



# THINK LABOR

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## Ministry of Labor and Employment: Annual Report

The Ministry of Labour & Employment is functioning to ensure improving life and dignity of labour force of the country by protecting and safeguarding the interest of workers, promotion of their welfare and providing social security to the labour force both in Organized and Unorganized Sector by enactment and implementation of various Labour Laws, which regulate the terms and conditions of service and employment of workers. The Ministry of Labour and Employment has taken several initiatives, legislative as well as administrative, to provide decent working conditions and improved quality of life for workers, employment generation and simplification of Labour Laws for ease of doing business.

### Key Highlights:

- Wage ceiling for calculation of compensation under the Employees' Compensation Act, 1923 has been revised to Rs. 15,000/- p.m. from Rs. 8,000/- p.m.w.e.f. 03.01.2020.
- The PM-SYM and NPS Traders Scheme was launched in March and September 2019 with the objective to provide social security and assure the monthly pension of Rs. 3,000/- per month to the workers of the unorganized sector as well as Traders who are not covered under EPFO/ESIC Govt.
- The enrolment for both the schemes are be done through the Common Service Centres (CSC) with its network of 3.50 lakh centres across the country. As on 20.01.2021 over 45 lakhs and around 4300 beneficiaries have been registered under the PM-SYM and NPS Traders Scheme respectively..
- Shram Suvidha Portal: The Ministry of Labour & Employment has developed a unified Web Portal 'Shram Suvidha Portal', to bring transparency and accountability in enforcement of labour laws and ease complexity of compliance.
- SAMADHAN is an online portal devised to introduce the workers to an easy way of filing their dispute with the concerned Conciliation Officer where Central Government is the appropriate government.
- Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) : The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Scheme was launched on 9 August, 2016 to incentivise employers for generation of new employment, where Government of India was paying the full employer's contribution of 12% or as applicable towards EPF& EPS both w.e.f 01.04.2018 for new employment.
- This scheme had dual benefit, where, on the one hand, the employer is incentivised for increasing the employment base of workers in the establishment, and on the other hand, these workers will have access to social security benefits of the organized sector.
- National Career Service: The Ministry is implementing the National Career Service (NCS) Project as a Mission Mode Project for transformation of the National Employment Service to provide a variety of employment related services like career counselling, vocational guidance, information on skill development courses, apprenticeship, internships etc.
- Aatmanirbhar Bharat Rojgar Yojana (ABRY): Government has announced Aatmanirbhar Bharat 3.0 package boost the economy and increase the employment generation in post Covid recovery phase.
- Benefit to Employers under Pradhan Mantri Garib Kalyan Yojna (PMGKY): This yojana intended to provide the upfront benefit of total 24% contribution i.e. 12% Employee share and 12% Employer share to the Employers having employment up to 100 and whose 90% of the employees were getting wages less than 15000.
- Minimum wages for all sectors in the Central sphere, namely agricultural, non-agricultural, construction, etc. have been increased by 42% approximately.

- On the basis of increase in the Consumer Price Index, the Central Government has revised the National Floor Level Minimum Wage from Rs. 160/- to Rs.176/- per day with effect from 01.06.2017.
- The wage ceiling for applicability of the Payment of Wages Act, 1936, was fixed at Rs.1600/- p.m. in 1982. The Central Government has enhanced the wage ceiling from Rs.18,000/- to Rs. 24,000/- per month w.e.f. 29.08.2017 for applicability of the Act.
- The Payment of Bonus Act, 1965 has been subsumed under Code on Wages, 2019 which has been notified on 29.09.2020.
- The minimum bonus of 8.33% is to be paid by every industry and establishment under Section 10 of the Act. The maximum bonus including productivity linked bonus that can be paid in any accounting year shall not exceed 20% of the salary/wage of an employee.
- Cash benefits under the Employees' State Insurance Act, 1948 are administered by the Central Government through the Employees' State Insurance Corporation (ESIC), whereas the State Governments and Union Territory Administrations are administering medical care along with ESIC under the Employees' State Insurance Act, 1948.
- The rate of ESI Contribution is 4% of the monthly wages out of which the employer's and the employee's share of contribution are 3.25% and 0.75% respectively. At present the prescribed ceiling is Rs 3,000/- per Insured Persons family unit per Annum
- The Employees' State Insurance Scheme provides comprehensive medical care in the form of medical attendance, treatment, drugs and dressings, specialist consultation and hospitalization to Insured Persons and also to their dependents.
- The Disbursement of pension under EPF is being carried out at present using the Core Banking System (CBS) platform of the pension disbursement banks.
- The Regional Offices have entered into arrangements with Nationalized Commercial Banks for this purpose. Centralized pension disbursement arrangement agreement have also been made with HDFC Bank, ICIC Bank, Axis Banks and Post offices to disburse pension and other benefits all over India.
- The compensation under the Employees' Compensation Act, 1923 has been enhanced to Rs.1, 20,000/- in case of death and Rs.1, 40,000/- in case of disablement resulting from injury.
- Penalty for contravention of Act has been increased from present Rs.5,000/- to Rs.50,000/- which may extend to one lakh rupees.
- The Maternity Benefit Act,1961 regulates the employment of women in factories, mines, the circus industry, plantation units and shops or establishments employing 10 or more persons.
- It also provides for maternity leave and payment of certain monetary benefits to women workers subject to fulfillment of certain conditions during the period when they are out of employment on account of pregnancy.
- A medical bonus of Rs.3,500/- is being provided from 19.12.2011 under the Act. The crèche facility has also been provided by the Maternity Benefit (Amendment) Act, 2017.
- Ministry of Labour & Employment in collaboration with NSDC and MoSDE have been providing Skill Development training to the Beedi Workers and their dependants to engage them in alternative jobs in all 17 Labour Welfare Regions.
- Further, a joint committee of the officials of MoLE, MSDE and NSDC has also formulated the 'Healthy Option' special project for promotion of alternative occupations through skill development of Beedi Workers and their dependents under Pradhan Mantri Kaushal Vikas Yojana (PMKVY).
- A revamped housing scheme (RIHS,2016) has been introduced from December, 2016 with a subsidy of Rs.1,50,000 per beneficiary household. RIHS, 2016 is applicable to the workers engaged in Beedi/Iron Ore Mines, Manganese Ore & Chrome Ore Mines.
- The Central Government in 2017, has converged AamAdmi Bima Yojana with Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY)
- PMJJBY provides life insurance cover of Rs. 2 lakh on payment of premium of Rs. 330 per annum for the age group of 18 to 50 years.

- PMSBY provides insurance coverage of Rs. 2 lakh on accidental death or full disability, and Rs. 1 lakh on partial disability on payment of premium of Rs. 12 per annum for the age group 18 to 70 years.
- The beneficiaries of the converged PMJJBY and PMSBY are to be transition from subsidy regime to full premium payment with effect from 1 April, 2020.
- Pradhan Mantri Shram Yogi Maan-dhan (PM-SYM) a pension scheme for unorganised workers has been introduced by the Government of India to provide old age protection to Unorganised Workers. As on 20.01.2021, over 45 Lakhs beneficiaries have been registered under the scheme.
- Enrolment to Pradhan Mantri Shram Yogi Maandhan is done through the Common Service Centres (CSC), with its network of 3.50 lakh Centres across the country. Minimum Monthly Assured Pension of Rs 3000/- shall be provided after attaining the age of 60 years.
- The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 was enacted to protect the rights and safeguard the interests, of migrant workers.
- In response to the Government of India's Directions, the State Welfare Boards have cumulatively disbursed more than Rs.5000 Crores to approximately 1.83 crore Building and Other Construction workers (BOCW), majority of them migrant workers, during lockdown and thereafter.
- The Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers for same work or work of similar nature without any discrimination and also prevent discrimination against women.
- During the year 2019-20 (upto November 2019) 62,177 women participated in Board's various training Programmes. Among 62,177 total women workers, 61,248 were from SC category and 11,050 from ST Category.
- The Dattopant Thengadi National Board for Workers Education & Development (formerly CBWE) also conducts 2-days special training programmes for women workers in which only women participants of various categories in unorganized sector are enrolled.
- The women are made aware about their rights and duties, and provisions under various Labour Legislation in respect of women and child welfare. Training for gender parity and women's empowerment is a vital component of VVG NLI Commitment to promote gender equality for creating gender inclusive societies.
- The Standard Operating Procedure (SOP) framed by the Ministry works as a ready reckoner for trainers, practitioners and monitoring agencies to ensure complete prohibition of child labour and protection of adolescents from hazardous labour ultimately leading to Child Labour Free India.
- The online portal PENCIL (Platform for Effective Enforcement for No Child Labour) developed by the Ministry provide for a mechanism for both enforcement of the legislative provisions and effective implementation of the National Child Labour Project (NCLP) .
- The DTNBWED has conducted exclusive training programmes for rural workers on MGNREGA by way of project to enlighten the rural masses about the benefits of the National Rural Employment Guarantee Scheme
- This Ministry has earmarked Rs. 1887.67 crore (16.6% of total allocation) as Allocation for Welfare of Scheduled Caste (AWSC) and Rs. 977.95 crore (8.6% of total allocation) as allocation under Scheduled Tribe Component (STC) during the current financial year i.e. 2020-21 for Central Sector / Centrally Sponsored Schemes.
- Benefit to Employers under Pradhan Mantri Garib Kalyan Yojna (PMGKY): Pradhan Mantri Garib Kalyan Yojna (PMGKY) intended to provide the upfront benefit of total 24% contribution i.e. 12% Employee share and 12% Employer share to the Employers having employment up to 100 and whose 90% of the employees were getting wages less than 15000.
- National Employment Service covers all the States and Union Territories except the State of Sikkim. Day-to-day administration of the Employment Exchanges is under the control of respective State Governments/Uts. It has a network of 997 Employment Exchanges.