



# National Tripartite Seminar



## Enhancing Labour Administration's Performance in India

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# Socio-economic context

- Organized manufacturing sector failed to grow
- Stress on cost-cutting measures in the form of quest towards producing at the lowest cost possible and subsequent casualization, outsourcing, putting-out
- Prevalence of comparative advantage theory of international trade
- Withdrawal of State in the context of liberalization
- Neo-liberal economic policies (labour is perceived as just another input in the production function and pursuit of maximization of profit continues at the expense of workers' interest)
- Weak social protection measures (no health and employment security)
- Dismantling of contract (severance of employer-employee relation)
- Scattered work-space
- Undeclared work and unpaid work, declining female labour force participation rate
- Weakened trade union bargaining power

# Government of India Initiatives

- Creation of a separate wing to deal with social security (DGLW) and welfare issues of informal sector labour
- Formation of a Ministry of Skill Development
- Certain amendments to labour laws like the Factories Act, Apprenticeship Act, EPF Act etc., and contemplation of labour codes
- *Shram Suvidha* Portal
- UWIN (Unorganized Workers' Identification Number) card
- Use of technology (e=easier social security, Project *Panchadeep* etc.)
- National Career Service Portal

# Initiatives in West Bengal

- **SASPFUW** (State Assisted Scheme of Provident Fund for Unorganized Workers)
- **FAWLOI** (Financial Assistance to the Workers in Locked Out Industrial Units)
- *Samajik Mukti Card*
- Employment Bank
- **LWFC** (Labour Welfare Facilitation Centre)
- **BOCWWS** (Building & Other Construction Workers' Welfare Board)
- **WBTWWS** (West Bengal Transport Workers' Welfare Scheme)
- Provision for trade union elections

# Initiatives in Karnataka

- *E-karmika*
- *Sakala*
- National Academy for Construction Workers
- Welfare scheme for commercial vehicle drivers
- Migrant workers from other States are also getting registered under the construction workers' welfare package
- Better enforcement of labour laws
- Implementation of RSBY (*Rashtriya Swasthya Bima Yojana*)



# Administrative and Legislative Reforms

## Strengths:

- Rationalization (
- Simplification (attempts to reduction of multiplicity of labour laws)
- Outreach (decentralization of labour administration machinery to reach out to workers at the margin)
- Procedural ease (certain exemptions in filing returns and reports)
- Acceleration (setting timeframe for completing tasks)
- Inclusion (informal sector labour)
- Better redistribution (using social security schemes as an instrument of redistribution)



# Administrative and Legislative Reforms

## Weaknesses:

- Concentration within specific areas
- Targeted rather than universal
- Lack of unemployment coverage

# Gaps

- Lack of infrastructure
- Use of new technology is still limited
- Reforms are made in a haphazard manner
- The process of social dialogue continues to be limited
- Performance management system is lacking
- Social security schemes are mostly target-based instead of being universal
- Majority of self-employed persons in the informal sector are still beyond the scope of labour administration (same with unpaid work and care work)
- Labour administration has failed to sustain the rigors of inspection mechanism
- Labour legislations have in many cases failed to protect real wage





# Lessons Learnt

- Greater need for social dialogue and consensus building- need to go beyond tripartism
- Targeted approach will not do
- Need for greater inter-departmental coordination since issues are inter-disciplinary and holistic in nature
- Independent monitoring of activities

# Recommendations-I

- Reach out to informal sector workers in a more holistic manner (currently, most social security schemes under implementation are occupation-specific such as for construction or transport workers)
- Reach out to self-employed workers who are mostly left out (employer-employee relation absent, and labour legislations are primarily based on this relation)
- Concept of work space has undergone sea change - gradually it got scattered, and even domestic space has become work space - labour administration needs to go beyond the factory/establishment mindset and create an atmosphere for enforcement on a boarder scale

# Recommendations-II

- Labour laws need to be rationalized and simplified (there is overlap, replication, and multiplicity of laws, and some provisions are archaic). Introduction of a code is a welcome move but it should not be a cut-and-paste job, and there should be an amalgamation in the true sense. The code should be specific while a corresponding Rule can take care of details
- Most of the labour laws have in-built flexibility, but need better implementation
- All stakeholders must be consulted before amendments are made- presently stakeholders have their water-tight positions, but there is a need to engage all in meaningful discussions and to build consensus

# Recommendations-III

- Technology can be used to streamline registration (transparent documentation, avoiding of duplication, removal of intermediaries, quicker distribution of benefits, direct money transfer to beneficiaries)
- Introduction of technology should be supported by equivalent corresponding infrastructure and trained human resources
- A stand-alone Labour Welfare Facilitation Centre (LWFC) should compulsorily be provided at every block
- Inter-State consultations and experience sharing platforms should be provided (in many occupations, informal sector workers are migrants)



# Recommendations-IV

- A just performance management system should be put in place
- More judicious use of new technology must be made
- Proper planning and coordination is needed