

## Shramev Jayate

“Each of the initiatives launched today by Labour Ministry is big enough to be launched at a different occasion each time,” said the Prime Minister, Shri Narendra Modi at a function organized by the Ministry of Labour & Employment at Vigyan Bhawan here today. The Prime Minister lauded the proactive approach of the Ministry for having completed the background work before the actual launch of five different initiatives by the Ministry. The dais was shared by Minister for Labour & Employment, Steel and Mines, Shri Narendra Singh Tomar, Minister of Health & Family Welfare, Dr Harshvardhan, Minister of Micro, Small, Medium Enterprises, Shri Kalraj Mishra, Minister of Heavy Industries and Public Enterprises Shri Anant Geete, Minister of State for Labour & Employment, Steel and Mines, Shri Vishnu Deo Sai and the Secretary, Ministry of Labour and Employment, Smt Gauri Kumar.

Shri Narendra Singh Tomar termed these initiatives as bold steps in achieving Prime Minister’s vision of ‘Minimum Government and Maximum Governance’, emphasizing that all actions of the Ministry are geared to bring about greater transparency and speed in the system. Shri Tomar informed that three bills had already been introduced in the Parliament with the vision to harness India’s demographic dividend, and facilitate ease of doing business in the country. “It is envisaged that the Apprentice Act, upon implementation, will increase the number of apprentices to over 23 lakhs,” he said.

Shri Tomar expressed that the momentum of bringing reforms in the labour sector will be sustained and archaic laws will be done away with. In the forthcoming winter session of the Parliament, he said that the Ministry plans to bring amendments to introduce a single act for MSMEs and for abolishing child labour in the country.

The Pandit Deendayal Upadhyay *Shramev Jayate Karyakram* saw participation of senior Labour, Health and Technical Education Ministers from over 20 states including Madhya Pradesh, Rajasthan, Bihar, Odisha, Chhattisgarh, Assam, Karnataka, Meghalaya, Puducherry etc. The five main schemes launched by Shri Modi included:

**A dedicated Shram Suvidha Portal:** That would allot Labour Identification Number (LIN) to nearly 6 lakhs units and allow them to file online compliance for 16 out of 44 labour laws

**An all-new Random Inspection Scheme:** Utilizing technology to eliminate human discretion in selection of units for inspection, and uploading of inspection reports within 72 hours of inspection mandatory

**Universal Account Number:** Enables 4.17 crore employees to have their Provident Fund account portable, hassle-free and universally accessible

**Apprentice Protsahan Yojana:** Will support manufacturing units mainly and other establishments by reimbursing 50% of the stipend paid to apprentices during first two years of their training

**Revamped Rashtriya Swasthya Bima Yojana:** Introducing a Smart Card for the workers in the unorganized sector seeded with details of two more social security schemes

On the occasion, the Prime Minister felicitated ITI Brand Ambassadors, that is, icons of success coming from ITIs in different vocations. He released a booklet on National Brand Ambassadors for Vocational Training and Souvenir for All India Skill Competitions and distributed prizes to awardees of All India Skill Competitions.

Simultaneously, a process was set into motion to send SMSs to about 1 crore EPFO subscribers, over 6 lakh establishments, 1800 Inspecting Officers and 4 lakhs ITIs trainees regarding the relevant benefits.

Details of the schemes launched by Prime Minister are given below:

### **Dedication of Shram Suvidha Portal and Labour Inspection Scheme in Central Sphere:**

Multiplicity of labour laws and the difficulty in their compliance has always been cited as an impediment to the industrial development. The World Bank annual report for year 2014 in a comparative study on Indian Labour Laws has established the fact that the Indian states with flexible labour laws and easier compliance mechanism have fared better in terms of Industrial development than those where labour laws are rigid and the compliance is difficult as well. Ease of compliance has also been found to be important for the growth of organized sector. Ministry of Labour and Employment and Ministry of Commerce and Industry are both working in close coordination to fulfill the mission of “Make in India”. Not only it is needed to amend the labour laws and make them flexible for the present circumstances but it is also important to ensure that the compliance is made easy as this will encourage the development of manufacturing industry particularly MSME sector in the country.

Amendments to three major labour laws were presented to Parliament during this Monsoon session of the Parliament. Ministry has developed a Shram Suvidha Portal in central sphere to create a conducive environment for industrial development. The 4 main features of this Portal are:

- a. Unique labour identification number (LIN) will be allotted to Units to facilitate online registration.
- b. Filing of self-certified and simplified Single Online Return by the industry. Now Units will only file a single consolidated Return online instead of filing 16 separate Returns.
- c. Mandatory uploading of inspection Reports within 72 hours by the Labour inspectors.
- d. Timely redressal of grievances will be ensured with the help of the portal.

This will bring in the necessary **ease in compliance** of provisions related to labour and will be a step forward in promoting the **ease of doing business**. The complete database available centrally at unified portal will also add to the informed policy process. The portal will be operative in 4 central organizations namely Chief Labour Commissioner, Directorate General of Mines Safety, Employee Provident Fund and Employees’ State insurance Corporation. In this endeavor of the Ministry, complete information of all 11 lakh units for these organizations has been collected, digitized and de-duplicated reducing the total number to 6-7 lakh. **It is proposed to allot LIN to all these 6-7 lakh units.**

**Labour Inspection Scheme:** So far the units for inspection were selected locally without any objective criteria. To bring in transparency in labour inspection, a transparent Labour Inspection scheme is being developed. The four features of the inspection scheme are:

- (i) Serious matters are to be covered under the mandatory inspection list.
- (ii) A computerized list of inspections will be generated randomly based on pre-determined objective criteria.
- (iii) Complaints based inspections will also be determined centrally after examination based on data and evidence.
- (iv) There will be provision of Emergency List for inspection of serious cases in specific circumstances.

A transparent Inspection Scheme will provide a check on the arbitrariness in compliance mechanism. Immediately on inauguration, **a sms/email was sent to 1800 Labour Inspectors of these enforcement agencies** on behalf of the Prime Minister.

## **Dedication of Portability through Universal Account Number (UAN) for Employees Provident**

### **Fund:**

Under the scheme complete information for approximately 4 crore subscribers of EPF has been centrally compiled and digitized and a UAN has been allotted to all. The UAN is being seeded with Bank account and Aadhar Card and other KYC details for financial inclusion of vulnerable section of society and their unique identification. Camps are being organized to facilitate opening of bank account and Aadhar card for those subscribers who have no bank account or Aadhar card as on date. This will ensure portability of the Social Security Benefits to the labour of organised sector across the jobs and geographic areas. The EPF account of employee will be now be updated monthly and at the same time he will be informed through sms. Finally it will ensure that each of the 4 crore or more EPF account holders have direct access to their EPF accounts and will also enable them to consolidate all their previous accounts (approximately Rs 27000 Crore are currently lying with EPFO in inoperative accounts). By 16<sup>th</sup> October, 2014, approximately 2 crore subscribers will have the benefit of portability through UAN. Subscribers have been informed through sms/email immediately on inauguration. The minimum pension for employees has been introduced first time so that employees' pension is not less than Rs. 1000 per month. The wage ceiling has been raised from Rs. 6500 to Rs. 15000 per month to ensure that vulnerable groups are covered under EPF Scheme.

### **Recognition of Brand Ambassadors of ITIs :**

The Industrial Training Institutes (ITIs) in the country are the backbone of the vocational training system, only source of supply of skilled manpower to manufacturing industry. There are 11,500 ITIs having about 16 lakh seats. But this is grossly inadequate for supplying skilled manpower to Indian industry. Only 10% of the workforce has got formal or informal technical training. Only one fourth of this is formally trained. Whereas in South Korea, Japan, Germany, the percentage of workforce having received skills training is 96, 80 and 75 respectively. There is also another big imbalance. The intake capacity of undergraduate engineering colleges was more than 16 lakh in India which was almost same as seating capacity of ITIs. Whereas we need about at least 10 shop floor workers for an engineer. Therefore we need to rapidly expand certificate level vocational training if we have to succeed in our mission of 'Make in India'.

However, as a general trend, pass outs from education system do not take admission in the ITIs as their first choice. Mostly end up in ITI after exhausting all other options for higher education. This is because; blue collar work is not respected and regarded in the society. For meeting the skill needs of our industry and for enhancing employability of our youth, we need to attract more youth to it is by enhancing dignity of vocational training.

Over 60 years of existence ITIs have given excellent technician, mechanics, entrepreneurs and professional leaders. Manufacturing sector is reservoir of this success. They have brought name and fame in the country and abroad. It is proposed to compile these success stories and publish in print and electronic form. These success stories shall be used for motivating youngsters and their parents. We would like to showcase such successful ITI graduates as National Brand Ambassadors of Vocational Training. This will be taken as communicator and catalyst, taking the message of ITI vocational training to every section of society. This will also improve the brand image as well as social acceptance of the vocational training. The Prime Minister has released this publication and felicitate few of these Brand Ambassadors. This will send a good message in the society and help in giving honour and acceptability, removing social stigma from vocational training and skilled work. Best wishes for a successful career will be sent on behalf of the Prime Minister to 4 lakh ITI students through SMS.

### **All India Skill Competition:**

The Ministry of labour conducts competitions to foster the healthy spirit of competitiveness among the trainee Craftsmen/ Apprentices. Winning spirit brings pride to world of skills, improves changing work habits to be more organized, goal setting to achieve goals, and simply performing higher quality work. They are:

a) All India Skill Competition for Craftsmen among trainees admitted under Craftsmen Training Scheme (CTS). It is conducted once in a year. On the basis of marks obtained in skill competition by trainees, the award is given to BEST CRAFTSMAN-cash prize and merit certificate, BEST INSTITUTE – a merit certificate and the BEST STATE –a shield.

b) All India Competition for Apprentices among trainees admitted under Apprenticeship Training Scheme (ATS). It is conducted twice every year. The award is given to the BEST Apprentice- cash prize of Rs 50,000 and a merit certificate and Runner Up Apprentice- cash prize of Rs 25000 and merit certificate in each Trade, and the BEST ESTABLISHMENT on all India basis- a trophy and certificate by President of India.

**Trade covered in Competition:** Both the competitions are conducted in 15 trades i.e. Fitter, Turner, Machinist, Welder (G&E), Mechanic (Motor Vehicle), Mechanic (Diesel), Instrument Mechanic, Draughtsman (Mechanical), Draughtsman (Civil), Electrician, Electronic Mechanic, Cutting & Sewing, Foundry Man, Computer Operator & Programming Assistant (COPA), and Refrigeration & Air Conditioning Mechanic.

#### **Launch of Apprenticeship Protsahan Yojana :**

The Apprentices Act 1961 was enacted for regulating the Apprenticeship Training Scheme in the industry for imparting on-the-job training to apprentices. Presently, there are only 2.82 lakh apprentices undergoing training against 4.9 lakh seats.

Apprenticeship Scheme has huge potential for training the large number of young person's to make them employable. If properly revamped, it could also significantly contribute to 'Make in India' Mission. Similar schemes have been highly successful in countries like Germany, China and Japan where the number of apprentices are stated to be 3 million, 20 million and 10 million respectively.

Present framework tightly regulates the number of apprentices trade-wise, and is not attractive to youth because of low rate of stipend. Further the industry is averse to participate because the scheme is not viable for the small industries. There are a large number of establishments including MSMEs where training facilities are available but could not be utilized so far.

A major initiative has been undertaken to revamp the apprenticeship Scheme in India after extensive consultation with industry, states and other stakeholders with the vision of increasing apprenticeship seats to more than 20 lakhs in next few years. There are four components of this initiative, which are given below:

- a. Making the legal framework friendly to both, industry and youth. The necessary Bill amending the Act was placed and passed in Lok Sabha on 14.8.2014.
- b. Enhancing the rate of stipend and indexing it to minimum wages of semi skilled workers.
- c. Apprentice Protsahan Yojana which will support manufacturing units mainly and other establishments by reimbursing 50% of the stipend paid to apprentices during first two years of their training.
- d. Basic training component (mainly class room training part) of the curricula is being restructured on scientific principles to make it more effective, and MSMEs will be supported financially by permitting this component in government funded SDI scheme.

**The Apprentice Protsahan Yojana** will support one lakh apprentices during the period upto March 2017. Selected Apprentices and the Establishments ready to participate in this scheme from various states will be invited and it is proposed that Prime Minister will give sanction letters to these to mark the launch of the new scheme.