



International Labour Organization



India

Decent Work Country
Programme 2013 - 2017



International Labour Organization

Decent Work Country Programme for India (2013-2017)

for the GOVERNMENT OF INDIA

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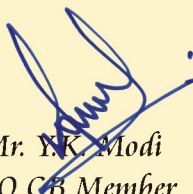
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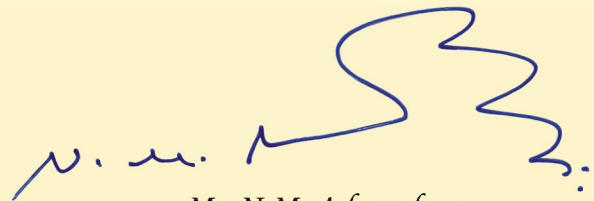
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List of Abbreviations

CP	Country Priority
CTUO	Central Trade Union Organizations
EO	Employers' Organizations
DWCP	Decent Work Country Programme
FPRW	Fundamental Principles and Rights at Work
GDP	Gross Domestic Product
GOI	Government of India
ILO	International Labour Organization
ITC	International Training Centre in Turin
MDG	Millennium Development Goals
MOLE	Ministry of Labour and Employment
MSME	Micro, Small and Medium Enterprises
MSMEs	Micro, Small and Medium Enterprises
NCLP	National Child Labour Programme
NPSD	National Policy on Skill Development
NSDC	National Skills Development Corporation
NSS	National Sample Survey
OSH	Occupational Safety and Health
RSBY	Rashtriya Swasthya Bima Yojana
RTE	Right to Education Act
UNDAF	United Nations Development Action Framework

1. India in Context:

The Challenge of Promoting Inclusive Growth and Decent Work

1.1 Background

Over the last two decades, the Indian economy has accelerated, reaching an average growth rate of 8 per cent during the 11th Five Year Plan period (2007-2012). The country showed resilience during the global financial crisis of 2008-2009 and managed to experience strong growth in 2010. During this era, poverty in India has fallen at a faster rate in comparison with earlier periods. In line with its growing socio-economic status, India emerged as an important leader in regional and global initiatives, including the G20, and strengthened its knowledge-sharing with other emerging economies such as South Africa and Brazil.

KEY INDICATORS			
	Av.2007/8-2011/12	2012-13	2013-14 Q1
Real GDP growth (%) (at factor cost 2004-5 prices)	8.0	5.0 ^a	4.4 ^a
Inflation (WPI) (average) (year-on-year) (%)	7.0	7.6	5.8 (July)
	2001	2011	
Literacy rate - male (%)	75.3	82.1	
Literacy rate - female (%)	53.7	65.5	
	2004/05	2009/10	2011/12
Poverty headcount ratio (%) ^b	37.2	29.8	21.9
Labour force participation rate - male (%) ^c	87.1	83.6	82.7
Labour force participation rate - female (%) ^c	45.4	34.5	33.1
Share of workers in the unorganized sector (%) ^d	86.3	84.3	82.2
Share of wage and salaried workers - male (%) ^c	18.4	19.0	21.2
Share of wage & salaried workers - female (%) ^c	8.7	10.7	13.4
Unemployment rate - male (%) ^d	2.3	2.1	2.2
Unemployment rate - female (%) ^d	2.7	2.4	2.5
Youth unemployment rate (15-29) - male (%) ^c	5.2	5.5	5.9
Youth unemployment rate (15-29) - female (%) ^c	5.9	6.4	6.6
Source: Government of India 2013, Economic Survey 2012-13; Ministry of Statistics and Programme Implementation; Census of India Provisional Population Totals, 2011; National Sample Survey 61 st , 66 th and 68 th Rounds of the Employment and Unemployment Survey; Press Note on Poverty.			
Estimates, 2011-12, Planning Commission, Government of India.			
Notes: a – Advance estimate; b – Percentage and Number of Poor Estimated by Tendulkar method, using Mixed Reference Period (MRP); c – Usual status (PS+SS), ages 15-59; d - The organized sector is defined to consist of the government and the public sector and private sector enterprises employing 10 and more workers and the unorganized sector is generally taken as the residual; see Papola, T. S. (forthcoming) “Labour Market Segmentation in India: Role of Regulation and Reforms”, ILO Working Paper.			

Along with progress on the economic front, the Government of India has made great strides towards formulating policies and flagship programmes to improve access to education, skills development, employment and social protection, among other major priority areas. Key measures include the *National Policy on Skill Development (NPSD)*, and the *Rashtriya Swasthya Bima Yojana (RSBY)*, which has been launched to provide health insurance coverage for below-poverty line (BPL) families.

India has increasingly followed a rights-based approach, as reflected by initiatives like the *Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)* 2005, which provides 100 days of employment to rural households, and the *Right to Education Act* (2009), which mandates education for all up to 14 years.

Despite the strong economic performance up until 2010 and policy measures, India continues to face a range of challenges that persist in the labour market. Most notably, the majority of workers are in informal



employment: the share of workers in the unorganized sector fell only marginally from 86.3 per cent in 2004-5 to 84.3 per cent in 2009-10 (and to 82.2 per cent in 2011-12). If workers without employment benefits and social security in the organized sector are included, 91.2 per cent of workers in India are informally employed.¹ Moreover, over the period 1999-2000 to 2009-10, there has been a decline in the share of formal workers in the organized sector from 58 per cent to 49 per cent. This suggests that a process of informalization of the organized sector has been taking place.

Though poverty rates have fallen, income inequality has risen, while disparities based on gender, social group, age, migrant status and location continue to persist. Rural-urban migration is, in part, due to insufficient economic development outside the main cities and towns of the country.

As the economy has decelerated rapidly over 2012-13, the urgency in addressing employment as a central policy objective will increase. The non-negligible likelihood of further deterioration over 2013-14 means that jobs will be threatened. On the policy front, though many achievements have been made, bottlenecks have emerged in the implementation of policies and delivery of programmes. In certain areas, fragmentation and coordination of initiatives have become a challenge for policy-makers.

1.2 Socio-Economic Context

Macro-Economic Situation

The improved growth performance of the 2000s helped accelerate poverty reduction in India: the proportion of people living below the poverty line declined from 37.2 per cent in 2004-05 to 21.9 per cent in 2011-12.² At the same time, inequality has, however, risen, especially in urban areas where the Gini Index, an income-based measure, has increased from 34.3 in 1993-94 to 39.3 in 2009-10.³

Coming from a period of high growth over the 11th Five Year Plan period, the recent slowdown in India poses a number of challenges to promoting decent work and threatens future efforts to further reduce poverty. The GDP growth rate dropped to 6.2 per cent in 2011-12 and is estimated to be at just 5.0 per

¹Source: Papola, T.S. (forthcoming) "Labour Market Segmentation in India: Role of Regulation and Reforms", ILO Working Paper.

²Source: Press Note on Poverty Estimates, 2011-12, Planning Commission, Government of India.

³Source: PovcalNet: the on-line tool for poverty measurement developed by the Development Research Group of the World Bank; available at: <http://iresearch.worldbank.org/PovcalNet/index.htm>.

cent in 2012-13 (advance estimate), the lowest level in a decade.⁴ Another major challenge for policy-makers has been the persistence of inflation, which remained elevated, even during the global financial crisis. This has kept interest rates high, which has, in turn, dampened investment. In addition, the twin deficits, fiscal and current account, represent serious macroeconomic imbalances that pose certain risks to the sustainability of future growth trends in India. The further deterioration in 2013 is likely to have negative implications for the labour market in general and employment in particular.

In spite of the slowdown of 2012-13, the fundamentals to return to a higher rate of growth over the longer term are in place in India: demographics, high savings/investment rates, and increased resources for infrastructure and skills development. Promoting decent work for women and men, especially for youth and those operating in the unorganized sector, will, nonetheless, require specific interventions and efforts by the Government of India, and workers' and employers' organizations.

International Labour Standards

41 ILO Conventions have been ratified by India⁵ and are in force, including the four fundamental Conventions - Forced Labour Convention (No.29), Abolition of Forced Labour Convention (No.105), Equal Remuneration Convention (No.100) and Discrimination (Employment Occupation) Convention (No.111) - and the three governance priority Conventions (labour Inspection Convention (No.81), Employment Policy Convention (No.122) and Tripartite Consultations (International Labour Standards) (No.144)). The proposed ratification of ILO child labour Conventions (Minimum Age Convention, 1973 (No. 138) and Worst Forms of Child Labour Convention, 1999 (No. 182)) is currently with the Standing Committee on Labour in Parliament. In addition, efforts are being made to explore ratification of Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) and Right to Organise and Collective Bargaining Convention, 1949 (No. 98). Work is also progressing in relation to other ILO Conventions which include the Maritime Labour Convention 2006, Fishing Convention (No. 188), Private Employment Agencies Convention (No. 181) and Occupational Safety & Health Convention (No. 181).

There is a need to generate better awareness about the ILO's supervisory mechanisms among constituents. The current challenges in the implementation of labour laws, weak enforcement, exclusionary practices and slow pace of job creation in the formal economy are causes for the persistence of the informal economy. In this regard, International Labour Standards (ILS) play an influential role in shaping a productive and equitable labour market, on the condition that labour laws are effectively implemented and are widely known by workers.

The principles of ILS need to be spread across men and women workers in the informal economy, who largely remain excluded from labour legislations and are unaware of and unable to exercise their legal rights. Despite the Government's efforts like the proposed Prohibition of Employment as Manual Scavengers and Their Rehabilitation Bill 2012, which aims to eliminate the practice of manual scavenging and address rehabilitation of those liberated from manual scavenging, caste-based discrimination persists for people belonging to scheduled castes, especially women. While inclusion is a key theme of most policies, a large majority of vulnerable groups still need specific attention. A number of pilot initiatives have been implemented, which can be used as building blocks for future interventions.

Enforcement of labour laws must be strengthened through empowered institutions, in and outside the formal economy. Strengthening bipartism and tripartism through social dialogue processes can play a significant role to pave the way for constructive industrial relations processes. Hence, tripartite agreements on a number of issues are urgently required to stabilize industrial peace and reduce decent

⁴Source: Government of India. 2013. Economic Survey 2012-13; based on the Tendulkar Committee (Expert Group on Methodology for Estimation of Poverty).

⁵The ratification state for India: Fundamental Conventions: 4 of 8 conventions; Governance Conventions (Priority): 3 of 4; Technical Conventions: 36 of 177. Out of 43 Conventions ratified by India, of which 41 are in force, 2 Conventions have been denounced.

work gaps. Stronger coordination among various government ministries is needed for an effective implementation of labour standards in India.

Labour Market Trends and Challenges of Improving the Quality of Employment

Moving from the macroeconomic situation reveals the greatest challenge: translating growth into the creation of more decent jobs. This task became most evident during the latter half of the last decade: from 2004-5 to 2009-10, total employment in India increased from just 457.9 million to 459.0 million [usual status (principal + subsidiary status), all ages]. While this has been referred to as an episode of 'jobless growth', transitions were, in fact, taking place: employment in construction went up by 18.1 million, while the number of workers in the agriculture sector dropped by around 14 million. The more recent 68th round of the NSS Employment and Unemployment Survey, however, indicates a return to stronger employment growth: the total workforce in the country increased by almost 14 million from 2009-10 to 2011-12 (reaching 472.9 million).⁶

Over the longer term, a fundamental issue is the speed and nature of structural transformation in India. In this respect, around half of all workers continue to be engaged in agriculture while around just 11 per cent are in manufacturing. At the same time, productivity needs to be enhanced in agriculture, along with creating more non-farm employment opportunities in rural areas.

The decent work challenge in India is best reflected by the fact that informal employment has not declined: in 2009-10, around 92 per cent of workers were informal.⁷ The rise of contract labour has been a major driver of this trend. Also, there are a number of issues relating to persons engaged under various schemes, including accredited social health activists, Anganwadi and Integrated Child Development Scheme (ICDS), which include payment of minimum wages, extension of social security schemes, working spaces with basic amenities, right to organize and collective bargaining, regulation of employment and service conditions.⁸ The fixing of a national minimum wage is considered a priority to respond to a number of prevailing labour market challenges.

Even though employment grew slowly, unemployment in India has remained relatively stable (at just above 2 per cent on the basis of the usual status (adjusted) definition). This trend can partly be explained by the sharp drop in labour force participation over this period, which was most pronounced among women. In this regard, the participation rate of rural women (aged 15-59, usual status definition) decreased from 52.5 per cent in 2004-5 to 39.9 per cent in 2009-10, while the rate for urban women dropped at a slower rate from 26.0 per cent to 21.0 per cent over the same period. Turning to the findings from the 68th round (2011-12) of the NSS Employment and Unemployment Survey, women's employment has increased in urban areas and declined in rural areas. According to the usual principal and subsidiary status (UPSS) definition, the number of female workers in rural areas declined by 2.7 million since 2009-10, while the number of urban women workers increased by 4.5 million.⁹

India already had one of the lowest labour force participation rates of women in the world and thus, the current trend poses a number of challenges. However, a higher participation rate can be misleading in so far as it does not indicate the nature of employment. In this regard, scheduled castes and tribes tend to have higher participation rates, reflecting their higher rate of poverty and engagement in casual employment.¹⁰

India has the largest youth population in the world with around 66 per cent of the total population under the age of 35. In this context, many observers often refer to a 'demographic dividend'. However, young Indians, like their counterparts around the world, are more vulnerable to unemployment and poor outcomes in the

⁶Source: National Sample Survey (NSS), 61st, 66th and 68th Rounds, Employment and Unemployment Survey.

⁷See footnote 1.

⁸See: Indian Labour Conference Agenda 2013: Item 1.

⁹Source: National Sample Survey (NSS), 61st, 66th and 68th Rounds, Employment and Unemployment Survey.

¹⁰Papola, T.S. (2012) Social exclusion and discrimination in the labour market, ISID Working Paper, No. 2012/4.

labour market. In the case of young women in urban areas aged 20-24, the unemployment rate reached almost 19 per cent in 2009-10.¹¹ While there has been a significant decline in the employment of children (up to 14 years of age), concerns remain with the over four million children in employment and the large number of children who cannot be accounted for in either school or employment.¹²

While India has a well-established capacity and experience in collecting labour statistics through national surveys and censuses, challenges remain in terms of the frequency of data collection, adoption of standardized definitions and guidelines, and the timely dissemination of the findings.

Improving Employability through Skills Development

While India can potentially take advantage of its 'demographic dividend', many young people, especially women, struggle to acquire the right skills demanded by employers to successfully navigate the transition from school to work. Moreover, with the dependency ratio expected to rise from 2025, India faces a pressing challenge to increase education and skill levels among its population to take advantage of this unique moment in its history.

The imperative for economic growth, combined with the distinct demographic advantage and concerns over the social consequences for its large young population, have led the GOI to invest heavily in skills development and pursue new models to increase participation and improve the quality and relevance of education and training. The Prime Minister's National Council on Skill Development has set a target of training 500 million individuals by 2022, followed by the 2009 National Policy on Skill Development (NPSD).¹³ These policy initiatives have led to increased investment by many government agencies and an expansion of the number of available seats in vocational training and skill development programs. Other priorities include strengthening employment services, expanding skills assessment and certification and the recognition of prior learning (RPL).

Regardless, the scale of India's challenge to improve the skills of its burgeoning labour force is significant. There are shortages of skilled labour in many sectors, highlighting the supply- demand gap that exists. While the exact nature and scope of skills gaps is unclear due to insufficient data, it is recognized that issues of quality and relevance will continue to remain barriers to on-going improvements to the skills system in India regardless of whether the volume of training increases. The large shortage of trained trainers and assessors will constrain further expansion of schemes



¹¹Source: NSS, 66th Round, Employment and Unemployment Schedule; usual status definition.

¹²Source: National Sample Survey (NSS), 66th Round, 2009-2010

¹³Ministry of Labour (2009) National Policy on Skill Development, New Delhi: Government of India.



and potentially exacerbate quality concerns. While the recent establishment of the National Skills Development Agency (NSDA) may encourage convergence across a number of policy fronts (e.g. national skills qualification framework, quality assurance, labour market information system), some key issues relating to assessment, certification and provider registration remain contested by different institutions with divergent approaches and competing requirements. A number of issues related to on-going overall policy implementation also exist, including the means by which a revitalised apprenticeship scheme might play a role in ensuring access to training opportunities and promoting more and better jobs for young women and men, including in the large informal economy. Taken together, these will continue to serve as priorities for on-going efforts to strengthen the skills system.

Promoting Sustainable Enterprises for Inclusive Growth

The 12th Plan clearly recognizes the role of industry and enterprises of all sizes as key drivers of inclusive growth and job creation, while recognizing the need to further improve the business environment for enterprises to overcome a range of constraints. The Plan calls for a rethinking of the role of human resources and indicates that, although refurbishing of India's labour laws is necessary, the improvement of industrial relations and collaboration between employees and management, which goes beyond merely deregulation, is also necessary.

Sustainable enterprises are necessarily the principal source for employment creation and the importance of issues relating to productivity need to be addressed. Strategies for entrepreneurship development, leading to the establishment of micro and small enterprises, can strengthen the overall promotion of enterprise sustainability. The promotion of entrepreneurship, with a focus on the self-employed, small producers and home-based workers, is of particular relevance for women and youth. With most micro, small and medium enterprises (MSMEs) operating informally, their competitiveness is limited by the lack of access to sustainable markets, technology, skills, timely and affordable credit, and infrastructure challenges. India's sustained growth depends on how well the country's 27 million

MSMEs, contributing an estimated 8 to 9 per cent of the GDP, providing employment to a vast majority of the workforce in the informal economy and representing more than 60 million jobs, can embark on a more sustainable growth path.¹⁴ Employers' organizations have taken active roles in strengthening supply chains and linkages, and have provided support to MSMEs on financial inclusion, training on business development, rights at work, and business networks for better market access.

The Micro, Small and Medium Enterprises Development Act 2006 contains a number of provisions on different aspects of MSMEs. However, there is no specific provision in the Act about the applicability of labour laws. Therefore, a number of major issues for reform of labour laws for MSMEs are under discussion with the objective of simplifying procedures and rules to make compliance better and easier. However, a separate labour legislation for MSMEs and further exemptions or dilution of current labour laws are not considered answers by most.

Structural transformation is a major challenge for India. In this regard, the focus of recent policies is to propel the manufacturing sector as an engine of job creation, especially through employment-intensive sectors, i.e., textiles & garments, leather & footwear, and food processing. In the services sector, hospitality & tourism, transport, information technology, and financial services are expected to be the major generators of employment in the 12th Plan period.

Environment

Environmental challenges increasingly require labour markets and enterprises to react and adjust. However, the larger goal of environmentally sustainable economies can only be attained with the active contribution of the world of work and integrated approaches which turn the drive towards environmental sustainability into a significant avenue for development with more and better jobs, social inclusion and poverty reduction. Positive outcomes require country-specific approaches that address challenges identified by integrating environmental, social and decent work elements and ensuring a smooth and just transition to sustainable economies. An important initiative in India has been the development of a National Action Plan on Climate Change, with eight National Missions to carry the Plan forward.

Promoting Gender Equality

There have been significant improvements in women's education, which is increasingly reflected in their participation in different spheres of the world of work. However, entrenched cultural and social norms that discriminate against women, weak implementation of legislations to promote gender equality in the world of work, a dearth of supportive public infrastructure, and gender-based violence, including sexual harassment at the workplace, prevent a large number of women from enjoying equal rights and equal opportunities in life and at work. Women's labour force participation rate is significantly lower than men's, and women are predominantly found in low-skill, low-pay jobs, i.e., domestic work.

The 12th Plan endeavours to increase women's employability in the formal sector, improve the conditions of self-employed women and take other steps to ensure decent work for them, including equal pay for work of equal value. It also aims at extending labour protection for women in the informal economy, strengthening the implementation of the Equal Remuneration Act 1976, Maternity Protection Act 1961 and other related legislations, and envisages special efforts for scaling-up of efforts for skills development of women.

Combating gender-based violence has received increasing policy attention, specifically in relation to safe night-work for women and sexual harassment at the workplace as a discrimination issue within the context of C.111. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act was enacted on 22 April 2013 with the aim to increase protection from sexual harassment at the workplace.

Recognizing the importance of domestic workers, most of whom are women, the Government of India

¹⁴See <http://planningcommission.gov.in/plans/planrel/12thplan/welcome.html>

recently drafted the National Policy for Domestic Workers (2011) to enhance protection and rights of this growing segment of workers. Specific interventions include skills development for domestic workers, extension of social protection schemes and the pilot- testing of registration and monitoring mechanisms of private placement agencies.

A tripartite-plus Gender Taskforce has been established in 2011, led by the Ministry of Labour and Employment, to guide policy and implementation of issues related to gender equality in the world of work.

Implementation of Child Labour Related Policies and Legislation

As indicated in the 12th Plan, the active participation of both boys and girls in the labour market is falling with the decline being commensurate with significant increases in school enrolments. The Plan also mentions that the Child Labour (Prohibition and Regulation) Act 1986 will need to be amended in line with the Right to Education Act 2009 as it makes a distinction between hazardous and non-hazardous categories of work for children under 14 years. It further emphasizes the need for transition measures and support for families, enhanced opportunities for skills development, vocational training, and rehabilitation of children.

Technical cooperation programmes during the previous DWCP have strengthened approaches and intervention models to combat child labour. Social partners believe that some gaps in the implementation of legislation and programmes on child labour need to be addressed. In this context, the National Child Labour Programme (NCLP), initiated in 1988, will be further strengthened to synergize with the provisions of the Right to Education Act. In April 2013, the Union Cabinet approved the National Policy for Children 2012, which, for the first time, lays down a universal definition of the child as less than 18 years of age. The policy shifts the welfare-based approach to children's issues to a rights-based approach, in line with the UN Child Rights Convention, which India ratified in 1992. The policy has identified survival, health, nutrition, education, development, protection and participation as the undeniable rights of every child, and has also declared these as key priority areas. These enabling frameworks will facilitate the GOI to ratify the two ILO Child Labour Conventions: Minimum Age Convention, 1973 (No. 138) and the Worst Forms of Child Labour Convention, 1999 (No. 182). They will also provide further opportunities for a convergent approach by partnering with the constituents to focus not only on the elimination of child labour (with the priority on the worst forms), but also on the promotion of skills development for young people and enhancing the transition from school to work.

Social Protection

India has a large range of social protection schemes, both at the central and state levels, which cater to different segments of the population. The ambit of these schemes is quite large, covering basic education and health, employment creation and promotion, workers' social security, food and nutrition security, and social pensions. The total expenditure by the Government of India on six of the major social protection related sectors (elementary education; health and family welfare; labour and labour welfare; social security and welfare and rural development) has increased from 1.30 per cent of GDP in 2001-2 to 1.72 per cent of GDP in 2011-12.¹⁵ The states spend almost twice as much as the Central Government on these sectors, but their expenditure (as percentage of GDP) has not changed much in the last decade. However, the outreach of these schemes needs to be extended.

Considerable progress was made during the 11th Plan for the inclusion of unorganized workers and self-employed categories to address the needs of marginalized and vulnerable groups. This was achieved through large scale flagship programmes, which promote employment and income security. An important milestone was the enactment of the Unorganised Workers Social Security Act (2008).

¹⁵Ravi S. Srivastava, Joint UN study on "A Social Protection Floor for India" (forthcoming)

While India has made great strides in achieving a basic level of social protection for a significant proportion of the population, decision-makers are facing a number of pivotal challenges: closing the coverage gap; improving the governance of social protection schemes; and creating the necessary fiscal space. Greater focus on delivering results at the national and state levels has led to an improved outreach of programmes and schemes. Based on its experience in implementing several national and state-level initiatives, covering a range of areas for different target groups, India is exploring the establishment of a nationally-determined social protection floor.

Protecting the Rights of Migrant Workers

Inter-state and international migration in India is mostly influenced by social structures and patterns of economic development. The 12th Plan recognizes migrant workers as a vulnerable group, along with child labour and bonded labour, and lays emphasis for their social inclusion. While legislative frameworks exist, the Government, in technical partnership with the ILO, is focusing on strengthening inter-state coordination mechanisms between origin and destination states to promote rights of migrant workers. This has provided concrete examples to reduce vulnerabilities and protect the rights of migrant workers, with several states in India ready to implement such approaches.

There is also growing recognition of international labour migration and issues related to the protection of their rights, including efforts for wider application of relevant standards, promotion of ethical recruitment, enhanced opportunities for skills development, capacity building, facilitation of inter-country collaboration and developing a global knowledge base.

Occupational Safety and Health

Comprehensive safety and health statutes for regulating occupational safety and health (OSH) at workplaces exist in India for four sectors: mining, factories, ports and construction.

The adoption of National Policies on Safety, Health and Environment at the Workplace; HIV/AIDS in the World of Work and on-going work in amending the Factories Act, 1948, in line with international labour standards, are major steps of the Government of India towards improving the safety, health and working conditions.



However, implementation challenges also remain in this area. Additionally, workers in the informal economy are not covered by the existing acts and, consequently, accidents are usually not reported or are underreported. The increasing prevalence of contract labour and other forms of employment relationships further compounds the challenge of making protection accessible to all workers.

Labour Administration, Labour Laws and Labour Inspection

Strengthening of labour administration is a core pillar for the promotion of more effective and inclusive economic and social policies at the national level. Current challenges require the adoption and implementation of responsive labour policies that can be put into practice through a well-coordinated and efficiently operating labour administration machinery at national and state levels. It is recognized that improved labour administration and labour relations lead to better working conditions, a decline in the number of industrial disputes and accidents, and an increase in the motivation of workers, resulting in higher productivity and better workplace practices. The effective prevention and settlement of disputes is an important cornerstone of sound industrial relations.

An effective labour administration system requires a comprehensive review of labour laws. The labour administration system in India is challenging. Workers in informal and non-regular forms of employment remain largely out of the purview. There have been numerous discussions among the tripartite constituents on the need to respond to the current scenario and to modernize and strengthen the capacity of the labour administration machinery, both at central and state levels, by strengthening the role of tripartite dialogue.

In addition, strengthening of labour inspection services in promoting the Decent Work Agenda has been widely recognised in recent years. Various labour inspectorates in India have responsibility for ensuring compliance of more than 150 laws at both the central and state levels. There is a need for strengthening and modernizing labour inspection systems through improved coordination with all relevant Government machineries, as well as empowering their staff, and to enable the inspectorates, employers' and workers' organizations to better engage and promote compliance with legislation.

Social Dialogue and Industrial Relations

Before 1940, the Government of India had adopted the practice of holding consultations on important labour questions with representatives of state governments, employers and workers. Two tripartite bodies were set-up in 1942: a Plenary Conference which came to be known as the Indian Labour Conference, and a Standing Advisory Committee, which came to be known as the Standing Labour Committee. Though there are several tripartite mechanisms in place on specific issues, meetings of the Indian Labour Conference and Standing Labour Committee are held regularly and play a significant role in the review and formulation of labour policies in the country, the social partners have indicated the need for strengthened follow-up mechanisms on collective recommendations and resolutions. Additionally, the social partners are also a part of the process in identifying the priorities for India's 5-Year Plans and its mid-term assessments.

A number of national development issues have been raised by the trade unions jointly in the form of ten demands.¹⁶ These ten demands include concrete measures to contain inflation, employment generation, strict implementation of labour laws, universal social security coverage for workers in both

¹⁶The ten demands are: i) concrete measures to contain price rise; ii) concrete measures for employment generation; iii) strict enforcement of labour laws; iv) universal social security cover for organized and unorganized workers and creation of National Social Security Fund; v) stoppage of disinvestment in central and states public sector undertaking; vi) No contractualization of work of permanent/perennial nature and payment of wages and benefits to the contract workers at the same rate as available to the regular workers of the industry/establishment; vii) amendment of Minimum Wages Act to ensure universal coverage irrespective of the schedules and fixation of statutory minimum wage of not less than Rs.10,000 linked with cost price index; viii) remove all ceilings on payment and eligibility of bonus, provident fund, increase the quantum of gratuity; ix) assured pension, for all; and x) compulsory registration of trade unions within a period of 45 days and immediate ratification of the ILO Convention Nos. 87 and 98.

the formal and informal economies, and the creation of a national social security fund. The GOI recognizes the need to address these demands and has set-up a 4-member Group of Ministers to consider these.

At the state level, there exist numerous institutions for tripartite consultations between state governments and social partners. While in some states, these institutions are more effective in addressing socio-economic outcomes in relation to the promotion of formalization, for example, in many other states social dialogue institutions are rather ineffective. There is a need to reinforce their functioning and roles to enable them to achieve their policy objectives, especially to extend social protection coverage to unorganized workers and businesses.

It is recognized that, ultimately, a congenial industrial relations environment is an important driver of investment and growth, especially in the manufacturing sector. The present social dialogue scenario is affected by the persistence of informal employment, particularly as a result of the increasing use of contract labour, which further challenges the tripartite partners in extending the coverage of labour laws and regulations to these workers, and to promote decent work in terms of social protection, income security, and payment of minimum wages. An additional challenge is the limited participation of women workers in social dialogue institutions and processes.

Employers take the view that rigidities in the labour law framework do not permit the required degree of flexibility in employment in the current business environment and seek a review of the relevant laws to enable greater flexibility in the labour market. The workers, on the other hand, advert to the need for greater security in employment in the background of the proliferation of contract workers. However, there is a general consensus among the social partners that flexibility in today's labour market is increasingly becoming a reality, but social protection and minimum wages remain amongst basic essentials.



The social partners, with ILO's support, have come forward to progressively promote social dialogue to find solutions. These initiatives could be institutionalized through setting-up joint working groups both at national and state levels, supported by national experts, for specific issues, such as comprehensive review of labour laws focusing primarily at Central level to build roadmaps towards promoting industrial harmony.

Export-processing zones (EPZs) have been a feature of Indian policy since 1960. In 2005, a Special Economic Zones (SEZs) Act was enacted which paved the way for the transformation of industrial enclaves (EPZs) into integrated townships with fully developed infrastructure (SEZs). As of 2013, GOI had notified 385 SEZs out of which 166 are functional SEZs (i.e. are actually exporting). Around 60 per cent of SEZ approvals are for the IT/ITES/Electronic Hardware/Semiconductor segment. In terms of jobs, SEZs provides direct employment to approximately 10,19,146 persons.¹⁷ There continues, however, to be concern over the operations, viability and existence of these SEZs as there have been controversies over impact of these in people's lives, especially on land, livelihoods, ecosystems and food security. It is also felt that an analysis of how these zones are changing the existing fabric of labour relations needs to be explored.

In the context of recent reported challenges arising out of industrial unrest, particularly in the manufacturing sector, there is a renewed focus on the importance of sound industrial relations based on social dialogue at national, state, sectoral and enterprise levels. There is a need for greater awareness creation on industrial relations issues at all levels, with a view to establishing mechanisms to discuss and address issues of concern and interest to relevant parties. Fundamental to sound industrial relations in India is adherence to national and international labour standards. India has a tripartite mechanism – the Tripartite Committee on ILO Conventions – in place in relation to the implementation and ratification of ILO Conventions. The Committee meets on a regular basis to review implementation and provides a forum to build consensus on priorities for ratification.



¹⁷Data is for 11.02.2013; see Department of Commerce, Annual Report 2012-13, Chapter 7, http://www.commerce.nic.in/publications/annualreport_chapter7-2012-13.asp

2. Decent Work Country Programme (DWCP) 2013-17: Process and Building Blocks

2.1 Alignment of the DWCP 2013-17 with the 12th Five-Year Plan and Key Policies of the Government of India

India's 12th Five Year Plan (2012-2017) is structured around two key policy challenges: 1) accelerating and sustaining economic growth; and 2) promoting greater inclusion to ensure that more people benefit from the expansion in economic activity and increase in incomes. These areas reflect major pillars of ILO's mandate and are represented in some of the main priorities of the next DWCP (2013-2017). The priorities of DWCP 2013-17 are aligned with a number of important priority areas of the 12th Plan and key policies and schemes.

Alignment between 12 th Five-Year Plan, policies and DWCP priority areas		
12 th Plan (chapter)	Selected key policies and flagship schemes	DWCP priority areas
Employment and job creation, including the challenge of generating opportunities for women and youth, infrastructure development	Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA); National Manufacturing Policy; National and state-level Livelihoods Missions, Pradhan Mantri Gram Sadak Yojana (PMGSY)	Employment
Enterprise development & promoting productivity	Micro, Small and Medium Enterprises Development Act	Entrepreneurship
Skills development	National Policy on Skill Development	Skills development
Social protection and the flagship government programmes	Rashtriya Swasthya Bima Yojana (RSBY); Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA); National Child Labour Project (NCLP)	Social protection

2.2 Building Blocks of the DWCP 2013-17

In addition to the alignment with the 12th Five-Year Plan and key Government policy priorities, the DWCP 2013-17 is built on the following five building blocks:

2.2.1 Decent Work Country Programme (2007-12)

The first DWCP (2007-12) for India, which consisted of three country priorities, provides the basis for the formulation of the second DWCP (2013-17) for India .

Country Priorities of India's DWCP (2007-2012)

1. CP 1: Opportunities enhanced for productive work for women and men, particularly for youth and vulnerable groups, especially through skills development.
2. CP 2: Social protection progressively extended, particularly in the context of informalization.
3. CP 3: Strengthened policy framework for elimination of unacceptable forms of work.

Cross-cutting issues:

- i) Social dialogue and strengthening of partners
- ii) Informal economy and
- iii) Gender equality

2.2.2 The Independent Evaluation of the First DWCP (2007-12)

The independent evaluation of the first DWCP (2007-2012) took place between December 2011 and April 2012 to review the performance and impact of ILO technical support in the country. The recommendations from the evaluation provided strategic inputs in the preparation of DWCP 2013-17. Overall, the evaluation

concluded that the constituents valued the ILO as a trusted partner for the provision of technical support and knowledge-sharing in the country. Particularly appreciated were the ILO's efforts to promote tripartism in all processes.

Key Recommendations of DWCP 2007-12 Independent Evaluation

- Continue priority to reach out to the informal economy
- Comprehensive approach to promoting the Decent Work Agenda at state levels.
- Further convergence with the strengths of tripartite constituents.
- Continue to promote South-South cooperation and knowledge management for the South Asia sub-region
- Greater attention to enhancing the application of results-based management (RBM) throughout DWCP and project cycles.
- Programming of field-level pilot/implementation projects to include well-defined replication and sustainability strategies
- Expand collaboration with the central ministries.
- Ensure greater coherence and synergies with the UN agencies and other development partners working on similar mandates, while maintaining focus on the ILO's core mandate.

2.2.3 Priority Areas of the Constituents

During the tripartite workshop for the independent evaluation and other discussions, constituents highlighted key priority areas for the DWCP 2013-17.

The action plan of the Fundamental Principles and Rights at Work, adopted at the International Labour Conference 2012, was agreed upon as a common priority by all the partners. The ratification of the ILO Core Conventions on Child Labour (C. 138 and C.182) and technical support for early ratification of C. 87 and C. 98 were also emphasized. Promotion of a national social protection floor, skills development, decent employment, enterprise development, youth employment and the formalization of the informal economy were considered as common priorities. The need for focussed attention on occupational safety & health, labour administration, industrial relations, employment relationships, equality and enforcement mechanisms was suggested. Enhanced efforts on knowledge management for better national and regional cooperation, including South-South Cooperation, were highlighted.



Overview of Priorities of Tripartite Constituents	
Labour Standards and FPRW	<ul style="list-style-type: none"> - Ratification of all Core Conventions - Further promotion and application of FPRW - Reduction of decent work deficits of unorganised workers and enterprises
Employment Promotion	<ul style="list-style-type: none"> - Skills development - Entrepreneurship development - Sustainable enterprise development, productivity and competitiveness - Youth employment - Women's participation in the labour force - Green Jobs
Social Protection and OSH	<ul style="list-style-type: none"> - Social protection floor - Increased focus on OSH - Strengthened national and state level initiatives to cover unorganised workers - Enhanced labour inspection
Social Dialogue	<ul style="list-style-type: none"> - Strengthened national and state level machinery - Employment relationships - Industrial relations - Labour law reforms - Support system for unorganised workers - Trade union registration - Strengthening employers' organizations
Cross-Cutting	<ul style="list-style-type: none"> - Improved implementation at national and state levels - Gender equality

2.2.4 The United Nations Development Action Frame-work for India (2013-17)

The India UNDAF is aligned to the national development priorities and outlines the joint as well as direct contribution of the UN system in the country. During the last UNDAF (2008-12), the ILO engaged in joint UN responses to the Tsunami and HIV/AIDS, apart from making direct contributions to areas that relate to the ILO's core mandate, through UNDAF's Poverty & Livelihoods Thematic Cluster, and hosting of the Work & Employment Community of Practice. The ILO in India has been engaged in the UNDAF 2013-17 development process through technical consultations, issue-based inputs, and inputs towards developing the UNDAF results framework. The tripartite constituents have provided valuable inputs in the UNDAF preparation.

The current UNDAF 2013-17 recognises decent and productive employment for men and women as the cornerstone for long-term poverty reduction and for enhancing overall human development in the country. It also acknowledges the role of a nationally-defined social protection floor in ensuring people's access to basic rights and entitlements. The ILO has a lead role in the UNDAF Outcome on Inclusive Growth, through the Task Team on Employment and Social Protection, along with direct contributions to at least four of the six UNDAF outcomes.

2.2.5 ILO's Areas of Critical Importance

The ILO has increased its efforts at the global and country levels on eight Areas of Critical Importance (ACIs): 1) Promoting more and better jobs for inclusive growth; 2) Jobs and skills for youth; 3) Creating and extending social protection floors; 4) Productivity and working conditions in SMEs; 5) Decent work in the rural economy; 6) Formalization of the informal economy; 7) Strengthening workplace compliance through labour inspection; and 8) Protection of workers from unacceptable forms of work. These ACIs have been endorsed by ILO's Governing Body and the International Labour Conference in 2013. The priorities identified under the DWCP-India 2013-17 are in line with these ACIs.

3. The Priorities and Outcomes of the DWCP-India (2013-2017)

3.1 Overview of Country Programme Priorities and Outcomes

The DWCP-India (2013-17) has been formulated around four country programme priorities and eleven outcomes. The priorities were identified jointly with the constituents within the framework of the country's priorities, drawing on the building blocks identified in Section 2 above and within areas of ILO's technical expertise. The DWCP has been developed in consultation with constituents and has benefited from individual and collective consultations with the constituents at each stage of formulation. It has also benefitted from inputs from other key stakeholders.

Country Programme PRIORITY 1: International Labour Standards & Fundamental Principles and Rights at Work Promoted

Outcome 1.1: ILO Conventions, with focus on Core Conventions, ratified

Outcome 1.2: Enhanced application of ratified Conventions and the 1998 ILO Declaration on Fundamental Principles and Rights at Work (FPRW)

Country Programme PRIORITY 2: Policies for Job-Rich and Inclusive Growth Promoted, especially for Women, Youth and Disadvantaged Groups

Outcome 2.1: Integration of employment objectives in policies and programmes with a focus on women, youth, and workers in the informal economy

Outcome 2.2: Improved policies and programmes on sustainable enterprise development and formalization

Outcome 2.3: Enhanced regulatory and delivery mechanisms to promote access and inclusion in skills development

Outcome 2.4: Strengthened integration and harmonization of labour statistics

Country Programme PRIORITY 3: National Social Protection Floor Built and Workplace Compliance Strengthened

Outcome 3.1: Expanded and strengthened social protection coverage progressively contributes to the building of a national social protection floor

Outcome 3.2: More women and men, both in the formal and informal economy, have access to social protection and improved working conditions

Country Programme PRIORITY 4: Labour Administration, Tripartism and Social Dialogue at National and State Levels Enhanced

Outcome 4.1: Strengthened national and state level tripartite mechanisms for effective social dialogue and industrial relations

Outcome 4.2: Enhanced social dialogue on labour governance and on compliance with labour laws

Outcome 4.3 Consensus built and a roadmap towards revision of labour laws adopted

3.2 Description of Priorities and Outcomes of DWCP

CP PRIORITY 1: International Labour Standards & Fundamental Principles and Rights at Work Promoted

India's tripartite partners acknowledge that the principles of ILO Conventions have influenced national policy and development initiatives. The inherent principles of Conventions are increasingly reflected in several policies and regulations and national mechanisms are in place to work on ratification and implementation of the conventions. However, a large majority of men and women in vulnerable groups still require specific attention. This will contribute to the country's efforts to ensure inclusiveness of

workers (especially women, people with disabilities, informal economy workers and other marginalized groups) for legal coverage and access to protection.

In this context, the constituents re-affirmed their commitment towards ratification of all ILO fundamental Conventions by 2015 at the International Labour Conference-2012. There is an expressed need to support India's efforts in implementation of ratified Conventions and in preparation for ratification of Conventions, with special focus on the four non-ratified core Conventions.¹⁸

Strategy for Outcome 1.1: ILO Conventions, with Focus on Core Conventions, Ratified

The constituents have been making serious efforts towards ratification of ILO Conventions, especially core Conventions, since the last DWCP. The ILO will provide technical support to the constituents in their efforts towards ratification of the remaining core Conventions. The ILO will also support promotional and advocacy efforts for ratification of other Conventions which India might consider ratifying, i.e., Occupational Safety and Health Convention (C.155), Work in Fishing Convention, 2007 (C.188), Private Employment Agencies Convention 1997 (C. 181), Maritime Labour Convention 2006 (C.174). The ILO will also provide technical support to the constituents to review and modify existing legal and policy frameworks, where required, to ensure consistency with ILS.

Outcome 1.1: ILO Conventions, with Focus on Core Conventions, ratified	
Indicators:	Outputs:
<ol style="list-style-type: none"> 1. Number of national legislation/ documents reviewed/modified in line with ILO Conventions 2. Number of ILO Conventions ratified during the DWCP period 	<ol style="list-style-type: none"> 1. Technical support for ratification of ILO Conventions 2. Awareness campaigns supported 3. Enhanced knowledge base on ILO Conventions

Strategy for Outcome 1.2: Enhanced Application of Ratified Conventions and the 1998 ILO Declaration on Fundamental Principles and Rights at Work (FPRW)

India has made progress in combating child labour, preventing vulnerabilities to bonded labour and in establishing coordination frameworks between origin and destination states for protection of rights of migrant workers through convergence-based tripartite mechanisms and social dialogue.

Building on existing initiatives at the national and state level, the ILO will continue to provide technical and capacity building support for broader application of ILO conventions and Fundamental Principles and Rights at Work (FPRW).

The ILO will contribute to strengthening capacities of key stakeholders for improved implementation of policies and programmes, including strengthening of enforcement capacities at national and state levels. The focus will also be on promoting mechanisms for improved access to rights for different categories of workers, including those in the informal economy. The major thrust will be on, among others, interventions to prevent unacceptable forms of work such as child labour and bonded labour and promote decent work for domestic workers and migrants. Strengthening of monitoring systems as well as strategies to scale-up on-going interventions will be continued. The fundamental rights of migrant workers will be promoted for both internal and international migration. On-going efforts to promote gender equality in the world of work will be intensified.

¹⁸Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87); Right to Organize and Collective Bargaining Convention, 1951 (No. 98); Minimum Age Convention, 1973 (C.138) and Worst Forms of Child Labour Convention, 1999 (No. 182).

Outcome 1.2: Enhanced application of ratified Conventions and the 1998 ILO Declaration on Fundamental Principles and Rights at Work (FPRW)

Indicators:	Outputs:
<ol style="list-style-type: none"> 1. Percentage increase in constituents' use of entitlements provided by the ILO supervisory and other mechanisms. 2. Number of national and state-level mechanisms to implement the principles of the core conventions. 3. Number of joint initiatives taken by social partners to promote rights at work (for prevention of child labour and forced labour, non-discrimination, and freedom of association). 	<ol style="list-style-type: none"> 1. Intervention models on application of FPRW promoted, including through south-south cooperation 2. Technical support provided to tripartite constituents to promote application of ratified conventions and other relevant standards 3. Technical support to prevent unacceptable forms of work (child labour, bonded labour, migrant workers and trafficking of women and children)

CP PRIORITY 2: Policies for Job-rich and Inclusive Growth Promoted, Especially for Women, Youth and Disadvantaged Groups

India is working towards inclusive growth. However, the inadequate creation of decent work is a major concern for policy-makers and social partners. There has been a strong call for employment policies, which promote inclusive growth and sustainable development with quality jobs. As part of an inclusive labour market for men, women, youth and other vulnerable groups, there has been an emphasis on the implementation of the National Policy on Skill Development and promoting decent work in the informal economy, along with sectoral policy interventions.

The relevance of targeted policies and programmes for employment creation and social protection to tackle poverty is well-recognized. In this context, large-scale investments in infrastructure through public and/or private funding provide an opportunity to both improve infrastructure and employment outcomes through public works schemes.

Sustainable enterprise development, both formal and informal, is also recognized as a critical driver of growth and employment generation. The promotion of an enabling environment for enterprises, socially responsible supply chains, and a skilled labour force working in MSMEs are critical areas where the constituents have been involved.

The need for improved information and data on the labour market, linked to strengthened employment services and training for underemployed and unemployed youth, has also been recognized.

It is important that efforts are guided by key ILO instruments, i.e., the Employment Policy Convention, 1964 (No. 122), the Private Employment Agencies Convention 1997 (C.181), Job Creation in Small and Medium-Sized Enterprises Recommendation 2004 (R.189), Human Resources Development Recommendation 2004 (No. 195), among others. Also, recommendations and resolutions on decent work in the informal economy need to be promoted.

Strategy for Outcome 2.1: Integration of Employment Objectives in Policies and Programmes with a Focus on Women, Youth and Workers in the Informal Economy

With a challenging economic situation, the task of creating more and better jobs has become more urgent. Creation of decent employment is, therefore, an overarching priority that needs to be addressed by the constituents in partnership with the ILO.

In addition, a number of other key issues are recognized by the ILO and constituents as priorities for promoting inclusive growth in line with the 12th Plan: enhancing employment outcomes for youth; promoting women's labour force participation; sectoral policies; steps to move out of informality; improved effectiveness of GOI flagship programmes, and emphasis on the employment impact of

infrastructural schemes. During the previous DWCP, ILO provided extensive support to the formulation of the draft national employment policy.

Outcome 2.1: Integration of employment objectives in policies and programmes with a focus on women, youth and workers in the informal economy	
Indicators:	Outputs:
<ol style="list-style-type: none"> 1. Number of MOLE plans, policies and strategies which address employment issues, including women's employment, inclusion of youth & disadvantaged and informality 2. Number of State Rural Roads Development Agencies trained in effective planning, designing and implementation of gender-sensitive, sustainable and performance-based rural roads maintenance. 3. At least one knowledge-sharing network functioning to promote research and evidence-based policy-making in South Asia, with India as host country 	<ol style="list-style-type: none"> 1. Technical support, including through South-South collaboration, provided to tripartite constituents, to address the challenges of creating decent employment, especially for women and youth 2. Technical support provided to GOI's PMGSY in seven states¹⁹ and other selected flagship programmes. 3. Knowledge on employment and formalization of informal economy generated and promoted, including through South-South Cooperation

ILO will continue to address these issues by working with the constituents and other key partners to conduct evidence-based policy research on topics of national importance, i.e., the low rate of women's labour force participation, youth employment and sectoral policies, amongst others. The findings will be disseminated through national/sub-regional dialogues to inform policy-makers, which will, in turn, inform the formulation of policies and strategies.

This approach will be supplemented by the regular dissemination of knowledge products on emerging employment issues, including on promoting formalization. On-going technical support for employment policies and their implementation will be strengthened, including introduction of tools for integrating employment goals in national policies and programmes. Technical advisory services will be provided to promote decent work objectives in selected Government of India programmes, especially for effective rural roads maintenance practices in the Prime Minister's Gram Sadak Yojana (PMGSY) in seven states.

Strategy for Outcome 2.2: Improved Policies and Programmes on Sustainable Enterprise Development and Formalization

The ILO, tripartite constituents and other stakeholders will collaborate to promote sustainable enterprise development using, among others, ILO's global tools for increasing productivity and competitiveness of small and medium enterprises, especially through the modular approach of the Sustaining Competitiveness and Responsible Enterprises (SCORE). In addition, institutional approaches for potential entrepreneurs to not only start and grow their own viable micro and small businesses, but also to create employment opportunities for others, will continue to be promoted through the adaptation of ILO's global Start and Improve Your Business (SIYB) and Women's Entrepreneurship Development (WED) programmes. The capacity of employers and workers organizations to deliver such programmes to their members will be developed.

With the constituents reconfirming the objective of "moving out of informality" as the ultimate goal through gradual processes cutting across several areas, global good practices on formalization will be shared through pilot initiatives at national/local levels. Promoting an integrated decent work strategy for the informal economy includes, for the ILO, seven interconnected policy areas i) growth strategy and quality employment generation; ii) regulatory environment, including enforcement of international labour standards and fundamental principles and rights at work; iii) organization on representation and

¹⁹Himachal Pradesh, Jharkhand, Meghalaya, Punjab, Rajasthan, Uttarakhand and Uttar Pradesh

social dialogue; iv) equity (gender, ethnicity, race, caste, disability, age); v) entrepreneurship, skills, finance, management, access to markets; vi) extension of social protection; and vii) local (rural and urban) development strategies.

As part of the pilot initiatives to promote formalization of informal businesses and workers, the ILO will further provide evidence-based inputs to policy-makers on the regulatory environment for enterprises and integrated local economic development models in selected states/sectors. These inputs will address, among other issues, specific dimensions of labour laws to help identify a path to developing more effective regulations.

Outcome 2.2: Improved policies and programmes on sustainable enterprise development and formalization	
Indicators:	Outputs:
<ol style="list-style-type: none">1. Number of ILO tools institutionalized and integrated in existing schemes and programmes.2. Formalization strategies adopted by tripartite partners in selected sectors.	<ol style="list-style-type: none">1. Gender-mainstreamed ILO tools for sustainable enterprises adopted by constituents and strategic partners.2. Good practices and lessons learnt on sustainable enterprises and formalization.3. Employers organizations capacities developed to deliver SIYB training.4. Integrated models of formalization tested in the context of local economic development with tripartite partners.

Strategy for Outcome 2.3: Enhanced Regulatory and Delivery Mechanisms to Promote Access and Inclusion in Skills Development.

Recognizing the critical role of skills development for India's future growth, stronger efforts to strengthen skills development initiatives are prioritized in India's 12th Five-Year Plan and continue to be a high priority for the ILO and its tripartite partners. In these efforts, the Ministry of Labour and Employment (MOLE) has been given a key role. Under the DWCP, employers, workers and the ILO will work in partnership with MOLE to contribute to the ambitious goals set out by the National Policy on Skill Development.

As an integral part of the operationalization of the National Policy on Skill Development, the ILO will continue to provide technical support to constituents to improve qualification systems and pathways to improve the recognition of skills development programmes and strengthen the governance and coordination of the skills system. This will be achieved through knowledge-sharing and strategic partnerships, including through South-South and triangular cooperation, with particular focus given to the Planning Commission, relevant ministries, the National Skills Development Agency, National Skills Development Corporation, state governments, training bodies and other key institutions. The ILO will work with the constituents to strengthen employment services and reinvigorate the apprenticeship system, including through support to piloting new approaches and the development of more robust systems to ensure more relevant and inclusive outcomes. This support aims to enhance technical capacity and facilitate better responsiveness to current and future labour market needs.

While India has a number of private and state initiatives to improve the collection of labour market information for skills anticipation, there remains a need for a strengthened national labour market information system (LMIS), which will be supported through technical inputs to the various key LMI stakeholders.. Technical inputs in support of sectoral approaches (in the handlooms and handicrafts, construction and domestic worker sectors) will also be promoted to integrate various initiatives, including the MOLE's Skills Development Initiative (SDI), the NSDC-led Sector Skills Councils (SSCs) and other key central schemes. Inclusion and accessibility to skills development will be a cross-cutting priority along with enhancing the quality, relevance and assessment and certification of skills, especially in the informal

economy, for women and vulnerable groups, e.g., early school-leavers and people with disabilities (PwDs). Special attention will also be paid to strengthening the participatory capacities of ILO's partners, particularly of trade unions, in order to increase their capacity to reach out to both formal and informal economy workers through skills development and training, as well as for their enhanced participation in the evolving skills eco-space. Through these activities, the principles of C.142 and R.195 will be promoted.

Outcome 2.3: Enhanced regulatory and delivery mechanisms to promote access and inclusion in skills development	
Indicators:	Outputs:
<ol style="list-style-type: none"> 1. Number of revisions in institutional regulatory arrangements. 2. Pilot skills initiatives implemented to increase employability and access, particularly of women and disadvantaged groups, to further training 	<ol style="list-style-type: none"> 1. Proposal for improvements to qualifications and quality assurance systems developed. 2. Proposal for improved apprenticeship regulatory provisions developed. 3. ILO sectoral approaches applied in key sectors with focus on handlooms & handicrafts, construction and domestic workers. 4. Enhanced trade union and employers capacities to participate in key institutions of the skills system.

Strategy for Outcome 2.4: Strengthened Integration and Harmonization of Labour Statistics

The availability of up-to-date, relevant and credible labour statistics is crucial to support an evidence-based approach to policy-making. Labour statistics include both indicators collected through surveys (e.g. employment, unemployment, and wages) and administrative sources. While India has a long tradition in statistical data collection, gaps remain in terms of coordination, harmonization, dissemination and the use of data in the analysis of decent employment challenges in the country.

For this reason, support will be provided to strengthen the collection, analysis, dissemination and coordination of labour statistics at both the national and state levels. This will involve reviewing the current statistical system to highlight the gaps and needs, leading to the preparation of a roadmap and establishment of an inter-ministerial mechanism at the national and state levels.

Outcome 2.4: Strengthened integration and harmonization of labour statistics	
Indicators:	Outputs:
<ol style="list-style-type: none"> 1. Roadmap to strengthen labour statistics developed. 2. Inter-ministerial mechanisms on labour statistics established at the national level and in two states. 	<ol style="list-style-type: none"> 1. Technical support provided to review labour statistics at the national and state levels. 2. Technical support on the standardization of labour statistics provided through ILO guides, including on informal employment.

CP PRIORITY 3: National Social Protection Floor Built and Workplace Compliance Strengthened

India has made great strides in achieving a basic level of social protection for a significant proportion of the population through a number of programmes and schemes. However, the decision-makers are facing a number of challenges. On-going national efforts need to be further strengthened and expanded in order to provide guaranteed minimum protection in the form of a national social protection floor. Through these efforts, India is moving from a welfare approach to a rights-based approach to social protection, as reflected in the 12th Plan.

A number of policies in India to promote social protection and workplace compliance reflect the principles of international labour standards. However, there is a continued need to create public awareness about key ILO instruments, i.e., the Social Security (Minimum Standards) Convention, 1952 (C. 102); National Floors for Social Protection (R.202); Promotional Framework for Occupational Safety and Health Convention, 2006 (C.187), Maternity Protection Convention, 2000 (C.183), Domestic Workers Convention, 2011 (C.189) and HIV/AIDS Recommendation, 2010 (R.200).

Strategy for Outcome 3.1: Expanded and Strengthened Social Protection Coverage Progressively Contribute to the Building of a National Social Protection Floor

A number of programmes and schemes are in place with specific targets and allocated resources. To ensure universal social protection coverage and address existing challenges of fragmentation, India is exploring building a national social protection floor around the four basic guarantees: (i) access to a nationally defined set of goods and services, constituting essential health care, including maternity care, that meets the criteria of availability, accessibility, acceptability and quality; (ii) basic income security for children, at least at a nationally defined minimum level, providing access to nutrition, education, care and any other necessary goods and services; (iii) basic income security, at least at a nationally defined minimum level, for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity and disability; and (iv) basic income security, at least at a nationally defined minimum level, for older persons.

The ILO will continue to provide technical advisory services to constituents to identify and address gaps in implementation of selected schemes; and support India's efforts to build a nationally determined social protection floor. Also, as part of the UNDAF in India, at least one state will be supported to formulate a framework for establishing a social protection floor. The ILO will also provide support to the constituents in their efforts to reach out to the informal economy workers, women, migrant workers and vulnerable groups. Particular emphasis will be given to inclusion and non-discrimination in extending and expanding social protection.

Outcome 3.1: Expanded and strengthened social protection coverage progressively contribute to the building of a national social protection floor	
Indicators:	Outputs:
1. A national level policy document on social protection floor in place.	1. Technical support in the preparation of a gender equitable national social protection floor.
2. Social protection framework for an identified UNDAF state developed.	2. Formulation of a gender equitable social protection framework facilitated at the state level.
3. Percentage increase made in coverage of informal economy workers in selected sectors (domestic, construction and leather)	3. Enhanced capacity of constituents to increase access of informal economy workers to social protection schemes and flagship programmes in selected sectors.

Strategy for Outcome 3.2: More women and men, both in the formal and informal economy, have access to social protection and improved working conditions

Building on previous policies and initiatives, the ILO, jointly with the constituents, will continue to collaborate in the implementation of national policies and related programmes in the fields of occupational safety and health, HIV/AIDS in the world of work, decent work for domestic workers, extension of maternity protection and others. Existing tripartite mechanisms for specific sectors will be strengthened to ensure inclusion and effective implementation (i.e., National Policy on Domestic Workers, once adopted, and

Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act 1996 and its allied Building and Other Construction Workers Welfare Cess Act, 1996²⁰) at state levels.

To improve the working conditions of workers in various sectors, including in the informal economy, efforts will be directed at operationalization of the National Policy on Safety, Health and Environment (SH&E) at national and state levels, including strengthening occupational safety & health and labour inspection mechanisms. The ILO will provide technical support and share existing knowledge products and tools to support the constituents' efforts at national and local levels. Particular attention will be given to address specific issues for women workers by strengthening tripartite capacities on mechanisms to promote gender equality and prevent sexual harassment at the workplace. The ILO will work with constituents to promote the Guide on the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013.

Outcome 3.2: More women and men, both in the formal and informal economy, have access to social protection and improved working conditions	
Indicators:	Outputs:
<ol style="list-style-type: none"> 1. Action plan for the implementation of the National Policy on Safety, Health and Environment developed and implementation initiated. 2. Number of states, key partners and constituents implementing the National Policy on HIV/AIDS in the World of Work. 3. Number of states, key partners and constituents implementing the National Policy on Domestic Workers. 	<ol style="list-style-type: none"> 1. Technical support to constituents in extending OSH in workplace programmes, including in the informal economy, especially at state levels. 2. Technical support for implementation of National Policy on HIV/AIDS in the World of Work extended to state and enterprise levels. 3. Constituents' initiatives to protect the rights of women workers supported at national and state levels. 4. Technical support to strengthen the Building and Other Construction Workers Welfare Act.

CP PRIORITY 4: Labour Administration, Tripartism and Social Dialogue at National and State Levels Enhanced

Labour administration in India represents a similar picture to most countries in similar development scenarios. There are pockets of excellence and examples of very encouraging modernisation efforts providing examples of good practice. However on the whole, the system needs to be adapted to face emerging challenges.

Tripartism and social dialogue are imperatives for sound industrial relations. The existing tripartite mechanisms provide some platforms for consensus-building on strategies to address issues of common concern to reduce decent work gaps at national, state, sectoral and enterprise levels, including for workers in the informal economy. However, further efforts by the Government as well as by social partners are needed to strengthen their roles and functions to ensure inclusion and effective outcomes in all areas of economic and social policy, especially in the current context of the economic slowdown and increasing pressure for reforms.

Effective bipartite mechanisms play an important role in helping enterprises to improve productivity while at the same time enhancing the protection of workers' income and jobs. They supplement the role played by tripartite mechanisms for social dialogue. The social partners have taken initiatives to come together to discuss matters that impact both employers' issues and workers' rights with a view to find lasting solutions. The ILO has provided technical support in this area. These initiatives will be nurtured to institutionalize such mechanisms at national, state, sectoral and enterprise levels through capacity and trust-building and transparency.

²⁰Cess is a percentage of tax collected to be spent for specific purposes.

The constituents agree on the need for a comprehensive review of labour laws as well as continued focus on strengthening bipartism and tripartism at national and state levels.

Strategy for Outcome 4.1: Strengthened National and State Level Tripartite Mechanisms for Effective Social Dialogue and Industrial Relations

Tripartite constituents are the main drivers for achieving the goal of decent work. Therefore, strategies for capacity building to further strengthen social dialogue mechanisms/institutions and also work towards achieving acceptable solutions on various issues through a process of consensus, will be formulated with the constituents at the beginning of the DWCP. These strategies will be implemented in close consultation with central trade union organizations, employers' organizations, MOLE and their state counterparts as well as through strategic partnerships with other stakeholders. The ILO will continue to support the government and social partners with technical support to strengthen tripartite and bipartite mechanisms on critical aspects.

The ILO will make special efforts to strengthen institutions for tripartite social dialogue at state level, especially in relation to the formalization of the unorganized sector. Tripartite boards, dealing with registration of workers, the extension of social protection, rights in the unorganized sector (in selected states) and other issues will be targeted for capacity building activities to strengthen their roles and impact. The exercise will include documenting innovative social dialogue practices existing in some states and the promotion of exchange of experiences between various states.

Capacities of trade unions and employers' organizations will be strengthened to enhance their outreach into the informal economy and increased participation of women and youth in decision-making. On-going efforts of central trade unions to organize domestic workers, construction workers and others will be further supported to increase the voice and representation of these vulnerable groups.

Outcome 4.1: Strengthened national and state level tripartite mechanisms for effective social dialogue and industrial relations	
Indicators:	Outputs:
<div>1. Number of states with effective tripartite mechanisms and boards in place.</div> <div>2. Number of joint initiatives taken by government and social partners to address economic and social challenges and promote sound industrial relations.</div>	<div>1. Technical support provided and consultations facilitated on action plans to strengthen the impact of tripartite mechanisms at state-level.</div> <div>2. Institutional capacities of government, employers' organizations and trade unions enhanced to build consensus on policy issues and promote sound industrial relations.</div> <div>3. Knowledge base developed and used to promote exchange of best social dialogue practices across the states of India.</div>

Strategy for Outcome 4.2 Enhanced Social Dialogue on Labour Governance and on Compliance with Labour Laws

Challenges relating to employment relationships, including contract labour, minimum wages, amongst others, are currently at the centre of policy discussions. The ILO will provide technical support to the constituents on research and preparation of analysis on employment relationships, based on relevant international experiences and practices. This will contribute to policy-level discussions to facilitate improved workers protection and viability of enterprises. This will also strengthen the national and state level labour administration mechanisms to reach out to the informal economy.

The ILO will support the tripartite constituents at all levels in their efforts to strengthen, expand and modernize their labour administration machinery building on earlier advice given and reforms already

envisaged. The technical advisory services of the ILO will focus on capacity development of labour administration systems to enhance the ability of institutions to plan, program and evaluate their activities, including through strengthening data collection and management systems. The opportunities to build international knowledge networks under South-South and Triangular Cooperation will also be fully utilized.

Dispute prevention and resolution mechanisms are key tools in creating an enabling environment for competitive enterprises and industries on the one hand, and securing decent conditions for the workers on the other. In this respect, the ILO will offer training activities to tripartite constituents to build their capacity in the area of modern techniques and practices of dispute prevention and resolution.

Tripartite constituents also recognize a need for a more effective labour inspection through enhanced social dialogue on compliance issues as well as through improved coordination between enforcement authorities.

Outcome 4.2: Enhanced social dialogue on labour governance and on compliance with labour laws

Indicators:	Outputs:
<ol style="list-style-type: none"> 1. Number of States with effective tripartite mechanisms to address employment relationships and minimum wages. 2. Number of state government(s) with improved labour inspection systems. 	<ol style="list-style-type: none"> 1. Technical support to constituents on employment relationship issues. 2. Technical support to tripartite initiatives on national wage policy and wage setting. 3. Technical support to strengthen labour administration systems at national and state levels, including their capacity to reach-out to informal economy workers 4. Enhanced capacity of labour inspection systems, especially at state level. 5. Capacity building activities are carried-out in selected states to build the capacity of social partners and government officials (labour inspectors) on dispute prevention and resolution.

Strategy for Outcome 4.3: Consensus Built and a Roadmap Towards Revision of Labour Laws Adopted

The current labour laws represent a huge challenge for their own implementation. There is a recognized need for a comprehensive review of existing labour laws in order to improve implementation, facilitation of formalization processes and adaptation to India's changing economy and employment relationships.

The ILO will provide technical support to conduct an analysis of future prospects for revision of labour laws through a consultative process and with national experts, with and amongst various stakeholders, workers and employers, at national, state and sectoral levels. The ILO will also facilitate experience-sharing with relevant international examples.

Outcome 4.3: Consensus built and a roadmap towards revision of labour laws adopted

Indicators:	Outputs:
<ol style="list-style-type: none"> 1. Action plan with recommendations for revision of labour laws. 	<ol style="list-style-type: none"> 1. Review of existing laws to identify gaps and Implementation challenges. 2. Analysis of future prospects for revision of labour laws.

4. Risks and Assumptions

The DWCP 2012-13 is formulated by building on the achievements and lessons learned during the implementation of the DWCP 2007-2012. It has also been aligned to the priorities of the constituents. Minor adjustments and changes in the proposed framework can be made: for example, natural disasters might call for some revisions. However, it is expected that the priorities of the constituents will remain steady through the DWCP implementation period.

It is assumed that the economy will grow, enabling the government to allocate financial and other resources necessary for the smooth implementation of policies and programmes. It is also assumed that the pending policy initiatives will be adopted. Additionally, mobilization of internal and external resources, critical for the implementation of the DWCP, will also be achieved. With India's growing international role and India emerging as a donor country, the need to develop strategic partnership models, including using the South-South Cooperation and other modalities, will need to be prioritized.

A number of outputs identified under the DWCP would require building alliances for implementation in identified states. In this context, challenges in steady commitment to tripartite approaches and technical capacities at the state levels can pose a risk. These would need to be addressed by well-planned interventions through, among other things, development of an understanding of ILO values at the highest levels in the identified states.

The DWCP can only be successful with the active cooperation of tripartite partners – the government, employers and workers – with the ILO. In this context, the specific role of each partner will be clearly defined during the planning for implementation of all the Outcomes.

5. Management and Institutional Arrangements

5.1 The Role of the Ministry of Labour and Employment and Workers' and Employers' Organizations

This DWCP is a collaborative framework between the ILO's nodal Government Ministry in India – the Ministry of Labour and Employment – the workers and employers organizations, along with other line ministries at national and state levels, Planning Commission, other relevant stakeholders, and the ILO.

The DWCP reflects the priorities and outcomes set by the constituents and their commitment for collaboration to achieve the goal of Decent Work. The constituents will provide strategic guidance during the implementation and be actively involved in resource mobilization, including leveraging national resources, to support implementation of specific outputs. Similarly, they will also be actively involved in the formulation and implementation of specific technical cooperation projects, which will contribute to selected DWCP outcomes.

MOLE and the social partners will constitute a DWCP tripartite advisory committee to guide DWCP implementation, monitoring and evaluation. Thematic Advisory Committees or working groups – already existing or being established – will continue to support the implementation process in selected outcomes of the DWCP. A high-level six-monthly review with the Ministry of Labour and Employment and social partners will take place.

Collaboration with line ministries will be strengthened for specific priorities and outcomes. This will include Ministries of Overseas Indian Affairs; Rural Development; Women & Children; Micro, Small & Medium Enterprises, Urban Development & Poverty Alleviation, Social Justice & Empowerment; Human Resource Development, Statistics & Programme Implementation; Youth Affairs & Sports; Environment & Forests; Health & Family Welfare; Finance; Home Affairs, etc. as well as the Ministry of External Affairs

Building on the last DWCP-India, a number of DWCP Outputs will be implemented in close collaboration with the state governments as well as the social partners.

The Ministry of Labour & Employment envisions a strengthened mechanism for feedback from the country to the ILO in the current DWCP.

5.2 The Role of the ILO

The ILO Decent Work Team for South Asia/Country Office for India (DWT/CO), will hold the overall management responsibility for the implementation of the DWCP, in close consultation with MOLE and the social partners. The ILO DWT/CO New Delhi will coordinate with the ILO Regional Office for Asia and the Pacific (ROAP) and ILO Headquarters to ensure optimum technical support for the DWCP implementation. The ILO will mobilize national expertise to support DWCP implementation.

Strategic partnerships with the Planning Commission, policy-making bodies, relevant ministries/departments, state governments, the academic community, and others will be strengthened. The ILO will work with the UN under the UNDAF framework. The ILO will continue to collaborate closely with development partners to achieve DWCP outcomes. The ILO will also ensure that the implementation of the UNDAF integrates decent and productive employment for men and women and promotes the establishment of the social protection floor.

The ILO will continue to make available training programmes for tripartite constituents through the Turin International Training Centre and regional networks. The ILO will promote collaboration, similar to the Memorandum of Understanding (MoU) between the VV Giri National Labour Institute (MOLE) and the Turin International Training Centre, to further advance the research and analytical capacity of the constituents and national research institutions.

Emerging modalities for south-south and triangular cooperation and the VVGNI-Turin Centre collaboration offer additional opportunities for India to share knowledge and good practices. Efforts for greater visibility of ILO knowledge products and capacity building services will be prioritized both at the national and local levels. In line with the ILO's global focus on knowledge partnerships and research, an advisory group, consisting of leading experts, will be established to strengthen ILO's role as a leading centre of excellence in the world of work.

6. Planning, Monitoring and Evaluation

6.1 Annual Work Plan and Reporting

The ILO will prepare implementation plans for operationalization of the DWCP at the outset of the starting date, along with the tripartite constituents, in order to align DWCP workplan with the priorities of the tripartite constituents. The annual work plan, financial and implementation report on the DWCP will be reviewed jointly with the tripartite constituents. The report will discuss progress, challenges and also identify any areas with resource gaps.

6.2 Monitoring and Evaluation

The ILO recognises the need for capacity building of both ILO staff and the tripartite constituents on results and outcome-based planning for more focused reviews that could guide timely adjustments to the DWCP implementation.

The DWCP results framework (2013-17), including key outputs, indicators, milestones and targets, will be the primary reference point for the monitoring and performance review. The biennium outcome-based workplan will be the basis of regular annual reporting. Apart from the regular annual reporting, the progress, achievements and challenges will be reviewed with the tripartite constituents through individual, bipartite and tripartite meetings.

6.3 Country Programme Review

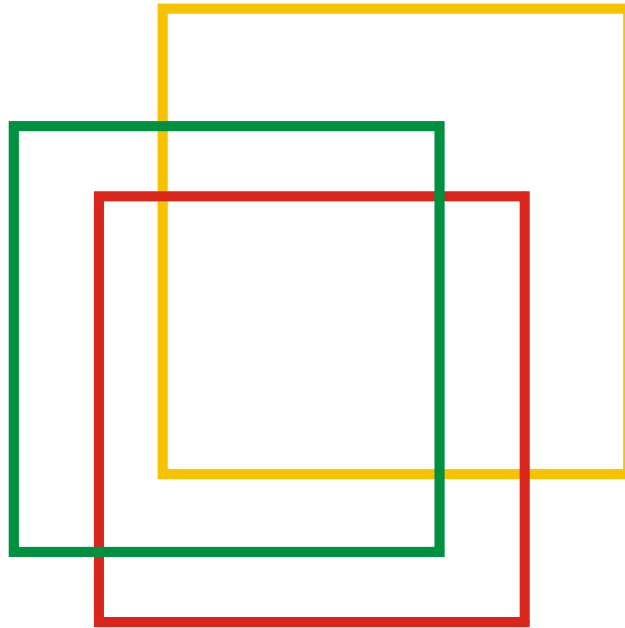
At least one DWCP review will be undertaken within the DWCP period. This review will also take into account potential new priorities emerging from the post-MDG process during 2015 as well as other important issues of the constituents.

6.4 Evaluation

An evaluation of the DWCP will be conducted at the end of the DWCP period.



Signing of Decent Work Country Programme (2013-17) document by Ms. Tine Staermose, Dr. Mrutyunjay Sarangi, Mr. N.M. Adyanthaya, and Mr. B.P. Pant (representing Mr. Y.K. Modi)



VISION

The ILO Decent Work Technical Support Team (DWT) for South Asia and Country Office for India is a centre of excellence to realize Decent Work for sustainable social and economic development in South Asia. The Office provides knowledge-based, high quality technical and advisory services to tripartite constituents in Member States on a wide range of issues and builds partnerships to effectively promote ILO values and principles in support of the work-programmes of the ILO Country Offices in the South Asia subregion.