1. Shri John Joseph	-	Additional Secretary
2. Shri J.P. Sharma	-	Director
3. Shri S.K. Saxena	-	Assistant Director

INTRODUCTION

I, the Chairman of the Standing Committee on Labour 2004-05 having been authorised by the Committee to submit the Report on their behalf, present this First Report, of the Ministry of Labour and Employment on Demands for Grants, 2004-2005.

2. Departmentally Related Standing Committee system has been restructured in July 2004. Subsequently, the erstwhile Standing Committee on Labour and Welfare has been bifurcated – as Standing Committee on Labour and the other one is Standing Committee on Social Justice & Empowerment. Under the restructured Standing Committee on Labour, there are two Ministries, namely, the Ministry of Labour & Employment and the Ministry of Textiles.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Labour and Employment for the current year i.e. 2004-2005 which were laid on the Table of the House on 20 July, 2004. Thereafter, the Committee took evidence of the representatives of the Ministry of Labour and Employment on 9 August 2004. The Committee considered and adopted the Report at their sitting held on 18 August, 2004.

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

5. 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 August , 2004
27 Sravana 1926 (Saka)

P.K. Vasudevan Nair

Chairman,

Standing Committee on Labour

CHAPTER I INTRODUCTORY

1.1 The Committee have been informed that the Shram aur Rojgar Mantralaya (Ministry of Labour and Employment) 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. 61.

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

1. 2225 Welfare of SC/ST and Other Backward Classes.
2. 2230 Labour Employment and Training.
3. 2251 Secretariat Social Service
4. 2552 Lump sum Provisions for North Eastern Region
5. 3601 Grants-in-aid to State Governments.
6. 4250 Capital Outlay on other Social Services.
7. 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. 170.00 crore during the year 2003-2004 out of which Rs.24.51 crore were transferred to Ministry of Urban Affairs and Poverty Alleviation. Further a provision of Rs. 17.00 crore was kept for ongoing/proposed schemes in North Eastern Region.

1.6 Budget Estimates of the Ministry for the year 2004-2005 are placed at Rs.923.54 crore (Plan Rs.166.97 crore and Non-Plan Rs. 756.57 crore). The Planning Commission made an allocation of Rs. 181.00 crore towards plan budget for the year 2004-2005 out of which Rs.14.03 crore have been transferred to Ministry of Urban Affairs and Poverty Alleviation for incorporation in the budget document of that Ministry for Capital Works to be executed during 2004-2005. Further a provision of Rs.18.10 crore has 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 2003-2004 alongwith the percentage of expenditure :-

Expenditure Statement in respect of Ministry of Labour and Employment						
PLAN						
Sl. No.	ITEM	B.E 2003-2004	R.E. 2003-2004	Figures in Lakhs		
				Expenditure during 2003-2004	% OF EXP OVER B.E	% OF EXP OVER R.E.
1	Research & Statistics	834	600	576.93	69.18	96.16
2	Industrial Relations					
	a) CLC	322	195	209.18	64.96	107.27
	b) Strengthening of Adjudication Machinery	237	90	91.73	38.70	101.92
	c) Holding of Lok Adalat	12	1	0.03	0.25	3.00
	d) Scheme on education and Trg.to promote workers participation in management	4	4	3.99	99.75	99.75
3	Working condition & Safety					
	a) DGFASLI	90	63	36.94	41.04	58.63
	b) DGMS	355	208	253.18	71.32	121.72
4	Labour Education					
	a) CBWE	867	785	785.00	90.54	100.00
	b) NLI	265	265	225.00	84.91	84.91
5	Rehabilitation of bonded labour-Grants in aid	300	250	269.91	89.97	107.96
6	Improvement in Working Conditions of Child/Women labour					
	a) Child Labour	7243	6795	6733.61	92.97	99.10
	b) Women Cell	46	31	14.29	31.07	46.10
7	Employment					
	a) Central Scheme	109	69	73.39	67.33	106.36
8	Training					
	a) Central Scheme	1844	1511	1655.5	89.78	109.56
	b) Grant-in-aid to State	121	1	0	0.00	0.00
9	Others					
	I) Information Technology	100	80	79.89	79.89	99.86
	ii) Grants-in-aid to research and Academic Institutions	20	12	10.29	51.45	85.75
	iii) Training scheme for Personnel	10	0	0	0.00	0.00
10	Welfare of SC/ST & other backward Classes	70	40	32.72	46.74	81.80

11	Lump sum Provision for Schemes on North Eastern States	1700	1500	1478.74	86.98	98.58
	Total	14549	12500	12530.32	86.12	100.24

Expenditure Statement in respect of Ministry of Labour and Employment

NON PLAN		Figures in Lakhs				
Sl. No.	ITEM	B.E 2003-2004	R.E. 2003-2004	Expenditure during 2003 – 2004	% OF EXP OVER B.E	% OF EXP OVER R.E
1	Secretariat social service	1520	1520	1300.65	85.57	85.57
2	Research & Statistics	410	430	423.25	103.23	98.43
3	Industrial Relations					
	a) CLC	1642	1592	1488.90	90.68	93.52
	b) Labour Tribunal Courts of enquiry	194	164	142.24	73.32	86.73
	e) Board of Arbitration	19.00	22.00	19.00	100.00	86.36
	f)Wage Cell	6	3	2.33	38.83	77.67
	g) Other Commissions					
4	Working condition & Safety					
	a) DGFASLI	858	848	798.04	93.01	94.11
	b) DGMS	1672	1662	1529.81	91.50	92.05
5	Labour Education					
	a) CBWE	1600	1600	1600.00	100.00	100.00
	b) NLI	200	200	200.00	100.00	100.00
6	Mica Mines Labour Welfare	147.38	137	116.27	78.89	84.87
	Iron Ore Mines – Central Scheme	1149.93	1090.00	916.22	79.68	84.06
	Limestone dolomite Labour Welfare- Central Scheme	1000.82	857.00	650.15	64.96	75.86
	(ii) Loan					
	Beedi Worker Welfare (i) Central Scheme	8711.19	8050	8088.08	92.85	100.47
	ii) Grant-in-aid to State	350	200	125.40	35.83	62.70
	iii) Capital Outlay	8	3	0.75	9.38	25.00
	iv) Loan	8	0	0.00	0.00	0.00
	Cine Workers Welfare	88.68	83	84.36	95.13	101.64
	Total DGLW:	11464	10420	9981.23	87.07	95.79
7	Transfer to Reserve Fund	11265	11265	10941.25	97.13	97.13
8	Social Security	46250	46330	46331.00	100.18	100.00
9	International Cooperation					
	a) India Contribution to ILO	449	450	432	96.18	95.96
	b) India subscription to ISSA	3	2	1.87	62.33	93.50
	c) Others	2	2	0.00	0.00	0.00

10	Other Grants Compensation to heavy duty inter state vehicle drivers killed in accidents	15	1	0.00	0.00	0.00
11	Employment	1750	1750	1624.22	92.81	92.81
12	Training					
	Central Scheme	2755	2755	2316.93	84.10	84.1
13	Other Item					
	I) Welfare Of Emigrant Labour	158	158	130.53	82.61	82.61
	ii) Other Items	48	62	41.00	85.42	66.13
14	Welfare of SC/ST & others backward classes	274	274	199.23	72.71	72.71
	Total	82554	81510	79503.31	96.30	97.54

1.8 It has been observed from the Notes on various schemes furnished by the Ministry that on some of the Schemes the expenditure is not upto the mark such as Welfare of SC/ST job seekers through coaching, guidance and Vocational Training; Strengthening of NVTI/RVTI for women, Management Information System; Upgradation of Training Infrastructure in DGE&T Institutes; Indo-American Child Labour Project with Matching U.S. Grant; Modernisation of Machine Tabulation Unit; Improvement and Strengthening of enforcement and implementation system for safety and Health; etc.

1.9 On some of the Schemes the expenditure is zero such as Building & Equipment for Apex Hitech. Institute, Bangalore; Improvement and Strengthening of Training Wing of Central Labour Service Officers; Strengthening of Occupational Safety and Health Strategies in Priority Hazardous Chemical Processes; Design and execution of National level awareness campaign in identified seven segments of unorganised sector.

1.10 When asked about the reasons for low expenditure and zero expenditure and about the reduction of funds at R.E. stage by the Planning Commission, the Ministry of Labour and Employment, during the course of evidence, stated as under:-

“We also had some saving and lesser expenditure because there were a number of vacant posts which we had not been able to fill. Once the posts remain vacant for some time, to get these posts filled in, there are two types of delays which take place. There is a delay on account of the whole process of recruitment which comes through the Staff Selection Commission or the UPSC and the second is the delay in making these posts come alive as we have to get the approval of the Finance Ministry. Last year we have had a saving of almost Rs.13 crore on account of non-filling up of posts.”

1.11 The representative of the Ministry further stated –

“.....there is one type of cut which the Finance Ministry imposes, which is almost mandatory, is a ten per cent cut at the RE stage. To that extent, when we have discussions with the Finance Ministry, it feels that the expenditure is not upto the mark and then it reduces out allocation. The reasons why we had a slow pace of expenditure as we have not been able to spend because of differences of the Planning Commission and the Finance Ministry and we have not been able to get the schemes off the ground and then thereafter we get hit again because we are accused of slow expenditure and therefore, there is a cut any way”.

1.12 Secretary also added:-

“We have provided for monthly review, the planned and non-planned expenditure, review of each and every scheme. I have myself been doing the review. Adequate progress have been registered, progress has also taken place on the basis of budget estimates and on the basis of revised estimates. Even we are not satisfied. We can make improvement further more and we must do it.”

1.13 The Ministry in their reply furnished to the Committee have stated that saving was also due to non-procurement of computer equipments, non settlement of bills supplied by Directorate General of Supply & Disposal for supply of equipment to different field institutes and non-approval of two new schemes under the Research & Statistics and non-receipt of claims for grants-in-aid from the State of Andhra Pradesh under the Housing Schemes for Economically Weaker Sections of Beedi Workers.

1.14 The Committee note that the Ministry of Labour & Employment have improved their expenditure both in Plan and non-Plan allocations during the year 2003-04 but the expenditure on some of the schemes such as Welfare of SC/ST job seekers through coaching, guidance and vocational training; Strengthening of NVTI/RVTI for women, Management Information System; Upgradation of Training Infrastructure in DGE&T Institutes; Indo-American Child Labour Project with matching U.S. Grant; Modernisation of Machine Tabulation Unit; Improvement and Strengthening of Enforcement and Implementation System for Safety and Health is not upto the mark and in some of the Schemes such as Building & Equipment for Apex Hitech Institute, Bangalore; Improvement and Strengthening of Training Wing of Central Labour Service Officers; Strengthening of Occupational Safety and Health Strategies in Priority Hazardous Chemical Process etc. the expenditure is zero. The reasons put forth by the Ministry for less spending or no spending at all on some of the schemes such as non filling up of vacant posts, non-procurement of computer equipment, non-settlement of bills and non-approval of two new Plan Scheme are not convincing to the Committee. The Committee are, therefore, of the opinion that the monitoring and coordination of the Ministry with other implementing agencies are not very effective. The Committee, therefore, desire that the Ministry should improve their planning and coordination with the implementing agencies so that the schemes become functional and the funds allocated are not left unspent. The Committee also desire that the matter may be taken up vigorously with the concerned agencies (UPSC and SSC, etc.) for filling up the posts lying vacant under various organisations of the Ministry.

APPEX HITECH INSTITUTE, BANGALORE

1.15 It has been stated that an amount of Rs. 10 lakh was allocated for Building & Equipment for Apex Hitech. Institute Bangalore during the year 2003-04 which was later reduced to Rs.0.10 lakh and the actual expenditure was nil. On being asked about the zero expenditure, the Ministry have stated that Apex Hitech Institute is still functioning in a part of the accommodation provided by Foremen Training Institute, Bangalore as Planning Commission has not agreed to extend 'in principle' approval to the proposal to construct a separate building. Expenditure Finance Committee in its meeting held in March 1998 accorded 'in principle' approval for the setting up of Apex Hi-tech Institute with complete infrastructure subject to external assistance being tied up by Ministry.

1.16 The Committee note that the expenditure on Building & Equipment for Apex Hi-tech Institute, Bangalore is zero whereas the allocation made at BE was Rs.10 lakh which was reduced to Rs.0.10 lakh at RE stage. The Committee have been apprised that the proposal for setting up of Apex Hitech Institute at Bangalore was approved by the Expenditure Finance Committee in March 1998 which is still functioning in a limited way with temporary accommodation provided by Foremen Training Institute as the Planning Commission has not agreed to extend 'in principle' approval to construct a separate building.. The Committee are not happy with the situation and are of the opinion that the Apex Hi-Tech Institute at Bangalore should have been set up much earlier. The Committee, therefore, desire that the Planning Commission be persuaded once again and necessary approval might be sought to make the Apex Hi-tech Institute at Bangalore fully functional.

HOSPITALS FOR BEEDI WORKERS

1.17 It has been stated that there was a saving of Rs.643.34 lakh (Original Grant = Rs.29,86.53 lakh and Actual Expenditure = Rs.23,43.19 lakh) under the heading Health (Beedi workers) was due to non-filling up of vacant posts of medical officers, less demand of medicines and other materials by hospitals and non-materialisation of construction work of Sagar Hospital (MP) and Mukkudal Hospital by CPWD which was beyond the control of Ministry of Labour.

1.18 During the course of evidence, representative of the Ministry stated as under:-

“There is no doubt that there has been delay in constructing hospital in Sagar for the beedi workers. This is because the work is being done by the CPWD. Likewise hospital have been sanctioned at three places i.e. Mukkudal, Sagar and Nalanda, Biharsharif. The CPWD have started work in Mukkudal. They took undue time in drawing the specifications. We have repeatedly reminded them to construct hospitals at the earliest.”

1.19 Labour Secretary added: -

“We shall call a meeting of CPWD officers at Sagar and Shri Monoharlal will also be present there so that he can give confirm information regarding the completion of work.”

1.20 The Committee regret to note that the Sagar Hospital (M.P.) and Mukkudal Hospital (Tamilnadu) for Beedi Workers could not be made functional due to non-materialisation of construction work which resulted in a saving of Rs.643.34 lakh. The Committee are not happy with the situation as the sanctions for establishing these hospitals were issued in October 2001. It is clear that the Ministry's coordination with the Central Public Works Department (CPWD) is not satisfactory. The Committee, therefore, desire that the Ministry should take up the matter with CPWD at a higher level and have the hospitals constructed at the earliest. The Committee also desire that the posts of medical officers lying vacant in various hospitals for beedi workers should be filled up expeditiously.

AGRICULTURAL LABOURERS

1.21 It has been stated that an amount of Rs.3,00.00 lakh was allocated for Welfare of Agricultural Labourers during the year 2002-03 and the actual expenditure was of the tune of Rs. 4.71 lakh and therefore the saving was Rs. 2,95.29 lakh.

1.22 On being asked about the Central legislation for the agricultural workers, the Labour Secretary stated –

“Firstly, about the Central legislation for the agricultural workers, I would like to say that agriculture is a State subject. But it does not prevent the Central Government from enacting a legislation. This subject has been discussed in the Indian Labour Conference, the Standing Labour Committee and several Standing Committees. A draft Bill was prepared 24 years ago. It has been debated in different tripartite fora. It has been under debate since long. But there has not been a consensus amongst the State Governments about enacting a Central law because the implementation machinery has to be the State Government. The Central Government cannot have an implementation machinery to provide the minimum wages or improve the working conditions of the agricultural workers who are about 11 crore today. However, we have not closed the chapter

1.23 The Committee take a note of the fact that there are about 11 crore agricultural labourers who constitute by far the largest segment of the workers in the unorganised sector. The Committee have been consistently recommending to the Government to bring a comprehensive legislation for the welfare of agricultural workers but due to certain reservations expressed by a few State Governments, the proposal for a comprehensive legislation could not be materialised. However, to meet the social security need of the agricultural workers, a scheme, namely the Krishi Shramik Samajik Suraksha Yojana-2001 was launched in 50 identified districts in the country on a pilot basis. Unfortunately, the scheme has not been finally approved by the Planning Commission and the Ministry of Finance. The Committee feel that as on date the Government has no concrete scheme for the welfare of the gigantic agricultural workforce in the country. The Committee, therefore, strongly recommend that the Government should take urgent steps to bring in a comprehensive legislation for agricultural workers to provide for minimum social security for them, viz. security of employment, hours of work, payment of wages and machinery for settlement of disputes, etc.

CONSTRUCTION WORKERS

1.24 The Ministry have stated that as per 1991 Census of India, the number of building and other construction workers working in the country was around 5.55 million. There has been considerable increase in the number of building and other construction workers since then. As per estimates of National Sample Survey Organisation (NSSO) (1999-2000) there were more than 17.62 million building and other construction workers in India. However, the number of building and other construction workers working separately in organized and unorganized sector is not available. Further, no survey on all India basis has been conducted specifically to ascertain the number of Building and other Construction Workers except the figures supplied by Census of India and NSSO.

1.25 On being asked whether all the State Govts./U.Ts have notified the rules under the Building and other Construction Workers (Regulations for Employment and Conditions of Service) Act, 1996 for the benefit of the construction workers the Ministry have stated that the progress of implementation of the Building and other Construction workers (Regulation of Employment and Conditions of Service) Act, 1996 and Building and other Construction Workers Welfare Cess Act, 1996 made so far in different States is shown in the Annexure.

1.26 Secretary Labour admitted during the course of evidence that some of the State Governments have neither framed the rules nor constituted Welfare Boards for the welfare of workers employed in the construction work.

1.27 The Committee note that there are more than 17.6 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 enacted w.e.f. 20.8.1996 but only a few State Governments have either notified the rules or constituted the Welfare Boards as mandated in the Acts for the welfare of construction workers. The Committee are not happy with the situation and urge the Ministry to pursue the matter vigorously with all the remaining State Governments 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 work.

1.28 The Committee also desire that a survey should be conducted to ascertain the actual number of building and other construction workers engaged in the organised and unorganised sectors in the country.

CHAPTER II

MAJOR HEAD: 2230

Sub head: 08

(A) DIRECTORATE GENERAL FACTORY ADVICE SERVICE & LABOUR INSTITUTES

2.1 The Directorate General, Factory Advice Service & Labour Institutes (DGFASLI), Mumbai which is an attached office of the Ministry of Labour functions as a technical arm of the Ministry on 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 in factories and ports; maintains a 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 & 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, three-months Post Graduate Certificate Course in Industrial Health {Associate Fellow of Industrial Health (AFIH)}, six-weeks course in Industrial Hygiene Techniques, and One month's Specialised Certificate Course in Safety and Health for Supervisory Personnel working in Hazardous Process Industries.

2.2 The DGFASLI organisation comprises of the headquarters; five Labour Institutes and 11 Inspectorates of Dock Safety. The Headquarters in Mumbai has the following divisions/cells:

Factory Advice Service & Statistics Cell
 Dock Safety
 Awards

2.3 The Central Labour Institute in Mumbai started working from 1959. Over the past 37 years, the Institute has grown and assumed the status of a major National Resource Centre handling inter-alia important issues such as Industrial Safety, Industrial Hygiene, Industrial Ergonomics, Major Accident Hazards Control and Construction Safety etc.

2.4 The different divisions at the Institute undertake activities such as carrying out Studies and Surveys, organising training programmes, seminars and workshops, rendering services such as technical advice, Safety Audits, testing and issuance of performance reports for personal protective equipment, delivering talks, etc. Some of these facilities that are not available in certain regions are extended to such regions as and when necessary.

2.5 The Regional Labour Institutes (RLIs) located in Kolkata, Chennai and Kanpur are serving the respective regions of the country. Each of these institutes have the following divisions/sections:-

Industrial Safety
 Industrial Hygiene
 Industrial Medicine
 Staff Training and Productivity
 Communication
 Major Accident Hazards Control
 Computer Centre

2.6 The Ministry have furnished a statement showing the Budget Estimates, Revised Estimates and the actual expenditure incurred by the Directorate General of Factory Advice Service and Labour Institutes during the year 2003-04 and the BE kept for the year 2004-05 is as under:

(Rs. In Lakhs)

Non Plan	B.E.	R.E.	Actuals
2003-2004	858.00	848.00	772.87
2004-2005	870.00	---	---
Plan			
2003-2004	90.00 (C.W.400.00)	63.00 (C.W.400.00)	61.23 ---
2004-2005	140.00 (C.W.500.00)	---	---

2.7 The details of Consultation Studies undertaken by the DGFASLI Organisation during 2001, 2002 and 2003 are given below: -

Sl. No	Area	2001		2002		2003	
		Completed	Under Progress	Completed	Under Progress	Completed	Under Progress
1.	Noise	10	1	4	-	7	2
2.	Ventilation	3	-	2	1	-	-
3.	Illumination	2	-	1	-	-	-
4.	Safety Audit	13	2	12	6	21	17
5.	Safety Survey	-	-	2	-	-	-
6.	Environment Assessment	9	9	14	5	-	-
7.	Assessment of Airborne Contaminants	10	-	10	-	37	8
8.	Dust Level	-	-	2	-	-	-
9.	Hygiene-Cum-Safety	1	-	-	1	3	2
10.	Maximum Credible Loss Scenario	2	-	2	2	3	-
11.	HAZOP	2	3	4	-	1	1
12.	Safety Audit MAHC	5	5	8	1	7	3
13.	Occupational Health & Safety	-	-	-	1	4	1
14.	Assessment of	3	2	5	8	6	5

	Occupational Health Status						
15.	Occupational Health & Environment	-	-	-	-	-	1
16.	Ergonomics	-	2	1	1	10	1
17.	Evaluation of Heat Stress	1	-	2	-	4	3
18.	Formulating of Heat Stress	-	-	-	1	-	-
19.	Psychometric Assessment	1	-	-	-	3	-
	Total:	61	24	69	27	106	44

2.8 The Ministry have also furnished the following National Studies undertaken by them during the last three years :-

Sl. No	Title	Status
1.	Compulsory disclosure of information to workers	Completed in 2001
2.	Assessment of dust levels in major ports	Completed in 2001
3.	Transport Equipment Safety & Road Accident in Ports	Completed in 2001
4.	National Study on Anthropometry	Completed in 2001
5.	Study on Safety & Environmental Condition in Stone Crushing Units in Tamil Nadu	Completed in 2001
6.	Study on Model Ship breaking yard	Completed in 2001
7.	Status of Occupational Health & Environment in Slate Pencil Industries	Completed in 2002
8.	National Study in Stainless steel Rolling Mills in Jodhpur	Completed in 2002
9.	Safety Health & Work Environment in Pesticides Industry	Completed in 2002
10.	Survey in Salt Industry	Completed in 2002
11.	Port Safety Committee Revisited: A National Follow-up Study on the Structure and Functioning of the Port Safety Committees	Completed in 2003
12.	Occupational health study in cashew industries	Completed in 2003
13.	Assessment of capabilities & management of occupational safety and health in the state of Goa	Completed in 2003
14.	Assessment of capabilities & management of occupational safety and health in the state of West Bengal	Completed in 2003
15.	Assessment of Capabilities and Management of Occupational Safety in the National Capital Region of Delhi	Completed in 2003
16.	Assessment of capabilities and management of occupational Safety & Health in the state of Tamil Nadu	Completed in 2003
17.	Assessment of Capabilities at Management of OSH in the State of Uttar Pradesh.	Completed in 2003
18.	Safety Audits in Ports	Completed in 2003
19.	Ergonomic study on Beedi workers	Under Process
20.	National Study on Asbestos	Under Process
21.	Survey of Occupational Safety & Health Management System, Implementation in Indian Industry.	Under Process
22.	Occupational health profile of VDT workers	Under Process
23.	Assessment of capabilities & management of occupational safety and health in the state of Maharashtra.	Under Process
24.	Assessment of Capability and Management of Occupational Safety & Health in the State of Orissa	Under Process
25.	Evaluation of Air borne Asbestos Fibre	Under Process
26.	Assesment of capabilities & management of occupational safety & health in the state of Andhra Pradesh.	Under Process

2.9 The reports on the above consultancy studies have been submitted to the managements concerned and they have been directed to implement the recommendations made therein. Follow-up studies at the request of the

management after implementation of the recommendations have also been undertaken. In respect of national studies, reports are sent to agencies concerned for implementation.

2.10 The Ministry have stated that the 46th Conference of Chief Inspectors of Factories was held at Goa from 28-30 January, 2004. The major issues discussed during the Conference, *inter alia*, include accreditation of safety professionals/consultants/safety auditors, reducing requirements of first aid boxes from 1 for every 150, to 50 workers and ambulance room for every 300 workers instead of 500, enhancing OT hours from 75 to 120/100 hours, appointment of medical officers in all shifts, formulation of OSH Standards in respect of identified industries, regulation of employing contract labourers in chemical factories and engineering industries, requirement of work permit for working at height, exemption of women workers to work in night shifts, inconsistency in the provisions between Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 and Major Accident Hazard Control Rules notified under the Factories Act, inspection policy, qualification of supervisors in hazardous process industries, provision of uniform policy in providing safety kits to the inspecting officials, advance training to the officers of the Inspectorate of Factories, applicability of the provisions of the Factories Act and the Rules thereunder to stone crushing units working adjacent to stone quarries, guidelines for recognizing institutions for conducting certificate course in first-aid treatment, enhancing the list of notifiable diseases under Third Schedule to the Factories Act.

2.11 The Directorate General, Factory Advice and Labour Institutes is pursuing the matter with the State Governments for implementation of the decisions taken during the Conference.

2.12 On being asked about the new plan schemes proposed during the Tenth Five Year Plan and how many of these have become functional so far the Ministry have stated that the following new Plan Schemes were proposed:

- a. Design and Execution of National Level Awareness Campaign in the Identified Seven Segments of Unorganized Sector.
- b. Competence Building in Enforcement Agencies and Development of Enforcement Strategies and Guidelines
- c. Strengthening of Occupational Safety & Health Strategies in Priority Hazardous Chemical Processes.

2.13 Out of the above three plan schemes, only the Planning Commission has approved two at Sr.No.1 & 2. However, for the plan scheme “Strengthening of Occupational Safety & Health Strategies in Priority Hazardous Chemical Processes” also, the Planning Commission has been requested to accord its in-principle approval. The plan scheme “Design and Execution of National Level Awareness Campaign in the Identified Seven Segments of Unorganized Sector”

has become functional and various activities envisaged in this plan scheme have been initiated.

2.14 As regards General Legislation (Umbrella) on Occupational Safety and Health the Ministry have stated that the proposal for bringing out a General Legislation (Umbrella) on Occupational Safety and Health had been considered by the Committee set up under the Chairmanship of DGFASLI. The Committee has now prepared the draft Bill which is based on the Occupational Safety and Health Bill, 2002 recommended by the 2nd NCL and this draft Bill was circulated amongst the CIFs of different States during 45th Conference held in January, 2003 at Mumbai. The feedback from majority of States are still awaited.

2.15 Regarding general legislation for workers at work the Ministry have stated that the Working Group on Occupational Safety and Health for the 10th Five Year Plan constituted by the Planning Commission recommended for a general legislation to secure the safety and health of workers at work. A Committee was set up under the chairmanship of Director General of Factory Advice Service and Labour Institutes (DGFASLI) to consider this recommendation. The Committee has prepared the draft Bill, which is based on the Occupational Safety and Health Bill, 2002. The draft Bill was circulated amongst the Chief Inspectors of Factories of different States during the 45th Conference held at Mumbai. The comments on the draft Bill are still awaited from majority of States. The matter is being pursued regularly.

2.16 When asked whether some of the State Governments/UTs have not notified the model rules as well as major accident hazards control rules framed by DGFASLI under the Factories (Amendment) Act, 1981 so far and the steps taken in this regard the Ministry have stated that the State Governments/UTs who have not notified the Model Rules as well as Major Accident Hazards Control (MAHC) Rules framed by DGFASLI under the Factories (Amendment) Act, 1987 are given below:-

a. States/UTs who have not notified the Model Rules framed under the Factories (Amendment) Act, 1987:-

(i) Andaman & Nicobar Island, (ii) Chattisgarh, (iii) Himachal Pradesh, (iv) Jammu & Kashmir, (v) Manipur, (vi) Mizoram, (vii) Nagaland, (viii) Tripura, (ix) Uttaranchal.

2.17 States/UTs who have not notified the MAHC Rules:-

(i) Himachal Pradesh, (ii) Jammu & Kashmir, (iii) Manipur, (iv) Meghalaya, (v) Nagaland, (vi) Uttar Pradesh.

2.18 The respective governments have been requested during the 46th Conference of Chief Inspectors of factories to expedite the notification of the above Model Rules and MAHC Rules.

2.19 The Ministry have furnished the following statement showing the sanctioned and working strength of organization of DGFASLI under Technical & Administrative units of DGFASLI:-

Units	Technical		Administrative		Total	
	Sanctioned	Working	Sanctioned	Working	Sanctioned	Working
Hqr.	15	10	50	44	65	54
CLI, Mumbai	102	73	103	87	205	160
RLIs (4)	83	60	98	72	181	132
IDSs (12)	22	17	34	32	56	49
Total	222	160	285	235	507	395

2.20 On being asked about the number of reported accidents (fatal and non-fatal) in dock yards during the last three years and the reasons therefor also the preventive measures taken by the Organisation, the Ministry have furnished the following Statement:

Year	Fatal	Non-Fatal	Total
2000-2001	20	189	209
2001-2002	29	163	192
2002-2003	24	176	200

2.21 The main reasons of accidents in the dockyards/ports are given below:

- i) Unitized and break bulk cargo - The main accidents under this agency are due to handling of bags, rails, coils, pipes, billets and timber logs.
- ii) Means of transportation - The major contribution agencies for accidents under this agent are lorries, tractor-trailers.
- iii) Loose gears and ropes - The major contributing factors for accidents under this agent are containers, containers spreaders and slings.

2.22 All the fatal and serious accidents are investigated by the Inspectors of Dock Safety to find out probable causes. On the basis of findings and analysis of the accidents, appropriate measures are taken like issuing of warning orders, prosecution, advising the port authorities and other port users, discussing and drawing up suitable action plans in the Port Safety Committee Meetings etc., depending upon the seriousness of the contraventions of the provisions under the statutes to prevent recurrence.

2.23 The DGFASLI has given directions to all the Port Trusts to undertake the following measures for controlling these accidents.

- a. Constitution of sub-committee of the Safety Committees.
- b. Imparting of training on defensive driving to all the drivers of transport equipment.
- c. Display of traffic signs and cautionary notices.
- d. Maintenance of roads and approaches, etc.

2.24 The Ministry have stated that Safety-cum-training centres have been set up in seven major ports, namely Mumbai, Kolkata, Chennai, Visakhapatnam, Kandla, Cochin and Paradip. As per the statutes, the training of dock workers is the responsibility of the Port Authorities and other employers concerned. The objectives of the training are to update knowledge, skill and safety awareness of the dock workers, so that they can be protected from accidents and they work in a safe, comfortable work environment which, in turn, would enhance the productivity of the port.

2.25 Though the responsibility for training lies with the Port Trust and other employers concerned, DGFASLI, initially, with a view to create safety awareness among the dock workers and safe work culture in the ports, established the Safety cum Training Centres in 7 major ports and pursued the matter with other port Trusts for establishing the same. However, over a period of time, most of the Port Trusts have established their own Training Centres/Training arrangements for training the dock workers belonging to the Port Trusts as well as other employers of dock workers.

2.26 The Ministry have furnished the following Statement regarding the number of ships and oil tankers inspected during last three years by the Inspectors of Dock Safety -

Year	No. of ships and oil tankers inspected
2000-01	1345
2001-02	1355
2002-03	1537

2.27 Generally the nature of findings vis-à-vis breach of Regulations are concerned with safe handling of cargo maintenance of lifting machineries/gears, means of access from ship to shore, deck to holds, working spaces, etc.

2.28 As a follow up of Inspection of ships and oil tankers, the Inspectors issue Improvement Notices and Prohibition Orders, whenever required to the Owner, Master or Officer-in-charge of the ship, Employer of dock workers etc. citing the breach of Regulations, with directions to comply with the requirements specifying time limits.

2.29 The Inspectors ensure that the remedial actions are being carried out by Owner, Master or officer in charge of the ship, Employer of dock workers etc. based on the compliance Report by the concerned and re-inspection by the Inspector, if felt necessary. Many a times, the Inspectors ensure the compliance on the spot.

2.30 On being asked about setting up of Inspectorate of Dock Safety at Ennore Port, which has become a major port in the country, Ministry have stated that the Inspectorate of Dock Safety at Ennore Port has not yet been set up as per the scale laid down in the Schedule appended to the Regulation and a proposal for creation of necessary posts and setting up of Inspectorate at Ennore is under consideration. The Ennore Port was notified as a Major Port vide Ministry of Surface Transport Gazette Notification No. GSR 221E dated 23 March, 1999

2.31 Regarding the formation of the Regional Labour Institute at Faridabad, the Ministry have stated that it is still in the formative stage of being set up. This is mainly due to procedural delays such as obtaining approval for construction plan from HUDA, passing of tenders by CPWD etc.

- a. The land for establishing the RLI was taken away from the Haryana Government in March, 2000.
- b. The proposal for creation of all the posts of RLI, Faridabad is under consideration.

2.32 The Committee note that Directorate General of Factory Advice Service & Labour Institutes is entrusted with an important task of improving safety, health and welfare of workers in the factories and ports/docks, but it has not been very effective in preventing fatal and non-fatal accidents. As many as 24 fatal and 176 non-fatal accidents have occurred during 2002-03 alone. The Committee also note that some of the National Studies on safety, health and working conditions in various types of operations/processings/industries are still under process and there are 112 posts still lying vacant in the organisation. 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, desire that the Ministry should strengthen the organisation by providing sufficient manpower to enable it to intensify the activities on improving working conditions, health status of workers and other matters relating to industrial safety in the factories and ports.

2.33 The Committee regret to note that some of the States have neither notified the Model Rules framed under Factories (Amendment) Act, 1987 nor notified the MAHC Rules (Major Accidents Hazards Control Rules) which is clearly indicative of poor monitoring done by the Ministry. The Committee are of the view that there should be no compromise insofar as safety and health of the workers is concerned and therefore desire the Ministry to persuade the remaining State Governments to notify the Model Rules and MAHC Rules without further delay.

2.34 The Committee note with dismay that the Ennore Port, which has become a major port in the country, does not have any Inspectorate of Dock Safety as per the scale laid down in the Schedule appended to the Regulations. The Committee have been informed that the proposal for creation of necessary posts and setting up of Inspectorate at Ennore is under consideration of the Ministry. The Committee fail to understand as to why the Inspectorate of Dock Safety at Ennore Port has not so far been set up as this Port started functioning as a Major Port during March, 1999 and, therefore, desire that there should not be any further delay in setting up the office of Inspectorate at Ennore Port with full infrastructure.

2.35 The Committee are constrained to note that the Regional Labour Institute at Faridabad is still in the formative stage. Although the Ministry took possession of land from the Haryana Government in March 2000 for construction of a building for RLI at Faridabad, they have not been able to construct their own building even after more than 4 years. The reasons put forth by the Ministry that due to procedural delays in obtaining approval for construction plan from HUDA and passing of tenders by CPWD, etc. are not acceptable to the Committee. The Committee, therefore, desire that the Ministry should make all out efforts to construct their own building without further delay so as to make the Institute fully functional.

Major Head: 2230**Sub Head: 0:3****DIRECTORATE GENERAL OF MINES SAFETY**

2.36 Mineral constitutes the backbone of the economic growth of any nation and India has been eminently endowed with this gift of nature. Progressive industrialization witnessed the rise in demand and hence production of various minerals. Growth of mining under the impact of successive Five Year Plans has been phenomenal. To take care of the enhanced targets, mechanization of mining activities has taken place. Under the Constitution of India, Safety, Welfare and Health of workers employed in mines are the concern of Central Government (Entry 55 – Union List Article 246). The Mines Act, 1952 and the Rules and Regulations framed there-under regulate the objective. These are administered by the Directorate-General of Mines Safety (DGMS), under the Union Ministry of Labour. Apart from administering the Mines Act and Subordinate Legislations there-under, DGMS also administers other allied legislations.

2.37 The Directorate General of Mines Safety is a subordinate office under the Ministry of Labour with its Head Quarters at Dhanbad (Jharkhand) and is headed by the Director-General of Mines Safety. At the Head Quarters, the Director General is assisted by specialist staff-officers of Mining, Electrical and Mechanical Engineering, Occupational Health, Statistics, Law, Survey, Administration and Accounts disciplines. The Head Quarters Office also has a Technical Library and S&T Laboratory as a back-up support to the organisation. This Field organisation has a two-tier network. The entire country is divided into Six Zones, each under the charge of a Deputy Director-General. There are three to four Regional Offices under each zonal office. Each Region is under the charge of Director of Mines safety. There are in all 21 such Regional offices. Four sub-regional offices have also been set up in important areas of concentrated mining activities away from Regional offices. Each of these is under the charge of a Deputy Director. Besides having inspecting officers of Mining cadre in each Zone, there are officers of Electrical and Mechanical Engineering and Occupational Health disciplines.

2.38 The Ministry have furnished the following Statement showing the year-wise no. of inspections and enquiries carried out by the officers of the DGMS during 2001-2003.

Year*	No. of inspections				No. of Enquiries				Grand Total
	Coal	Metal	Oil	Total	Coal	Metal	Oil	Total	
2001	5410	2908	229	8547	1148	418	51	1617	10164
2002	5667	2856	269	8792	1022	402	30	1454	10246
2003	5574	3247	246	9067	966	427	13	1406	10473

• Year pertaining to calendar year.

Year	Inspections					Enquires Total
	Belowground	Opencast	Aboveground	Total		
2001	3074	3627	1846	8547	1617	
2002	2356	3718	2118	8792	1454	
2003	2734	4150	2183	9067	1406	

2.39 Violations observed after the inspections in various mines were intimated to the management. All the fatal accidents were enquired into, the cause and responsibility of accidents were identified and suitable action such as warning letters, stoppage of increment, demotion to lower grade etc. and prosecutions were launched against the persons held responsible as also the management.

2.40 The details of Target and Achievements during the last three years are as under:

Year #	Target	Achievement
2000-2001	11190	12678
2001-2002	10569	12445
2002-2003	11178	13144

Financial year

2.41 On being asked about the activities proposed under the Plan Scheme “Modernization of Survey Capabilities in DGMS through digitalization of mine’s Plans and Automated Survey Systems (MSC)”, the Ministry have stated that it was approved by the Expenditure Finance Committee of the Ministry of Labour and Employment in July, 2003. Its implementation is under process by the DGMS.

2.42 Regarding the fatal and serious accidents, the Ministry have furnished the following Statement showing the number of fatal and serious accidents in mines during the last three years is as under:

(a) Fatal and serious accidents in coal and non-coal mines:

	Coal					Non-coal				
	Fatal Accidents			Serious Accidents		Fatal Accidents			Serious Accidents	
	Number	Killed	S/Inj.	Number	S/Inj.	Number	Killed	S/Inj.	Number	S/Inj.
2002	81	97	15	629	650	52	64	3	205	206
2003*	84	114	11	548	563	53	63	16	185	186
2004**	45	50	3	171	175	34	40	5	86	86

* Provisional data

* *Data upto 30.6.2004

(b) Fatal and serious accidents in coal mines:

Year	Type of Mine	Fatal Accidents			Serious Accidents	
		Number	Killed	S/Inj.	Number	S/Inj.
2001	Belowground	67	102	12	464	492
	Opencast	26	26	02	73	75
	Aboveground	12	13	0	130	139
Total		105	141	14	667	706
2002	Belowground	48	61	11	434	453
	Opencast	22	22	04	92	94
	Aboveground	11	14	0	103	103
Total		81	97	15	629	650
2003*	Belowground	46	72	08	373	382
	Opencast	23	24	02	77	82
	Aboveground	15	18	01	98	99
Total		84	114	11	548	563
2004 **	Belowground	22	27	03	105	105
	Opencast	20	20	0	28	30
	Aboveground	03	03	0	38	40
Total		45	50	03	171	175

* Provisional data

**Data upto 30.6.2004

2.43 The cause of fatal accidents in coal mines is mainly due to fall of roof and sides in underground coal mines and due to dumper and trucks in non-coal opencast mines. In this regard, the DGMS has amended the Coal Mines Regulations and also issued number of circulars guiding the management for formulation of support rules based on Rock Mass Rating (RMR) and also setting of supports by roof bolts instead of timber support.

2.44 Regarding accidents due to dumpers and trucks, a number of circulars have been issued in this regard advising managements for strict implementation of traffic rules and vocational training rules to the persons employed specially through contractors.

2.45 On being asked about the details of prosecution cases launched against erring management of the mines and their disposal for last three years is as follows:

Year	Launched	Disposed
2001	68	01
2002	64	02
2003	39	01

2.46 The Ministry have also furnished the details of State-wise/UT-wise pending cases as on date as under:

SN	State	No. of pending cases	SN	State	No. of Pending cases
1.	Andhra Pradesh	39	12.	Karnataka	17
2.	Arunachal Pradesh	02	13.	Jammu & Kashmir	06
3.	Assam	04	14.	Madhya Pradesh	104
4.	Bihar	09	15.	Maharashtra	54
5.	Chhattisgarh	24	16.	Orissa	73
6.	Delhi	08	17.	Rajasthan	168
7.	Goa	05	18.	Tamilnadu	25
8.	Gujarat	13	19.	Uttar Pradesh	15
9.	Haryana	61	20.	Uttaranchal	02
10.	Himachal Pradesh	05	21.	West Bengal	58
11.	Jharkhand	238	22.	Total	930

2.47 When asked about the setting up of Designated Courts where the cases are pending under the Mines Act for a long time, Ministry of Labour & Employment have stated that in consultation with Ministry of Law, Justice and Company Affairs requested the Registrar General of 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 responses received from various courts are under:

Name of the Court	Response received
High Court of Allahabad	Agreed
High Court of Patna	Agreed
High Court of Rajasthan	Agreed
High Court of Tamil Nadu	Agreed
High Court of Andhra Pradesh	Agreed
High Court of Mumbai	Not agreed as more pendency of cases under other Acts.
High Court of Punjab & Haryana	Not agreed as cases are very meagre
High Court of Madhya Pradesh	Not agreed

Registrar Generals of other Courts have been reminded for their reply.

2.48 On being asked whether the safety norms are implemented forcefully or required any amendment in the safety laws, the Ministry of Labour and Employment in their written reply furnished to the Committee have stated that there is a necessity of enhancing penalties under the Mines Act. In this regard, suitable suggestions have been made in the proposed amendments in the Mines Act.

2.49 On being asked about the frequency of inspections, the Ministry have stated that inspections are made as and when required. The complete general inspection in coal mines which is required atleast once in a year is made once in 2-3 years. However, the non-coal mines are large in number and many small mines remain uninspected for 3-5 years.

2.50 The Ministry have furnished a statement showing the present strength of DGMS as against the sanctioned strength is as under:

Sl. No.	Group	Sanctioned	Working
1.	A	177	138
2.	B	104	87
3.	C	500	404
4.	D	258	196
Total		1039	825

2.51 The proposal for creation of additional minimum posts for inspecting officers was referred to Ministry of Finance for their approval. However, they desired that the proposal may be examined by the Staff Inspection Unit. Their recommendations are awaited.

2.52 There are 163 sanctioned posts of Group A inspecting officers against which only 131 officers are in position. Most of the vacant posts are at the entry level for which recruitment process takes time. All efforts are being made to fill up the existing vacancies.

2.53 Although shortage of manpower in DGMS is affecting the periodicity of inspection in mines, DGMS has evolved a system of according priority of inspection based on the nature of hazards involved and risk analysis in a rotational order of underground coal mines, underground metaliferous mines, big mechanized open cast mines and oil mines followed by small mines to overcome the difficulty.

2.54 The number of inspecting officers is decided based on at least one general inspection of coal mines in each year as recommended by Kumaramangalam Committee on Role and Functions of DGMS.

2.55 On being asked whether the proposal to delegate inspection of small mines to the State Governments and to introduce external third party safety audit system by amending the Mines Act, 1952, the Ministry have stated that a proposal for suitably amending the Section 3 of the Mines Act, 1952 empowering the State Governments to enforce provision of the Mines Act in certain categories of small mines to introduce third party Safety Audit System has been included in the consolidated proposal for the amendment of the Mines Act, 1952. Draft Cabinet Note incorporating these amendments was circulated to concerned Central Ministries/Departments and State Governments for their comments/opinion. The comments received are being examined to finalise the proposal.

2.56 The Committee note with utmost concern that during the last 20 years the size of the mining industry has increased many fold whereas staff strength of DGMS remained static at a grossly inadequate level in meeting the safety norms in mines. The Committee also note that the complete general inspection in coal mines should be done at least once in a year where as it is made once in 2-3 years. The Department has only 131 Inspecting Officers against the sanctioned strength of 163.. The Committee are totally distressed over the situation of inadequate inspecting staff which will have serious impact on 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 mine safety enforcement machinery should be strengthened by filling up the posts of inspecting staff without further delay.

2.57 The Committee take further note that the Ministry of Labour and Employment through Ministry of Law, Justice and Company Affairs have requested the Registrar Generals of various High Courts to designate one Judicial Magistrate/Metropolitan Magistrate in the District exclusively to deal with the cases under the Mines Act, 1952. Although the High Courts of Allahabad, Patna, Rajasthan and Tamil Nadu have agreed to the proposal, most of the States where pendency of cases under Mines Act are large in number have yet to follow suit. The Committee, therefore, desire that the

remaining High Courts be persuaded to designate the Judicial Magistrate to liquidate the pending cases.

2.58 The Committee further note that penalties prescribed for different categories of offences under the Mines Act are very meagre which do not have any 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: 02

SOCIAL SECURITY SCHEME

(C) EMPLOYEES' PROVIDENT FUND SCHEME

2.59 The Employees' Provident Fund & Miscellaneous Provisions Act, 1952 provides for Provident Fund, Pension and Deposit Linked Insurance for employees in factories and other establishments. The Employees' Pension Scheme, 1995 has been introduced in place of the erstwhile Family Pension Scheme from 16.11.1995. The administration of the three schemes, namely (i) Employees' Provident Fund Scheme, 1952 (ii) Employees' Pension Scheme, 1995 and (iii) Employees' Deposit Linked Insurance Scheme 1976 is the responsibility of the E.P.F. Organisation, a statutory autonomous body. The Act is at present applicable to 180 industries/ classes of establishments employing 20 or more persons. The coverage under the three schemes is at present restricted to employees drawing wages not exceeding Rs.6500/- per month.

2.60 The number of subscribers (both in "exempted" and "un-exempted" establishments) was 394.98 lakhs as on 31.3.2003, it is estimated that by the end of financial year 2003-04 organisation will have 500.00 lakhs subscribers. The contributions in respect of "un exempted" establishments were Rs.7611.85 crores in 2002-03. The estimate for 2003-04 is Rs.8879.95 crores.

2.61 The main functions of the E.P.F. Organisation are as follows:-

1. To make the benefits available to all the eligible employees in all the covered establishments in the proper manner and at the proper time.
2. To secure from the employers compliance with the statutory provisions and ensure prompt deposit of statutory dues and submission of returns.
3. To maintain the accounts of the three funds and of the subscribers upto date.
4. To grant advances to the subscribers from their credit in the E.P.F. for certain specific purposes in times of need.
5. To keep each subscriber informed about the amount at his credit in the Provident Fund by furnishing to him every year a statement of Provident Fund account.

2.62 When asked about the number of industrial and commercial establishments covered under the EPF Scheme together with their number of employees for the last three years, the Ministry have furnished the following Statement:

Year	No. of Establishment	No. of Members (in lakhs)
2001-2002	357747	274.18
2002-2003	344508	394.98
2003-2004*	370386	400.92

• Provisional

2.63 The Ministry have informed that at present there is no proposal to enhance the wage ceiling. The increase in wage ceiling shall be considered after appropriately examining the impact on the 3 schemes under the EPF & MP Act, 1952 namely Employees Provident Fund Scheme, 1952, Employees Pension Scheme, 1995 and Employees Deposit Linked Insurance Scheme, 1976.

2.64 On being 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 also the action taken against such defaulting institutions, the Ministry have informed that no separate record is maintained in respect of establishments defaulting in remittance of employee share. However, as soon as such default is detected case under Section 406/409 of Indian Penal Code is filed before the police authorities for non-payment of employees; share deducted but not remitted. The amount outstanding from the defaulting establishments as on 31.03.04 is Rs.1862.80 crores while the number of major defaulters i.e. with default of Rs.10 lakh and above is 1568.

2.65 The Ministry stated that cases are filed with the 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 workers. Year wise details are given under : -

Year	Prosecution cases launched u/s 14	Complaints filed u/s. 406/409 IPC	Immovable Properties attached	Movable properties attached	Bank accounts attached	Arrest of defaulters
2001-2002	6712	570	233	542	8301	145
2002-2003	2451	945	322	287	6390	144
2003-2004*	2426	1387	377	624	19278	121

*Provisional.

2.66 Regarding the PF arrears and the amount recovered for the last three years, the Ministry have furnished the following statement:

(Rs. in crores)			
Year	Outstanding	Recovered	Total Arrears at the end of the year
2001-2002	2194.77	858.53	1336.24
2002-2003	2397.77	885.99	1511.79
2003-2004	3695.50	1832.70	1862.80*

*Out of the outstanding amount of Rs.1862.80cr as on 31.3.04, 70.94% is not currently enforceable on account of following reasons/difficulties:

- = Disputes in courts.
- = Establishments having gone into liquidation.
- = Recovery action barred by the Acts of Central/State Government.
- = Establishments declared sick by BIFR.
- = Establishments in respect of which rehabilitation scheme had been sanctioned by the BIFR.

2.67 The Employees Provident Fund Organisation has already initiated special efforts for moving the courts through urgent petitions to get the stay orders vacated, file timely claims before the official liquidator etc. so that recovery becomes more effective.

2.68 The Ministry have furnished the details of cases pending under Section 7A, 8B, 14, 14B of the Act and 406/409 of IPC for the last three years as well as disposal thereof is given below:-

No. of Pending Cases

	March 2002	March 2003	March 2004*
7A	15828	16026	17464
14**	27846	21235	20175
14B	7859	12343	11033
<u>406/409 (IPC)</u>			
With Police Authority	4987	5878	6199
In Various Courts	487	496	500
<u>Disposal</u>			
2001-2002		2002-2003	2003-2004*
7A	8721	37169	41629
14	9296	1997	1340
14B	33447	47159	78674
406/409 IPC			
Disposed by Courts	26	17	1

* Provisional

** EPF only.

2.69 The Committee have been informed that the EPF has set up an identity blind computerized system for detecting default and non-payment of PF dues called the Computerized Compliance Tracking System (CCTS). This program flags default on a monthly basis, levy of penalties and interest for late payment and legal process under Section 7A. Through the above program, over the last 4 years 1,15,000 covered defaulting establishments who had never complied or had stopped complying were detected, brought into full compliance, moneys due recovered and credited to 1.14 crore workers' accounts and accounts slips issued to the workers.

2.70 Further, special intelligence circles were created in field units to process complaints of evasion and other intelligence inputs for detecting evasion and non-reporting.

2.71 The recovery machinery was streamlined and a separate monitoring system put in place to pursue delinquent employers through coercive means.

2.72 As part of this effort of strengthening compliance, a 100% audit from date of coverage of each establishment was made to detect non-levy of damages under section 14B or interest under section 7Q for delayed remittance of PF contributions. The entire database was computerized.

2.73 Regarding the sanctioned and actual strength of the organisation as on 31.3.2004, the Ministry have furnished the following Statement:-

Group wise position of Staff in E.P.F.O. as on 31.3.2004

Group	Sanctioned Strength	In Position	Vacancy Position
A	675	587	88
B	2149	1948	201
C	18032	15072	2960
D	2420	2168	252
TOTAL	23276	19775	3501

2.74 Employees' Provident Fund Organisation under the "Re-inventing EPF India" Project has initiated allotment of Nationally Unique Social Security Number to the members. 11.7 lakh NSSN have already been allotted and the work is progressing in all Regional Offices. This will enable the members who are having more than one account scattered in different places to merge into one account and thus the un-claimed deposit account will be drastically reduced.

2.75 In order to render a better service to the subscribers employees are being allotted with a number called "National Social Security Number (NSSN)". The system for allotment of NSSN to subscribers is ready and operational. First it was launched in 6 Pilot Offices and later extended to other states through local offices of EPFO. The Business number for employers is under development.

2.76 The number of Employees allotted with NSSN so far is about 1.17 millions as on 23.7.2004. The number of subscribers still to be allotted with NSSN i.e. 33 million approximately, is underway.

2.77 The allotment of NSSN is a continuous process as new members will keep on joining workforce. However efforts are made to cover substantial number of existing workforce during the current financial within one year.

2.78 The position of NSSN allotted in various regions is given below:

Office/State	No. of NSSN allotted as on 27-07-2004
DELHI	1,56,730
ANDHRA PRADESH	2,96,713
BIHAR	38,071
GUJARAT	44,734
HARYANA	36,204
KARNATAKA	2,33,204
KERALA	13,147
MADHYA PRADESH	55,032
MAHARASHTRA	54,466
PUNJAB	56,054
RAJASTHAN	97,639
TAMIL NADU	61,761
UTTAR PRADESH	5,201
WEST BENGAL	24,933
TOTAL 11,73,889	

2.79 The Employees Provident Fund Organisation proposes to tackle the question of extending Social Security to more number of persons by suitable legislative changes so that new scheme can be introduced for the workers in the unorganised sector by delinking provident fund from the pension and the insurance schemes.

2.80 The introduction of umbrella legislation was found feasible considering the need for rationalization, simplification and consolidation of labour laws. It was suggested that unorganised sector particularly in terms of payment of minimum wages, hours of work, collective bargaining etc. apart from ensuring minimum welfare provisions.

2.81 On being asked the total amount unclaimed as on date in the country under EPF in the absence of complete address of beneficiaries or non-receipt of application forms from them for the claim thereof, the Ministry have stated that Para-72(6) of the EPF Scheme 1952 defines what is unclaimed deposit account. According to the audited balance sheet as on 31.3.2003, the balance in Unclaimed Deposit Account is Rs.634.56 crore and as on 31.3.2004 the balance (un-audited) is Rs.942.95 crore.

2.82 The Organisation has made efforts to trace out and persuade such members to prefer their claims for settlement through advertisement in newspapers, through the good offices of the trade unions, employers and their Associations.

2.83 The difficulties being faced by the Organisation are:

- Employees' Provident Fund Organisation under the present system is not maintaining the addresses of the individual member.
- It is not mandatory for the member to withdraw the money from the Fund even if he ceases to be in service and some of the members do not withdraw the balance due to reasons like:

2.84 The deposit in the Provident Fund is quite safe, earns better interest rate compared to the market rates, outstanding balance in the Provident Fund account cannot be attached by any authority or decree of a court, and the interest earned on it is exempt from the Income Tax.

2.85 Due to recent liberalization of the economy the mobility of the work force has increased due to down sizing or right sizing of the establishments, voluntary retirement scheme, closure of the establishments. Most of employees take employment elsewhere and become provident fund members in the new establishment but neglect to apply for transfer of the earlier account.

2.86 Some of the Government undertakings/Public Sector Undertakings have branches in different places and the employees of such undertakings are transferred from one branch to another. Such employees have one account in their present branch as well as accounts in the branches where they have previously worked due to their not applying for transfer of fund.

2.87 Employees working in seasonal establishments and employees of the contractors, the employment being migratory in nature do not prefer to claim/transfer their provident fund resulting in more than one account of such employees where except the current account the previous accounts stand transferred to Un-claimed Deposit Account.

2.88 The Committee are informed that the earlier Committee in para 2.13 of their Twenty-fourth Report (13LS) have recommended for an amendment in the EPF & MP Act, 1952 to do away with the quantum of employment and Scheduled Industries restrictions incorporated in the Act to check unfair practice by unscrupulous employers. Ministry in their final action taken reply has stated that the Central Board of Trustees has agreed to the proposed amendments in principle and has left the matter with the government for final decision. The Ministry have now stated that no final decision has been taken on the amendments to the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 so far.

2.89 When asked whether the Board of Trustees of the Provident Fund Organisation and the Government of India are considering to enhance the rate of interest on the amount deposited by the subscribers, the Ministry have stated that in accordance with the Para 60(1) of the Employees' Provident Fund Scheme, 1952 the interest to be credited to the account of members of the Fund for the year 2004-05 has to be recommended to the Government by the Central Board of Trustees. The Board is still considering the rate of interest for 2004-2005.

2.90 Interest @ 9.5% p.a was paid to all provident fund members for the year 2002-03. For 2003-04 the Board recommended to give 9% as interest and 0.5% as Golden Jubilee Bonus Interest. All outgoing employees during 2003-2004 have been granted the above 9% + 0.5% interest. Interest for the year 2002-2003 was credited in the accounts of provident fund members and interest for the year 2003-04 will be credited in the accounts of P.F. members after declaration of rate of interest under Para 60 (1) by the Central Government. The matter is still under discussion with the Ministry of Finance.

2.91 The Ministry of Labour and Employment while furnishing their reply have stated that the Central Board of Trustees in its meeting held on 19.8.2003 recommended rate of interest @ 9.5% to be credited in the accounts of provident fund members for the year 2003-04. The matter was taken up with the Ministry of Finance for their ratification. Ministry of Finance has so far not ratified the same. In the circumstances, time frame to resolve the issue of ratification cannot be indicated at this stage.

2.92 The Ministry have now informed that the issue of fixing the rate of interest of Employees Provident Fund for the year 2004-05 was discussed in the meetings of the Central Board of Trustees of Employees Provident Fund held on 30.06.2004, 13.07.2004 and 20.07.2004. As on decision could be arrived at, finally it was discussed on 09.08.2004. During the meeting held on this date, the CBT of EPF has recommended an interim rate of interest of 8.5% for the year 2004-05.

2.93 The Committee are constrained to note that out of the 39.7 crore strong workforce in the country, only 4.01 crore workers have so far been covered under the Employees' Provident Fund Scheme. The Committee are not happy with this state of affairs. In the opinion of the Committee a large number of labourers are still to be covered under social security cover. The Committee therefore strongly recommend that the Ministry should intensify the coverage and make the concerned Regional Provident Fund Commissioner responsible for providing social security cover to every single eligible person both in the organised and unorganised sectors.

2.94 The Committee regret to note that the provident fund arrears are to the tune of Rs.1862.80 crore as on 31.03.2004 while the number of major defaulters i.e. with default of Rs.10 lakh and above is 1568. The Committee further note that a large number of cases are pending under sections 7A, 14, and 14B of Employees Provident Fund 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 strengthen and gear up the machinery to recover the outstanding dues by taking appropriate legal actions against the defaulting establishments and also take urgent steps for early disposal of pending cases under various provisions of the EPF & MP Act, 1952.

2.95 The Committee note with deep concern that the suggestion for amendments in EPF & MP Act 1952 made by the Committee in para 2.36 of their Eleventh Report (10 Lok Sabha) with regard to reducing the minimum number of employees required for EPF coverage from 20 to 10 in an establishment and removal of scheduled industries restrictions have not been implemented by the Ministry which have been agreed to by the Central Board of Trustees in principle but left the matter to the Government for a final decision. In the opinion of the Committee, the Government is not serious in the matter and thus unscrupulous employers continue to indulge in unfair practices. The Committee, therefore, strongly recommend the Ministry to take immediate action to amend the Act in order to check the unfair practices indulged in by unscrupulous employers and also to enlarge the coverage under the EPF & MP Act.

2.96 The Committee note that out of 400 lakh subscribers, only 12 lakh have been allotted National Social Security Number (NSSN) under the newly introduced Re-inventing EPF India Scheme. The Committee, therefore, desire that NSSN number should be allotted to every subscriber without further delay so that these are utilised by them for their early settlement of PF claims and pension from any of the offices of Employees Provident Fund throughout the country.

2.97 The Committee note that under the EPF & MP Act, the rate of interest is determined by the Central Government in consultation with the Central Board of Trustees which is a tripartite body consisting of the representatives of employers, employees and Centre/State governments. The Committee have been apprised that the Central Board of Trustees in its 163rd meeting held on 19.8.2003 had recommended the rate of interest @ 9.5% to be credited in the accounts of provident fund members for the year 2003-04 but the same has not yet been ratified by the Ministry of Finance. The Committee also note that the Central Board of Trustees in its meeting held on 9.8.2004 has recommended the interim rate of interest @ 8.5% for the year 2004-05. This interim rate of interest can, however, be enhanced depending on EPF organisation's recovery of arrears. The Committee express its deep concern on the lowering of rate of interest which is affecting nearly 4 crore subscribers. In the opinion of the Committee on important issues concerning workers, the decision should always be taken by consensus. The Committee, therefore, urge the Government that while taking a final decision in the matter, the interests of subscribers should be safeguarded. Till such time the status quo in the rate of interest may be maintained.

Major Head : 2230**Sub-Head : 01****Minor Head : 01 : 01****(D) VOCATIONAL REHABILITATION CENTRES FOR HANDICAPPED**

2.98 Ministry of Labour had been fully responsive and committed to the implementation of the provisions of the Persons with Disabilities Act, 1995. The Directorate General of Employment and Training (DGE&T) has been regularly co-ordinating and supporting Ministry of Social Justice & Empowerment, which is the nodal Ministry for the welfare of people with disabilities.

2.99 Seventeen Vocational Rehabilitation Centres for handicapped (VRCs) have been functioning in the country, one each at Ahmedabad, Mumbai, Bhubaneshwar, Bangalore, Kolkata, Delhi, Jaipur, Hyderabad, Jabalpur, Guwahati, Kanpur, Ludhiana, Chennai, Thiruvananthapuram, Vadodara, Agartala and Patna. Out of these, Vocational Rehabilitation Centre at Vadodara has been set up exclusively for handicapped women. These Centres evaluate the residual capacities of the handicapped and provide them adjustment training, facilitating their early economic rehabilitation. Effort is also made to assist them in obtaining other suitable rehabilitation services, such as job placement, training for self-employment and in plant training.

2.100 In order to facilitate speedy rehabilitation of the handicapped, seven Skill Training Workshops (STWs) have been set up at the VRCs in Mumbai, Ahmedabad, Bangalore, Chennai, Thiruvananthapuram, Hyderabad and Kanpur. Non-formal job-oriented skill training is provided at these centres.

2.101 Rehabilitation Services are also extended to the handicapped living in rural areas through mobile camps and Rural Rehabilitation Extension Centres. Rural Rehabilitation Extension Centres have been setup in 11 Blocks under the five VRCs viz, Mumbai, Kolkata, Kanpur, Ludhiana and Chennai.

2.102 During the course of examining the Demands for Grants for the year 2002-03 it was stated that 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 the 9th Plan were Himachal Pradesh, J&K, Haryana, Goa, Pondicherry, Manipur and Mizoram. The Committee also recommended that the proposal approved by the Planning Commission during the Ninth Five Year Plan for opening one VRC in each of these States should be implemented without further delay.

2.103 During 2003, the performance of the Vocational Rehabilitation Centres for Physically Handicapped is as under:-

Sl. No.	Description	Blind	Deaf & Dumb	Orthopaedically Handicapped	Neg. Leprosy Persons	Mild Mentally Retarded Persons	Total
1.	2.	3.	4.	5.	6.	7.	8.
1.	No. clients at the beginning of 2003	49	31	105	4	8	197
2.	No. of clients admitted during, 2003	2043	3380	24345	72	550	30390
3.	No. of clients evaluated during 2003	2025	33276	24028	75	546	30001
4.	No. of clients who left the centre without completing evaluation	14	36	212	-	8	270
5.	No. of clients still under Evaluation at the end of 2003	53	48	210	1	4	316
6.	No. of clients Rehabilitated during 2003	690	1186	7236	43	137	9292

2.104 The Ministry have furnished a statement showing the funds allocated and expenditure incurred on each of the Vocational Rehabilitation Centre during the last three years as under:

STATEMENT SHOWING FUNDS ALLOCATED & EXPENDITURE INCURRED ON EACH OF VRCS DURING THE LAST THREE YEARS

Sl. No.	Name of VRCS for Handicapped	BUDGET ALLOCATION			EXPENDITURE			(Rs.in lakhs)
		2001-02	2002-03	2003-04	2001-02	2002-03	2003-04	
1.	Kanpur	48.39	42.30	45.40	42.52	40.17	47.18	
2.	Jabalpur	37.30	39.99	35.30	35.82	33.84	28.16	
3.	Jaipur	32.53	30.34	33.55	31.28	28.83	30.52	
4.	Ludhiana	35.82	34.58	35.48	29.12	33.31	34.27	
5.	Guwahati	30.31	34.50	34.09	29.05	27.90	33.33	
6.	Delhi	32.10	41.62	76.85	21.44	37.15	72.17	
7.	Agartala	30.00	29.36	21.15	22.86	22.00	21.65	
8.	Patna	32.40	25.50	25.75	24.31	25.43	23.78	
9.	Kolkata	40.72	40.75	43.10	39.21	37.13	41.93	
10.	Ahmedabad	53.68	52.20	59.95	44.48	52.92	48.05	
11.	Vadodara (for Women only)	36.51	23.09	21.08	23.48	22.83	21.91	
12.	Hyderabad	65.26	66.10	77.00	51.74	63.44	56.95	
13.	Bangalore	51.97	52.10	55.02	41.72	54.44	52.33	
14.	Trivandrum	54.38	54.78	52.81	50.76	50.34	57.14	
15.	Mumbai	51.89	67.20	77.55	52.52	56.95	62.17	
16.	Bhubaneswar	34.37	31.66	38.09	28.74	31.55	32.77	
17.	Chennai	54.98	54.75	56.25	51.33	53.05	55.07	

2.105 Results of 2001 Census on the persons with disabilities have yet not been published. However, National Sample Survey Organization has carried out a nation wide Sample Survey during July-Dec. 2002 and published a report on Disabled Persons in India. As per the report, the number of disabled persons in the country was estimated to be 18.53 million during July to December, 2002. They formed about 1.8% of the total population.

2.106 During the 10th Five Year Plan seven VRCS one each in the States/UTs of Haryana, Himachal Pradesh, Pondicherry, Manipur, Jammu & Kashmir, Nagaland and Goa are proposed.

Statement indicating States/UTs where VRCs are functioning and States/UTs likely to be covered after 10th Five Year Plan is as under:-

Statement showing the names of the States/U.Ts. where VRCs are functioning or are proposed to be set up during 10th Five Year Plan

Sl. No.	Name of the state/U.T.	Name of VRCs for Handicapped
1.	Uttar Pradesh	1. Kanpur
2.	Madhya Pradesh	2. Jabalpur
3.	Rajasthan	3. Jaipur
4.	Punjab	4. Ludhiana
5.	Assam	5. Guwahati
6.	Delhi	6. Delhi
7.	Tripura	7. Agartala
8.	Bihar	8. Patna
9.	West Bengal	9. Kolkata
10.	Gujrat (1)	10. Ahmedabad
	(2)	11. Vadodara (for Women only)
11.	Andhra Pradesh	12. Hyderabad
12.	Kartanaka	13. Bangalore
13.	Kerala	14. Trivandrum
14.	Maharashtra	15. Mumbai
15.	Orrisa	16. Bhubaneswar
16.	Tamilnadu	17. Chennai
17.	Haryana	Proposed to be set up during 10 th Plan
18.	Himachal Pradesh	Proposed to be set up during 10 th Plan
19.	Pondicherry	Proposed to be set up during 10 th Plan
20.	Manipur	Proposed to be set up during 10 th Plan
21.	Jammu & Kashmir	Proposed to be set up during 10 th Plan
22.	Nagaland	Proposed to be set up during 10 th Plan
23.	Goa	Proposed to be set up during 10 th Plan

STATES/UTs WHERE SETTING UP OF VRCs ARE LIKELY TO BE PROPOSED AFTER 10TH FIVE YEAR PLAN

Sl.No.	Name of the States / UTs
1.	Meghalaya
2.	Chandigarh
3.	Daman & Diu
4.	Andamand & Nicobar
5.	Uttaranchal
6.	Jharkhand
7.	Chattisgarh
8.	Arunachal Pradesh
9.	Mizoram
10.	Lakshdweep
11.	Dadra & Nagar Haweli
12.	Sikkim

2.107 Regarding the Hostel facilities, the Ministry have stated that among the existing VRCs, Hostel Facilities are available in the VRCs at Delhi, Mumbai, Trivandrum & Kanpur. The remaining VRCs where hostel facilities are still not available attempts are made to adjust the handicapped in the hostels run by some NGOs/Institutions. The VRCs are mostly housed in the accommodation provided by the state governments and the Ministry have been making efforts to pursue them to provide more accommodation in order to provide hostel facilities. In the buildings proposed to be constructed for VRCs at Kanpur, Kolkata & Bhubaneswar provision for hostel has been made.

2.108 At present there is no proposal to set up more VRCs in other parts of the country exclusively for women with disabilities. However, the normal VRCs cater to the needs of women also.

2.109 As per the results of the survey conducted by NSSO during July-December 2002, the total number of disabled women was estimated at 76 lakh.

2.110 The Committee are constrained to note that there are 18.53 million handicapped people in the country and only 17 Vocational Rehabilitation Centres (VRCs) are in operation for them in sixteen States. The Committee also note that out of these there is only one VRC set up exclusively for handicapped women. The Committee feel that keeping in view the millions of handicapped in this country the number of these Rehabilitation Centres is too small to cater to their needs. The Committee also note that 7 VRCs which were to be set up during the Ninth Five Year Plan in Himachal Pradesh, J&K, Harayana, Goa, Pondicherry, Manipur and Mizoram have not been set up even after completion of the first two years of Tenth Five Year Plan. The Committee are not happy with the situation, particularly on a matter concerning the handicapped. The Committee, therefore, strongly recommend that the proposals approved by the Planning Commission during the Ninth Five Year Plan should be implemented without further delay. The Committee also desire that more VRCs should be set up for the handicapped women.

Major Head : 2230**Sub-Head : 05:04****(E) WAGE BOARD FOR WORKING JOURNALIST AND NON-JOURNALIST NEWSPAPER EMPLOYEES**

2.111 The Working Journalists and Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1995 regulates conditions of service of working journalists and other persons employed in newspaper establishments. In September 1994, the Government constituted two Wage Boards – one for the working journalists and the other for the non-journalist newspaper and news agency employees under the control Chairmanship of retired Chief Justice Raj Kumar Manisana Singh. The Wage Board submitted their recommendations to the Government on 25.7.2000.

2.112 The Government accepted all the recommendations of the Boards with certain minor modifications. A Central Level Monitoring Committee has also been constituted under the Chairmanship of Labour & Employment Adviser for reviewing the implementation of the Award.

2.113 The Committee have been informed that the Manisana wage Board recommendations which were accepted by the Government and notified for implementation in December, 2000 had made 24 recommendations in respect of Working Journalists and Non Journalists Newspaper Employees (other than Newspaper employees in News Agency). Similarly the Wage Board had made 21 recommendations in respect of Working Journalists and Non Journalists Newspaper employees in News Agency.

2.114 On being asked about the main recommendations of the Wage Boards and their implementation status, the Ministry have stated as under:-

1. Classification of Newspaper establishments and grouping of Newspaper employees.
2. Revised scale of wages for working Journalists.
3. Revised scale of following allowances:
 - Dearness Allowances
 - House Rent Allowance
 - City Compensatory allowance
 - Night Shift Allowance
 - Hardship Allowance
 - Leave Travel Allowance
 - Medical Allowance
 - Medical Insurance
4. Fixing of initial wage in the revised scale.
5. Mode of Payment of Arrears
6. Date of operation of Allowances, etc.

The Ministry have furnished a statement showing the progress of implementation of the awards is as under:

STATE-WISE STATEMENT SHOIWNG THE PRESENT POSITION OF THE CONSTITUTION OF STATE LEVEL MONITORING COMMITTEE AND QUARTERLY PROGRESS REPROT FOR THE IMPLEMENTATION OF THE MANISANA WAGE BOARD RECOMMENDATIONS

Sl. No.	Name of State/UTs	QPR	No. of estt.	Which have implemented			Tripartite Committee Formed	Impl cell.
				Fully	Partially	Not		
1.	Andhra Pradesh	N.R					19.10.02	-
2.	Assam	9/02	43	6	1	36	8.5.02	1
3.	Arunachal Pradesh	9/03	6			6		-
4.	Bihar	N.R					19.6.02	-
5.	Chhattisgarh	9/03		1		3	25.3.03	-
6.	Goa	9/03	7	2	2	3	25.9.02	-
7.	Gujarat	9/03	19	16		3	29.1.03	-
8.	Haryana	N.R						-
9.	Himachal Pradesh	N.R						-
10.	Jammu & Kashmir	N.R						-
11.	Jarkhand	N.R						-
12.	Karnataka	9/03	108	19	24	65	7.4.03	-
13.	Kerala	6/03	4	6	36	1	14.3.01	-
14.	Madhya Pradesh	N.R						-
15.	Manipur	N.R						-
16.	Maharashtra	9/03	79	27		52	22.2.02	-
17.	Meghalaya	3/02	NIL				@@	-
18.	Mizoram	N.A					@	-
19.	Nagaland	N.R						-
20.	Orissa	N.R					17.11.01	-
21.	Punjab	3.03	12	9		3		-
22.	Rajasthan	3/03	*243	5	1	237	4.4.01	-
23.	Sikkim	N.A					@	-
24.	Tamil Nadu	6/03	89	57		32	21.8.03	-
25.	Tripura	9/02	18			18		-
26.	Uttar Pradesh	N.R					20.9.01	-
27.	Uttaranchal	N.R						-
28.	West Bengal	N.R					24.4.03	-
29.	A & N Islands	N.A					@@	-
30.	Chandigarh	6/03	3	3				-
31.	Delhi		23	21		2	6.5.03	-
32.	Daman & Diu	N.A					@@	-
33.	Dadra & Nagar Haveli	N.A					@	-
34.	Lakshadweep	N.A					@@	-
35.	Pondicherry	9/03	12	6		6		-
			470	178	64			

*207 estts. Are one man estt. NR: Not Received, N.A: Not Applicable

@@: The recommendations are not applicable in these States/UTs. as the Newspaper estt. are very small.

@@@: There are no newspaper establishments in these States/UTs.

2.115 When asked whether all the States and UTs have set up State level monitoring committee / tripartite committee / implementation cell for speedy and effective implementation of the recommendations of the Wage Boards, it was stated that most of the States have constituted the tripartite committees for speedy and effective implementation of the recommendations. The State Government of Haryana, Jharkhand, Jammu and Kashmir, Madhya Pradesh, Manipur, Nagaland, Punjab and Uttranchal and the Union Territories of Chandigarh and Pondicherry have not constituted the committee so far. The recommendations are not

applicable in Mizoram, Sikkim and Dadar and Nagar Haweli as the Newspaper establishments in these states are very small. Similarly, the recommendations are not applicable in Meghalaya, Andaman and Nicobar Island, Daman and Diu and Lakshadweep as there are no newspaper establishments in these States/Union Territories.

2.116 Regarding the monitoring of the Centre for the implementation of the awards, the Ministry have taken the following steps have been taken by the Government for implementation of the awards of the Wage Boards: -

After publication of the recommendations in the Gazette, Union Labour Secretary addressed the State Labour Secretaries demi-officially on three occasions. State Governments were requested to take the following steps for implementation of the awards:

- (i) Creation of special cells in the State/Union Territories to oversee the progress of the implementation of awards.
- (ii) Constitution of a Tripartite Monitoring Committee to monitor the progress of implementation.
- (iii) Gearing up of the State Labour Enforcement Machinery for speedy implementation of the recommendations.
- (iv) Submission of quarterly progress reports to the Ministry on implementation of the recommendations commencing from the quarter ending 31.03.2001.
- (v) Constituted a Central Level Monitoring Committee under the Chairmanship of Labour and Employment Adviser of Ministry of Labour. Chief Labour Commissioner (Central) and the concerned Joint Secretary in the Ministry of Information and Broadcasting are members of the committee. The committee has met on four occasions on 8.3.2002, 13.11.2002, 6.7.2003 and 28.1.2004 to monitor the progress.

2.117 On being asked whether the National Commission on Labour (NCL) has recommended that "there is no need for any Wage Board, statutory or otherwise, for fixing wage rates for workers in any industry but there is persistent demand from the Federation of PTI Employees Union to constitute a new Wage Boards for them, the Ministry have stated that the National Commission on Labour has recommended vide Para-6.118 of its Report that there is no need for any Wage Board, statutory or otherwise, for fixing wage rates for workers in any industry. However, in view of the sensitivity of the issue, the matter requires to be further deliberated.

2.118 The Committee are constrained to note the fact that the implementation of the recommendations of the Manisana Wage Boards for fixation and revision of wages for journalists and non-journalist newspaper and news agency employees is the responsibility of the State Governments but even after a lapse of three and a half years, only some of the newspaper establishments have fully implemented the same. Others have either partially implemented or not implemented the recommendations of the Wage Boards which indicates nothing but the poor monitoring by the Central Government. The Committee therefore strongly recommend that the State Governments be persuaded vigorously to implement fully the recommendations of the Wage Boards by the remaining newspaper establishments.

2.119 The Committee also desire that the Ministry should also persuade the State Governments of Haryana, Jharkhand, Jammu and Kashmir, Madhya Pradesh, Manipur, Nagaland, Punjab and Uttranchal and the Union territories of Chandigarh and Pondicherry to constitute the Tripartite Committees for speedy and effective implementation of the recommendations of the Wage Boards.

2.120 The Committee also note that the Second National Commission on Labour has recommended that there is no need for any Wage Board, statutory or otherwise, for fixing wage rate for workers in any industry, but

there is a persistent demand from various Employees Unions to constitute New Wage Boards for them. The Committee, therefore, desire that before taking any final decision on the recommendation of the National Commission on Labour, the Government should also consider the demands of the Employees Unions for constituting a New Wage Board.

(F) INDUSTRIAL SICKNESS

2.121 The Ministry have informed that the statutory dues including wages, Provident Fund (PF) dues, Employees' State Insurance (ESI) dues, etc. in respect of Central Public Sector Undertakings (CPSUs), were Rs.1365 crores as on 30.6.2004. These dues were outstanding in respect of different CPSUs over varying periods of time.

2.122 The Department of Public Enterprises (DPE) does not maintain information on outstanding dues in respect of employees of CPSUs on yearly basis, but on cumulative basis. As per the information provided by them, the outstanding dues which were Rs.1905 crores as on 31.12.2002 declined to Rs.1365 crores as on 30.6.2004.

2.123 When asked the steps taken by the Government to ensure immediate payment of all statutory dues of workers of PSUs, the Ministry have stated that a Group of Ministers (GOM), serviced by the DPE, was constituted on 9th February, 2000, under the chairmanship of the then Deputy Chairperson, Planning Commission, Shri K.C. Pant, to devise a strategy for liquidation of outstanding statutory dues of CPSU employees. Its Report was approved by the Government in October, 2003. Based on its recommendations, the CPSUs have been advised by the Government to clear outstanding dues to their employees in a time bound manner as follows:

CPSUs that are capable of clearing the outstanding dues to their employees are to do so expeditiously.

CPSUs that may take time to raise resources by selling surplus assets to clear the dues are to mobilize funds from the market, for which Government may stand guarantee and give interest subsidy.

Wherever legal issues are involved, the concerned administrative Ministry is to explore out-of-Court settlement or to refer the case to Ministry of Law to expedite resolution of the issue.

CPSUs facing financial difficulties are to submit specific action plans for revival/closure/disinvestment of the CPSU unit thereof to avail of one time financial assistance from the Government to clear the dues expeditiously.

2.124 Action has been initiated by the CPSUs in accordance with the above directions. 18 CPSUs have already cleared the dues since then with the outstanding dues declining from Rs.1905 crores as on 31.12.2002 to Rs.1365 crores as on 30.6.2004. The proposals for liquidation of dues by the CPSUs are at various stages of implementation. The DPE is monitoring compliance.

2.125 On being asked whether the Ministry of Finance have prepared a plan to provide financial support in phasing out the dues of workers of Public Sector Enterprises, the Ministry have stated that a proposal for financial assistance/support for clearance of outstanding dues is required to be sent to Ministry of Finance by the respective administrative Ministries/ Departments.

2.126 The Committee express their serious concern over the miserable plight of the public sector employees whose statutory dues amounting to Rs. 1365 crore as on 30.6.2004 representing the wages, provident fund dues, employees' state insurance dues, etc. have not been paid as a result of industrial sickness in various Central Public Sector Undertakings. Although the Ministry of Finance have prepared a plan to provide financial support in phasing out the dues of workers of sick undertakings, in the opinion of the Committee the priority should be given to make immediate payment of all the statutory dues of CPSU employees in order to protect workers' interests.

NEW DELHI:

18 August ,2004
27 Sravana 1926 (Saka)

P.K. Vasudevan Nair
Chairman,

Standing Committee on Labour

ANNEXURE-I

**INFORMATION RECEIVED FROM THE STATE GOVERNMENTS REGARDING
IMPLEMENTATION OF THE BUILDING AND OTHER CONSTRUCTION WORKERS
(REGULATION OF EMPLOYMENT AND CONDITIONS OF SERVICE) ACT, 1996.**
(As on 30.4.2004)

1	Andhra Pradesh	The Expert Committee has been constituted to advise the State Government in formulating the rules. The Report of the Committee is under consideration of the Government. Constitution of State Advisory Committee and State Building and Other Construction Workers' Welfare Board is under consideration of the Government. Authorities under the main Act and Cess Act have been notified on 25-8-99.
2	Arunachal Pradesh	Approval of State Government has been obtained for constitution of State Advisory Committee, Expert Committee etc., framing of safety rules, appointments of functionaries.
3	Assam	Welfare Board has been constituted. Implementing authorities notified. Drafting of Rules is in process.
4	Bihar	Expert Committee has been notified to frame Rules under the Act on 1.8.2001.
5	Goa	The expert Committee and State Advisory Committee have been constituted. Authorities under the Act are yet to be appointed.
6	Gujarat	The State Government has constituted a Committee to examine the Central Act.
7	Haryana	The Chief Minister has replied that the matter is being looked into.
8	Himachal Pradesh	State Labour Minister have reported that the implementation of the Act and constitution of welfare Board is under consideration.
9	J & K	Expert Committee has been constituted. Constitution of the Welfare Board is under active consideration.
10	Karnataka	Karnataka is contemplating to bring its own Karnataka Manual Workers (RECS) Bill so as to cover construction workers and also other categories of unorganised workers i.e. agricultural workers etc. Certain clarifications have been sought from the State Government of Karnataka.
11	Kerala	Rules have been framed under the Act. The State Building & Other Construction Workers' Welfare Board constituted. 9.5 lakh construction workers have been registered with the Board. The benefits being provided to the beneficiaries are pension, family pension, medical, ex-gratia, accidental and benefit at the time of death of beneficiary. (The State Government had enacted the Kerala Construction Workers' Welfare Fund Act, 1989 and transferred it to the Kerala Building and Other Construction Workers' Welfare Board.)
12	Madhya Pradesh	The State Rules under the Act have been formulated and notified . Madhya Pradesh Building & Other Construction Workers Welfare Board has been constituted and notified on 10.4.2003.
13	Maharashtra	State Advisory Committee constituted. Expert Committee has been constituted to advise the State Government in framing the Rules. Registering Officers, Appellate Authority, Inspectors under the Act have been notified. Constitution of the Maharashtra Building and Other Construction Workers' Welfare Board is under active consideration of the State Government
14	Manipur	Authorities have been notified. Experts Committee constituted. Rules are yet to be notified.
15	Meghalaya	Matter is under examination.

16	Mizoram	It has been reported that due to paucity of funds and ban on filling up of vacant posts, the Act is not being enforced in the State. Steps will be taken for the implementation of Labour Welfare Acts, Rules and schemes as soon as the financial position of the State is improved.
17	Orissa	Rules have been framed and notified on 2.8.2002 vide No. L.L. III-45/2002 (9174). The Building and other Construction Workers Welfare Cess Central Rules, 1998 have been adopted by the Government of Orissa on 28.7.2003 vide Notification No. U-III-62/2003 dated 28.7.2003.
18	Punjab	The State Advisory Committee and Expert Committee have been constituted. The authorities have also been notified under the Act. The Punjab Building and other construction Workers Board constituted vide State Government Notification No. S.O./20 CA 27/96/S-18/2002 dated 29.5.2002.
19	Rajasthan	The State Government has constituted State Advisory Committee and also Expert Committee to advise the State Government for framing of the Rules.
20	Tamil Nadu	The State Government of Tamil Nadu informed in 1999 that the State Government is implementing Tamil Nadu Construction Workers Welfare Scheme 1994 framed under the Tamil Nadu Manual Workers (Regulation of Employment and Conditions of Service) Act, 1982. According to them, the scheme is more beneficial than the Central Act and has decided to continue the scheme, which is already in operation and the matter will be reviewed after two years. On detailed examination of the Scheme being implemented under State Act it is observed that though the scheme provides welfare measures to the construction workers but it does not provide health and safety measures to the workers as available under the Central Act. The State Government has, therefore, been advised to review the matter and implement the Central Act.
21	Tripura	The Government of Tripura have informed that State Rules under the Act have been framed in 2001.
22	Uttar Pradesh	The authorities for implementation of the Act have been notified. The Expert Committee has been constituted to advise the State Government to formulate the Rules.
23	West Bengal	Draft Rules under the Act have been framed and are in the process of finalization.
24	Andaman & Nicobar Islands	Rules framed vide Notification dated 25.3.2003 under Andaman & Nicobar Islands Building & Other Construction Workers (RECS) Rules, 2003..
25	Daman, Diu & Dadar Nagar Haveli	The UT Administration of Dadar and Nagar Haveli has initiated action for implementation of the Acts and notifications appointing various implementing functionaries, framing State Rules, constituting Advisory Committee/Welfare Board under the Act have been notified.
26	Delhi	Rules have been notified on 10.1.2002 Authorities have been notified under the Act. Welfare Board has been constituted.
27	Pondicherry	The draft Rules have been notified on 28.8.2001.

Annexure-II**MINUTES OF THE FIRST SITTING OF THE STANDING COMMITTEE ON
LABOUR HELD ON MONDAY, 9th AUGUST 2004.**

The Committee met from 11.00 hrs. to 13.00 hrs. in Committee Room 'D' Parliament House Annexe, New Delhi.

PRESENT

Shri P.K. Vasudevan Nair- Chairman

MEMBERS
LOK SABHA

2. Shri Joachim Baxla
3. Shri Santasri Chatterjee
4. Dr. Satyanarayan Jatiya
5. Shri Virendra Kumar
6. Shri Rajesh Kumar Manjhi
7. Shri Lal Mani Prasad
8. Shri Chandradev Prasad Rajbhar
9. Shri Chandra Pratap Singh
10. Smt. C.S. Sujatha

RAJYA SABHA

11. Shri Lekhraj Bachani
12. Shri K. Chandran Pillai

SECRETARIAT

1. Shri R.C. Ahuja	-	Joint Secretary
2. Shri J.P. Sharma	-	Director
3. Shri R.K. Saxena	-	Deputy Secretary

Contd...2/-

-2-**REPRESENTATIVES OF THE MINISTRY OF LABOUR & EMPLOYMENT**

Sl.No.	Name of the Officer	Designation
1.	Dr. P.D. Shenoy	Secretary
2.	Dr. Ajay Dua	DG (ESIC)
3.	Smt. Rama Murali	Joint Secretary & FA (L&E)
4.	Shri K. Chandramouli	Joint Secretary
5.	Shri J.P. Pati	Joint Secretary
6.	Shri D.S. Poonia	Joint Secretary
7.	Smt. Asha Murty	Joint Secretary / (DGE&T)
8.	Shri Manohar Lal	Joint Secretary /DG (LW)
9.	Dr. Ashok Sahu	Labour & Employment Adviser
10.	Shri S.K. Mukhopadhyay	CLC (C)
11.	Shri Ajai Singh	CPFC
12.	Shri U.K. Verma	Director (NLI)
13.	Shri S.K. Saxena	DGFASLI
14.	Shri Ravinder Sharma	DGMS
15.	Shri V. Parameswaran	Director (CBWE)
16.	Shri Balram	DG (Labour Bureau)
17.	Shri P.K. Ray	Dy. Director General (DGE&T)

2. At the outset, the Hon'ble Chairman welcomed the members for their nomination to the Standing Committee on Labour and informed them that the Standing Committee system was introduced in 1993 with a view to making the Parliament more effective in exercising control over the Executive. He further informed that there were 17 Departmentally Related Standing Committees which covered under their jurisdiction all the Ministries and Departments of Government of India. Recently, the rules have been amended and the Departmentally Related Standing Committees had been restructured. Now there are 24 Standing Committees. The erstwhile Standing Committee on Labour and Welfare have been bifurcated – as Standing Committee on Labour and the other one is Standing Committee on Social Justice & Empowerment. Under the restructured Standing Committee on Labour, there are two Ministries, namely, the Ministry of Labour & Employment and Ministry of Textiles. The Ministry of Textiles has been transferred to this Committee from Rajya Sabha from Standing Committee on Commerce.

3. Thereafter, Hon'ble Chairman welcomed Dr. P.D. Shenoy, Secretary and other officials of the Ministry of Labour and asked them to brief the members about the budgetary allocations for the year 2004-05 and the expenditure incurred so far on various schemes/programmes undertaken by the Ministry.

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4. The Committee then took up evidence of the representatives of the Ministry of Labour and Employment. The important topics discussed in the meeting include (a) General Performance of the Ministry, (b) Employees Provident Fund Scheme (c) Directorate General of Mines Safety (d) Welfare of Beedi Workers (e) Welfare of Agricultural Labourers (f) Contract Workers, etc.

5. The Secretary and other officials of the Ministry replied to the queries raised by the Members. The Chairman directed the Secretary to send written replies to the queries of the Members on which ready information was not available with them during the evidence.

6. The Chairman thanked the Secretary and other officials for giving valuable information to the Committee on the subject in a candid manner.

A verbatim record of the evidence was kept.

The Committee then adjourned.

**MINUTES OF THE THIRD SITTING OF THE STANDING COMMITTEE ON
LABOUR HELD ON WEDNESDAY 18th AUGUST 2004.**

The Committee met from 15.00 hrs. to 17.30 hrs. in Committee Room 'E'
Parliament House Annexe, New Delhi.

Shri P.K. Vasudevan Nair- Chairman

**MEMBERS
LOK SABHA**

2. Shri Joachim Baxla
3. Shri Santasri Chatterjee
4. Shri Sukhdev Singh Dhindsa
5. Shri Thawar Chand Gehlot
6. Shri Virendra Kumar
7. Shri Rajesh Kumar Manjhi
8. Shri Ananta Nayak
9. Shri Bassangouda Patil(Yatnal)
10. Shri Lal Mani Prasad
11. Shri Chandradev Prasad Rajbhar
12. Dr.Dhan Singh Rawat
13. Shri Chandra Pratap Singh
14. Smt. C.S. Sujatha

RAJYA SABHA

15. Shri Debabrata Biswas
16. Ms. Pramila Bohidar
17. Shri K. Chandran Pillai

SECRETARIAT

1. Shri J.P. Sharma	-	Director
2. Shri R.K. Saxena	-	Deputy Secretary

Contd...2/-

-2-

2. At the outset, Hon'ble Chairman apprised the Committee that the Departmentally Related Standing Committee were constituted very late, as such, only one week was available for the assigned work. The Committee held its discussions with the representatives of the Ministries on 9th August, 2004. Within the short time available to the Committee only recommendations/observations on important issues could be formulated. Hon'ble Chairman also informed that if any Hon'ble Member feels that any specific issue/subject has not been included in these reports, the same can be taken up when subjects are selected for detailed examination.

3. The Committee then took up the draft First Report on Demands for Grants relating to the Ministry of Labour and Employment for the year 2004-05 and adopted the same with the following amendment:-

Page 47, in para 2.97, lines 18 and 19, -

for the words "The Committee further recommend that the Ministry should launch vigorous drive against arrears due on defaulting establishments" **substitute** the following words –

"Till such time, the Committee desire that *status quo* may be maintained."

4. XXXX XXXXX

5. The Committee authorised the Chairman to finalise the 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 the Committee in preparing their draft reports within the limited time.

The Committee then adjourned.

ANNEXURE-III

STATEMENT OF RECOMMENDATIONS/OBSERVATIONS

Sl. No. (1)	Para No. (2)	Recommendations/Observations (3)
1.	1.14	The Committee note that the Ministry of Labour & Employment have improved their expenditure both in Plan and non-Plan allocations during the year 2003-04 but the expenditure on some of the schemes such as Welfare of SC/ST job seekers through coaching, guidance and vocational training; Strengthening of NVTI/RVTI for women, Management Information System; Upgradation of Training Infrastructure in DGE&T Institutes; Indo-American Child Labour Project with matching U.S. Grant; Modernisation of Machine Tabulation Unit; Improvement and Strengthening of Enforcement and Implementation System for Safety and Health is not upto the mark and in some of the Schemes such as Building & Equipment for Apex Hitech Institute, Bangalore; Improvement and Strengthening of Training Wing of Central Labour Service Officers; Strengthening of Occupational Safety and Health Strategies in Priority Hazardous Chemical Process etc. the expenditure is zero. The reasons put forth by the Ministry for less spending or no spending at all on some of the schemes such as non filling up of vacant posts, non-procurement of computer equipment, non-settlement of bills and non-approval of two new Plan Scheme are not convincing to the Committee. The Committee are, therefore, of the opinion that the monitoring and coordination of the Ministry with other implementing agencies are not very effective. The Committee, therefore, desire that the Ministry should improve their planning and coordination with the implementing agencies so that the schemes become functional and the funds allocated are not left unspent. The Committee also desire that the matter may be taken up vigorously with the concerned agencies (UPSC and SSC, etc.) for filling up the posts lying vacant under various organisations of the Ministry.
2.	1.16	The Committee note that the expenditure on Building & Equipment for Apex Hi-tech Institute, Bangalore is zero whereas the allocation made at BE was Rs.10 lakh which was reduced to Rs.0.10 lakh at RE stage. The Committee have been apprised that the proposal for setting up of Apex Hitech Institute at Bangalore was approved by the Expenditure Finance Committee in March 1998 which is still functioning in a limited way with temporary accommodation provided by Foremen Training Institute as the Planning Commission has not agreed to extend 'in principle' approval to construct a separate building.. The Committee are not happy with the situation and are of the opinion that the Apex Hi-Tech Institute at Bangalore should have been set up much earlier. The Committee, therefore, desire that the Planning Commission be persuaded once again and necessary approval might be sought to make the Apex Hi-tech Institute at Bangalore fully functional.
3.	1.20	The Committee regret to note that the Sagar Hospital (M.P.) and Mukkudal Hospital (Tamilnadu) for Beedi Workers could not be made functional due to non-materialisation of construction work which resulted in a saving of Rs.643.34 lakh. The Committee are not happy with the situation as the sanctions for establishing these hospitals were issued in October 2001. It is clear that the Ministry's coordination with the Central Public Works Department (CPWD) is not satisfactory. The Committee, therefore, desire that the Ministry should take up the matter with CPWD at a higher level and have the hospitals constructed at the earliest. The Committee also desire that the posts of medical officers lying vacant in various hospitals for beedi workers should be filled up expeditiously.
4.	1.23	The Committee take a note of the fact that there are about 11 crore agricultural labourers who constitute by far the largest segment of the workers in the unorganised sector. The Committee have been consistently recommending to the Government to bring a comprehensive legislation for the welfare of agricultural workers but due to certain reservations expressed by a few State Governments, the proposal for a comprehensive legislation could not be materialised. However, to meet the social security need of the agricultural workers, a scheme, namely the Krishi Shramik Samajik Suraksha Yojana-2001 was launched in 50 identified districts in the country on a pilot basis. Unfortunately, the scheme has not been finally approved by the Planning Commission and the Ministry of Finance. The Committee feel that as on date the Government has no concrete scheme for the welfare of the gigantic agricultural workforce in the country. The Committee, therefore, strongly recommend that the Government should take urgent steps to bring in a comprehensive legislation for agricultural workers to provide for minimum social security for them, viz. security of employment, hours of work, payment of wages and machinery for settlement of disputes, etc.
5.	1.27	The Committee note that there are more than 17.6 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 enacted w.e.f. 20.8.1996 but only a few State Governments have either notified the rules or constituted the Welfare Boards as mandated in the Acts for the welfare of construction workers. The Committee are not happy with the situation and urge the Ministry to pursue the matter vigorously with all the remaining State Governments 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 work.

6.	1.28	The Committee also desire that a survey should be conducted to ascertain the actual number of building and other construction workers engaged in the organised and unorganised sectors in the country.
7.	2.32	The Committee note that Directorate General of Factory Advice Service & Labour Institutes is entrusted with an important task of improving safety, health and welfare of workers in the factories and ports/docks, but it has not been very effective in preventing fatal and non-fatal accidents. As many as 24 fatal and 176 non-fatal accidents have occurred during 2002-03 alone. The Committee also note that some of the National Studies on safety, health and working conditions in various types of operations/processes/industries are still under process and there are 112 posts still lying vacant in the organisation. 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, desire that the Ministry should strengthen the organisation by providing sufficient manpower to enable it to intensify the activities on improving working conditions, health status of workers and other matters relating to industrial safety in the factories and ports.
8.	2.33	2.3 The Committee regret to note that some of the States have neither notified the Model Rules framed under Factories (Amendment) Act, 1987 nor notified the MAHC Rules (Major Accidents Hazards Control Rules) which is clearly indicative of poor monitoring done by the Ministry. The Committee are of the view that there should be no compromise insofar as safety and health of the workers is concerned and therefore desire the Ministry to persuade the remaining State Governments to notify the Model Rules and MAHC Rules without further delay.
9.	2.34	The Committee note with dismay that the Ennore Port, which has become a major port in the country, does not have any Inspectorate of Dock Safety as per the scale laid down in the Schedule appended to the Regulations. The Committee have been informed that the proposal for creation of necessary posts and setting up of Inspectorate at Ennore is under consideration of the Ministry. The Committee fail to understand as to why the Inspectorate of Dock Safety at Ennore Port has not so far been set up as this Port started functioning as a Major Port during March, 1999 and, therefore, desire that there should not be any further delay in setting up the office of Inspectorate at Ennore Port with full infrastructure.
10.	2.35	The Committee are constrained to note that the Regional Labour Institute at Faridabad is still in the formative stage. Although the Ministry took possession of land from the Haryana Government in March 2000 for construction of a building for RLI at Faridabad, they have not been able to construct their own building even after more than 4 years. The reasons put forth by the Ministry that due to procedural delays in obtaining approval for construction plan from HUDA and passing of tenders by CPWD, etc. are not acceptable to the Committee. The Committee, therefore, desire that the Ministry should make all out efforts to construct their own building without further delay so as to make the Institute fully functional.
11.	2.56	The Committee note with utmost concern that during the last 20 years the size of the mining industry has increased many fold whereas staff strength of DGMS remained static at a grossly inadequate level in meeting the safety norms in mines. The Committee also note that the complete general inspection in coal mines should be done at least once in a year where as it is made once in 2-3 years. The Department has only 131 Inspecting Officers against the sanctioned strength of 163.. The Committee are totally distressed over the situation of inadequate inspecting staff which will have serious impact on 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 mine safety enforcement machinery should be strengthened by filling up the posts of inspecting staff without further delay.
12.	2.57	The Committee take further note that the Ministry of Labour and Employment through Ministry of Law, Justice and Company Affairs have requested the Registrar Generals of various High Courts to designate one Judicial Magistrate/Metropolitan Magistrate in the District exclusively to deal with the cases under the Mines Act, 1952. Although the High Courts of Allahabad, Patna, Rajasthan and Tamil Nadu have agreed to the proposal, most of the States where pendency of cases under Mines Act are large in number have yet to follow suit. The Committee, therefore, desire that the remaining High Courts be persuaded to designate the Judicial Magistrate to liquidate the pending cases.

13.	2.58	The Committee further note that penalties prescribed for different categories of offences under the Mines Act are very meagre which do not have any 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.
14.	2.93	The Committee are constrained to note that out of the 39.7 crore strong workforce in the country, only 4.01 crore workers have so far been covered under the Employees' Provident Fund Scheme. The Committee are not happy with this state of affairs. In the opinion of the Committee a large number of labourers are still to be covered under social security cover. The Committee therefore strongly recommend that the Ministry should intensify the coverage and make the concerned Regional Provident Fund Commissioner responsible for providing social security cover to every single eligible person both in the organised and unorganised sectors.
15.	2.94	The Committee regret to note that the provident fund arrears are to the tune of Rs.1862.80 crore as on 31.03.2004 while the number of major defaulters i.e. with default of Rs.10 lakh and above is 1568. The Committee further note that a large number of cases are pending under sections 7A, 14, and 14B of Employees Provident Fund 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 strengthen and gear up the machinery to recover the outstanding dues by taking appropriate legal actions against the defaulting establishments and also take urgent steps for early disposal of pending cases under various provisions of the EPF & MP Act, 1952.
16.	2.95	The Committee note with deep concern that the suggestion for amendments in EPF & MP Act 1952 made by the Committee in para 2.36 of their Eleventh Report (10 Lok Sabha) with regard to reducing the minimum number of employees required for EPF coverage from 20 to 10 in an establishment and removal of scheduled industries restrictions have not been implemented by the Ministry which have been agreed to by the Central Board of Trustees in principle but left the matter to the Government for a final decision. In the opinion of the Committee, the Government is not serious in the matter and thus unscrupulous employers continue to indulge in unfair practices. The Committee, therefore, strongly recommend the Ministry to take immediate action to amend the Act in order to check the unfair practices indulged in by unscrupulous employers and also to enlarge the coverage under the EPF & MP Act.
17.	2.96	The Committee note that out of 400 lakh subscribers, only 12 lakh have been allotted National Social Security Number (NSSN) under the newly introduced Re-inventing EPF India Scheme. The Committee, therefore, desire that NSSN number should be allotted to every subscriber without further delay so that these are utilised by them for their early settlement of PF claims and pension from any of the offices of Employees Provident Fund throughout the country.
18.	2.97	The Committee note that under the EPF & MP Act, the rate of interest is determined by the Central Government in consultation with the Central Board of Trustees which is a tripartite body consisting of the representatives of employers, employees and Centre/State governments. The Committee have been apprised that the Central Board of Trustees in its 163 rd meeting held on 19.8.2003 had recommended the rate of interest @ 9.5% to be credited in the accounts of provident fund members for the year 2003-04 but the same has not yet been ratified by the Ministry of Finance. The Committee also note that the Central Board of Trustees in its meeting held on 9.8.2004 has recommended the interim rate of interest @ 8.5% for the year 2004-05. This interim rate of interest can, however, be enhanced depending on EPF organisation's recovery of arrears. The Committee express its deep concern on the lowering of rate of interest which is affecting nearly 4 crore subscribers. In the opinion of the Committee on important issues concerning workers, the decision should always be taken by consensus. The Committee, therefore, urge the Government that while taking a final decision in the matter, the interests of subscribers should be safeguarded. Till such time the status quo in the rate of interest may be maintained.
19.	2.110	The Committee are constrained to note that there are 18.53 million handicapped people in the country and only 17 Vocational Rehabilitation Centres (VRCs) are in operation for them in sixteen States. The Committee also note that out of these there is only one VRC set up exclusively for handicapped women. The Committee feel that keeping in view the millions of handicapped in this country the number of these Rehabilitation Centres is too small to cater to their needs. The Committee also note that 7 VRCs which were to be set up during the Ninth Five Year Plan in Himachal Pradesh, J&K, Harayana, Goa, Pondicherry, Manipur and Mizoram have not been set up even after completion of the first two years of Tenth Five Year Plan. The Committee are not happy with the situation, particularly on a matter concerning the handicapped. The Committee, therefore, strongly recommend that the proposals approved by the Planning Commission during the Ninth Five Year Plan should be implemented without further delay. The Committee also desire that more VRCs should be set up for the handicapped women.

20.	2.118	The Committee are constrained to note the fact that the implementation of the recommendations of the Manisan Wage Boards for fixation and revision of wages for journalists and non-journalist newspaper and news agency employees is the responsibility of the State Governments but even after a lapse of three and a half years, only some of the newspaper establishments have fully implemented the same. Others have either partially implemented or not implemented the recommendations of the Wage Boards which indicates nothing but the poor monitoring by the Central Government. The Committee therefore strongly recommend that the State Governments be persuaded vigorously to implement fully the recommendations of the Wage Boards by the remaining newspaper establishments.
21.	2.119	The Committee also desire that the Ministry should also persuade the State Governments of Haryana, Jharkhand, Jammu and Kashmir, Madhya Pradesh, Manipur, Nagaland, Punjab and Uttranchal and the Union territories of Chandigarh and Pondicherry to constitute the Tripartite Committees for speedy and effective implementation of the recommendations of the Wage Boards.
22.	2.120	The Committee also note that the Second National Commission on Labour has recommended that there is no need for any Wage Board, statutory or otherwise, for fixing wage rate for workers in any industry, but there is a persistent demand from various Employees Unions to constitute New Wage Boards for them. The Committee, therefore, desire that before taking any final decision on the recommendation of the National Commission on Labour, the Government should also consider the demands of the Employees Unions for constituting a New Wage Board.
23.	2.126	The Committee express their serious concern over the miserable plight of the public sector employees whose statutory dues amounting to Rs. 1365 crore as on 30.6.2004 representing the wages, provident fund dues, employees' state insurance dues, etc. have not been paid as a result of industrial sickness in various Central Public Sector Undertakings. Although the Ministry of Finance have prepared a plan to provide financial support in phasing out the dues of workers of sick undertakings, in the opinion of the Committee the priority should be given to make immediate payment of all the statutory dues of CPSU employees in order to protect workers' interests.