India:
Manpower, Employment Policy and Labour Welfare
1947 to 2007

Incorporating
A Comprehensive Introduction on Manpower Trends, Employment Programmes and Labour Welfare Schemes in India since Independence

India's Five Year Plans at a Glance
Edited Extracts from India's Five Year Plans on Employment and Labour Related Matters (I Plan to X Plan including Mid-Term Appraisal of the X Plan)

Appendices Containing Material on Indian Labour

Edited by
K. Narindar Jetli

New Century Publications
New Delhi, India
Contents

Editor's Note on the Book vii

Part I: Manpower, Employment Policy and Labour Welfare in India: Post-Independence Developments - By the editor

1. Manpower: Trends and Magnitude 1
   1.1 Pre-Independence Demographic Trends
   1.2 Post-Independence Demographic Trends
       1.2.1 Age Composition
       1.2.2 Sex Ratio
       1.2.3 Life Expectancy
       1.2.4 Literacy
       1.2.5 Degree of Urbanisation
       1.2.6 Density of Population
   1.3 Population as a Retarding Factor in Development
       1.3.1 Population and Per Capita Income
       1.3.2 Population and Food Supply
       1.3.3 Population and Land-Man Ratio
       1.3.4 Population and Unemployment
       1.3.5 Population and Basic Amenities
   1.4 Measures to Control Population
       1.4.1 Economic Measures
       1.4.2 Social Measures
       1.4.3 Family Planning
   1.5 Population Policy
   1.6 Work Force Participation Rates
   1.7 Women in the Work Force
   1.8 Child Labour
   1.9 Occupational Structure

2. Employment Policies and Programmes 18
   2.1 Nature and Extent of Unemployment
       2.1.1 Urban Unemployment
       2.1.2 Rural Unemployment
       2.1.3 Estimates of Unemployment
   2.2 Causes of Unemployment
       2.2.1 Labour Force Pressure
2.2.2 Slow Growth of the Economy
2.2.3 Capital-intensive Technology
2.2.4 Defective Education System
2.3 Government Policy to Tackle Unemployment
2.4 Second National Commission on Labour, 2002
2.5 Results of 55th Round of NSSO Survey on
   Employment and Unemployment, 1999-2000
2.6 Results of 60th Round of NSSO Survey on
   Employment and Unemployment, January-June 2004
2.7 Special Group on Targeting Ten Million Employment
   Opportunities Per Year during the Tenth Plan
   2.7.1 Employment in the Organised Sector
   2.7.2 Labour Laws
   2.7.3 Cluster Development
2.8 Swarna Jayanti Shahari Rozgar Yojana (SJSRY)
2.9 Swarnjayanti Gram Swarozgar Yojana (SGSY)
2.10 Sampoorna Gram Swarozgar Yojana (SGRY)
2.11 National Food for Work Programme (NFFWP)
2.13 Employment Policy in Tenth Five Year Plan (2002-2007)
2.14 Sectoral Policies for Employment Generation
   2.14.1 Agriculture
   2.14.2 Agro-processing Industries
   2.14.3 Small-scale Industries
   2.14.4 Construction
   2.14.5 Travel and Tourism
   2.14.6 Employment Generation in Social Sectors
2.15 Future Employment Scenario

3. Labour Welfare: Legal Framework and Initiatives
3.1 Need for Social Security
3.2 Constitution and the Directive Principles of State Policy
3.3 Legislations Pertaining to Labour
3.4 Labour Related Organisations/Activities/Schemes
3.5 Employees State Insurance (ESI) Scheme
3.6 Employees Provident Fund (EPF)
3.7 Payment of Gratuity
3.8 Employees Pension Scheme
3.9 Retrenchment Compensation
3.9.1 National Renewal Fund
3.10 Unemployment Allowance
3.11 Labour Welfare Funds
3.12 Insurance Scheme for Cultivators
3.13 Insurance Scheme for Agricultural Workers
3.14 Child Care
3.15 Kishori Shakti Yojna
3.16 Balika Samriddhi Yojana
3.17 Tax Concessions for Labour Welfare
  3.17.1 Income Tax Concessions
    A. Leave Travel Concession
    B. Death-cum-Retirement Gratuity
    C. Commutation of Pension
    D. Leave Salary
    E. Retrenchment Compensation
    F. Voluntary Retirement Compensation
    G. Income of Fund Established for Welfare of Employees
    H. Income of Trade Unions
    I. Health Insurance of Employees
    J. Bonus to Employees
    K. Employer's Contribution to Gratuity Fund
    L. Family Planning Expenditure
    M. Provident Fund
  3.17.2 Wealth Tax Concessions
  3.17.3 Excise Duty Concessions
3.18 Conclusion

4. Women Workers: Legislations and Empowerment
  4.1 Provisions Regarding Working Conditions for Women
  4.2 Women Welfare: Constitutional Rights
  4.3 Categorisation of Laws Pertaining to Women
  4.4 Equal Remuneration Act, 1976
  4.5 Maternity Benefit Act, 1961
    4.5.1 Working of the Act
    4.5.2 Marriage: A Bar to Employment
  4.6 Factories Act, 1948
    4.6.1 Background
    4.6.2 Night Work
    4.6.3 Maximum Permissible Weight of Load
4.6.4 Creche Facilities
4.6.5 Unhealthy Employment
4.6.6 Welfare Facilities
4.7 Mines Act, 1952
   4.7.1 Enforcement Aspects
4.8 Plantation Labour Act, 1951
4.9 Beedi and Cigar Workers (Conditions of Employment) Act, 1966
4.10 Employees State Insurance Act, 1948
4.11 Enforceability of the Acts
4.12 Recommendations of National Commission on Self-employed
   Women Regarding Enforcement of Labour Laws
4.13 Empowerment of Women
   4.13.1 Ninth and Tenth Plans on Women Empowerment
   4.13.2 Task Force on Women and Children
4.13.3 Women Welfare Programmes
4.13.4 Rashtriya Mahila Kosh (RMK)
4.13.5 Family Counselling Centres
4.13.6 Short Stay Homes
4.13.7 Swa-shakti Project
4.13.8 Protection from Domestic Violence Bill, 2002

5. Industrial Relations and Labour Laws
5.1 Industrial Relations: Post-Independence Trends
   5.1.1 From Laissez Faire to State Intervention
   5.1.2 First National Commission on Labour, 1969
   5.1.3 Declaration of Emergency, 1975
   5.1.4 Post-Emergency to 1990
   5.1.5 Post-liberalisation Period (1991 onwards)
5.2 Industrial Sickness
   5.2.1 Causes of Industrial Sickness
   5.2.2 Measures to Help Sick Industrial Units
   5.2.3 Government Policy Regarding Nationalisation of Sick Industrial Units
5.3 Conclusion

6. Restructuring of Labour Laws: The Great Debate
6.1 Economic Reforms and Labour
6.2 Labour Reforms: A Touchy Issue
6.3 Contract Labour (Regulation and Abolition) Act, 1970
6.3.1 Meaning and Forms of Contract Labour
6.3.2 Present Indian Contract Labour Law
6.3.3 Employers' Viewpoint
6.3.4 Workers' Viewpoint
6.3.5 Issues in Regulating Contract Labour
6.4 Industrial Disputes Act, 1947
6.5 Conclusion

7. Labour Laws and Welfare: India and ILO
7.1 Aims and Objectives of ILO
7.2 ILO Conventions and Recommendations
7.3 ILO in the Present Context
7.4 Active Partnership Policy (APP) and Multi-disciplinary Team

8. Labour Reforms: India and WTO
8.1 WTO: An Introduction
8.2 Linkage between Trade and Labour Standards
8.3 Can India Afford Labour Market Rigidities?

Part II: India's Five Year Plans at a Glance

First Five Year Plan: 1951-56
Second Five Year Plan: 1956-61
Third Five Year Plan: 1961-66
Fourth Five Year Plan: 1969-74
Fifth Five Year Plan: 1974-79
Sixth Five Year Plan: 1980-85
Seventh Five Year Plan: 1985-90
Eighth Five Year Plan: 1992-97
Ninth Five Year Plan: 1997-2002
Tenth Five Year Plan: 2002-07
First Five Year Plan: 1951-56
Nature of Unemployment
Employment Objectives of the Plan
Industry
Major Irrigation and Power Projects
Agriculture
Minerals
Building and Construction
Roads
Cottage Industries
Tertiary Sector and Local Works
Employment among the Educated
Labour Problems
Industrial Relations
Private Sector
The Approach
Avoidance of Disputes
Internal Settlement
Joint Committees
Collective Bargaining
Conciliation and Enquiry
Arbitration
Stoppages
Public Sector
Role of Trade Unions and Employers' Associations in a Planned Economy
Wages and Social Security
Wages
Social Security
Working Conditions
Factories
Plantations
Employment and Training
Productivity of Labour
Contents

Second Five Year Plan: 1956-61
Employment Aspects of the Plan
Size and Nature of the Problem
Choice of Techniques
Programmes for Special Areas
Educated Unemployed
Labour Policy and Programmes
Trade Unions
Employers' Organisations
Industrial Relations
  Avoidance of Indiscipline
Wage Policy and Social Security
Rationalisation Policy
Contract Labour
Agricultural Labour
Women Workers
Development Programmes
  Training of Craftsmen
  Apprenticeship Scheme for the Training of Skilled Craftsmen
  Training of Instructors
  Expansion of the Employment Service Organisation
  Expansion of Central Labour Institute
  Setting up of a Film Unit
Housing:
  Other Schemes

Third Five Year Plan: 1961-66
Unemployment Problem
Employment and Plan Implementation
Utilisation of Rural Manpower
Educated Unemployed
Labour Policy
  Recent Developments
  Approach and Outlook
Industrial Relation
  Joint Management Councils
  Workers' Education
  Trade Unions
Wages and Social Security
India: Manpower, Employment Policy and Labour Welfare

Working Conditions, Safety and Welfare
  Workers' Cooperatives
  Industrial Housing
  Other Problems

Employment and Training Schemes
  Productivity
  Labour Research

Fourth Five Year Plan: 1969-74
  Manpower
    Medical Personnel
    Agricultural Personnel
    Engineering Personnel
  Labour Policy and Welfare
    Training
    Employment Exchanges
    Outlay

Fifth Five Year Plan: 1974-79
  Employment Perspective and Standards of Living

Craftsman Training and Labour Welfare: Central Plan

Plans of States/Union Territories

Sixth Five Year Plan: 1980-85
  Labour Force, Unemployment and Employment
    Concepts and Definitions
    Unemployment Estimates
    Unemployment in 1972-73 and 1977-78
    Employment Profile
  Perspectives for the Sixth Plan
  Educated Manpower
    Employment Policy
    Policy for Educated Manpower

A New Deal for the Self-employed
  Policy Measures
  Training Programmes
  Credit Facilities
  Marketing Facilities
  Guidance
  Other Measures
Contents

Decentralised Strategy for Manpower Planning and Employment Generation
Labour and Labour Welfare
  Review
  Objectives and Strategy
  Workers' Participation in Management
  Trade Unions
  Social Security
  Safety and Working Conditions
Labour Research
Special Problem Areas
  Physically Handicapped
  Apprenticeship Training
  Organisation of Rural Workers
  Revision of Wages in Agriculture
  Bonded Labour
  Child Labour
  Women Labour
  Contract Labour
  Construction Labour
  Inter-State Migrant Labour
  Farm Labour
  Migrant Shepherds and Dairy Cattle Owners
Outlays for 1980-85

Seventh Five Year Plan: 1985-90 (Volume I) 284
  Labour Force

Seventh Five Year Plan: 1985-90 (Volume II) 286
  Employment Strategy
  Labour Force and Employment
  Estimates of Employment Generation
  Employment Potential of Sectoral Programmes
  Manpower Planning: Problems of Surpluses and Shortages
  Stock of Educated Manpower and Unemployment
  Some Thrust Areas
  Labour Policy
    Upgradation of Quality of Training
    Industrial Safety
    Employment Exchanges
Wage Policy
   Unorganised Labour
   Bonded Labour, Child Labour and Women Labour

Outlays

Eighth Five Year Plan: 1992-97 (Volume I)  
Approach to Employment
Employment: Growth and Structure
Unemployment: Trends and Structure
Towards the Goal of Full Employment
Elements of Employment Strategy
   Agriculture and Allied Sectors
   Rural Non-Agricultural Employment
   Industrial Sector
   Other Sectors
Skills, Training and Employment
Special Employment Programmes (SEPs)
Labour Policy and Employment

Eighth Five Year Plan: 1992-97 (Volume II)  
Training of Rural Youth for Self Employment (TRYSEM)
Development of Women and Children in Rural Areas (DWCRA)
Wage Employment Programmes
   National Rural Employment Programme (NREP)
   Rural Landless Employment Guarantee Programme (RLEGP)
   Jawahar Rozgar Yojana (JRY)
Selected State level Employment Programmes
   Maharashtra Employment Guarantee Scheme (EGS)
   Special Employment Programme of Gujarat
Labour and Labour Welfare
   Vocational Training
   Employment Service
Manpower Planning and Research
Labour Welfare
   Unorganised Workers
   Rehabilitation of Bonded Labour
   Industrial and Mines Safety
   Labour Participation in Management
Ninth Five Year Plan: 1997-2002 (Volume I)  333

Employment Objective
Population Growth and Demographic Profile
Growth Target for Full Employment: Perspective
Labour Force Growth and Employment Requirements
Employment Opportunities during the Ninth Plan and Beyond
Quality of Employment
Under-employment
Invisible Under-employment
Visible Under-employment
The Regional Dimension
Regional Variations in Labour Force and Employment
Educated Unemployed
Employment and Poverty
Sectoral Employment Prospects and Policies
  Agriculture and Allied Sectors
  Rural Non-farm Employment
  Industrial Sector
  Other Sectors
Skills, Training and Employment

Ninth Five Year Plan: 1997-2002 (Volume II)  364
Changes in Labour Force
  Sex Ratio
  Increasing Longevity
Labour and Labour Welfare
Labour Laws
Social Security
Employment Service
Vocational Training
Children at work
Research in Employment and Manpower

Tenth Five Year Plan: 2002-07 (Volume I)  382
Recent Trends in Employment and Unemployment Situation
Population and Labour Force Projections
Measurement of Employment and Unemployment
Projections of Employment Opportunities
Strategies and Policies for Employment Generation
Sectoral Policy Initiatives for Opening up New Employment Opportunities
   Agriculture
   Agricultural Land Use and Liberalization of Land Laws
   Research and Extension
   Women in Agriculture
   Agricultural Reforms and Employment
   Food Processing
   Rural Non-farm Activities
   Small and Medium Enterprises
   Credit for Informal Sector
   Health and Nutrition Services
   Education Services
   Vocational Training Services
   Information Technology
   Tourism: Domestic and International
   Housing, Real Estate Development and Construction
   Road Transport and Road Construction
   Distributive and Retail Trade

Creation of Additional Employment Opportunities

Tenth Five Year Plan: 2002-07 (Volume II)

Swarnajayanti Gram Swarozgar Yojana

Wage Employment Programmes
   Jawahar Rozgar Yojana/Jawahar Gram Samridhi Yojana
   Employment Assurance Scheme
   Food for Work Programme
   Sampoorna Gramin Rozgar Yojana (SGRY)

Labour Welfare and Social Security
   Tenth Plan Objectives
   Labour Policy and the Smaller Establishments
   Development of Vocational Skills
      Reform of the Vocational Training System
      Demand for Vocational Training
      Improving Linkage of Training with Prospective Employment
      Capacity for Training
   • Skill Building and the Informal Sector
      Attracting Investment into Skill Building Activities
      Training Services Provided by Governments at Centre and States
   District-specific Policies and Programmes for Vocational Training
Training of Youth in Rural Areas
Training of Women
Regions Requiring Particular Attention
Occupational Safety and Health of Workers
   Agricultural Operations
   Small Establishments
Review of Labour Laws
   Small Establishments and Labour Laws
   Need for Making Changes in Certain Laws
Framework of Procedures and Administration Concerning Labour Regulations
Social Security of Workers
   Minimum Wages
   A Role for EPFO and ESIC
   Convergence among Multiple Worker Welfare Schemes
   Central Funds for Welfare of Workers
   State Level Worker Welfare Funds
   Pension System for Unorganised Sector
Vulnerable Groups in Labour Force
   Child Labour
   Bonded Labour
   Migrant Labour
   Building and Construction Workers
   Landless Agricultural Workers
The Path Ahead

Mid-Term Appraisal of the Tenth Five Year Plan 431
Labour and Employment
Skill Development and Vocational Education and Training
Creation of Employment Opportunities
Progress during Tenth Plan
Labour Force Skills and Training
Strengthening the Existing ITIs
Strengthening the Apprenticeship System
Training for Informal Sector
National Qualification Pathway
Occupational Safety and Health of Workers
Social Security and Labour Welfare
Labour Laws
Key Recommendations of the National Commission on Labour
Labour Laws
Social Security
Skill Development

Employment Information Services Through the Employment Exchanges

The Way Forward
Creation of Employment Opportunities
Vocational Training
Employment Information Services
Labour Laws
Social Security
Central Government
State Governments
Change in Labour Laws
Social Security for Unorganised Workers


Appendix 3: Dimensions of Economic Reforms in India 487

Bibliography 499