

अखिल भारतीय

169 A

नेशनल प्रॉजेक्ट कॉन्स्ट्रक्शन कारपोरेशन लि० कर्मचारी महासंघ

ALL INDIA

National Project Construction Corpn. Ltd. Employees Federation

Head Office : Dr. B.R. Ambedkar Memorial Bldg, Khandwa Road, Nagpur (Maharashtra)	General Secretary's Office : Bus Stand, Ratu Road Ranchi-834001 (Bihar)	Delhi Office 26-A, Barakhamba Road, Ground Floor, Akash Deep New Delhi-110001
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Ref. No.

Date

STATEMENT ON BEHALF OF ALL INDIA N.P.C.C.
EMPLOYEES FEDERATION.(A.I.T.U.C.)

The National Projects Construction Corporation, is a public sector enterprise in the construction industry under the Ministry of Energy. It is engaged in the construction of major national projects like Dams, tunnel's, barrages, thermal power projects, roads, buildings, etc.

These projects are executed by a workforce consisting of about 6000 regular employees and about 35,000 employees through private contracting agencies. This means that less than a sixth of those employed in doing the work of the company are employees of the company.

The departmental employees i.e. those directly employed by the NPCC are in the highly skilled, skilled, and semi-skilled categories. These departmental employees are paid salaries benefits etc. as per the rules and regulations of the corporation. These salaries and benefits in the main are as follows:-

- i) Basic pay for un-skilled- 150-3-165-4-185.
- ii) Dearness Allowances Rs. 952.60
- iii) Project Allowances 15% of the basic pay.
- iv) Bonus 8.33%.
- v) Provident fund 3%.
- vi) Full medical reimbursement including hospital charges.
- vii) Paid weekly off, CL,EL,ML and other leaves.

These departmental workers are transferable through out the country to the various projects in the hands of the corporation. These infact have constituted upto now, a truncated national core of builders of the corporation and have relatively speaking reasonable conditions of service. The bulk of the workers however being contract labour are exploited beyond measure.

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National Project Construction Corporation Ltd. कर्मचारी महासंघ

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It is now more or less accepted in the industry that with an annual turnover of Rs. 150 crores at the given capital/labour ratio deployment, about 40000 employees are gainfully engaged. In other words about 270 employees per crore of annual turnover. The All India NPCC Employees Federation has consistently maintained that the departmental workforce, even after making ample adjustments for variations in the number and size of projects in hand would require a national turnover. This however is not the case.

The bulk of the construction workers engaged by the National Projects Construction Corporation through the contracting and other agencies are kept out of the ambit of almost all the existing labour legislations like for example :-

- i) State Migrant workmen (Regulation of employment and condition of service) Act 1979.
- ii) P.F. benefits.
- iii) E.S.I.C. benefits.
- iv) Workmen's compensation 1923.
- v) Payment of bonus Act.
- vi) Equal remuneration Act.
- vii) Fatal accidents Act etc. etc.

Out of the approx 2 crore construction workers in India only a few thousand get the benefit of these and other relevant legislations. The supreme court in a number of recent judgements has unequivocally held that equal work warrants equal pay. But in the construction industry only the departmental workers of the bigger construction corporations are getting wages and benefits accruing from bilateral settlement with workers representative organisations or otherwise.

In other words the bulk of construction labour is faced with a situation where many Acts do exist on paper to regulate their conditions of service but none in fact have concretely addressed themselves to the specific nature of the industry. Let us see how the above mentioned Acts are easily circumvented.

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The paid weekly off day, which is so vitally important for preserving the health and well being of the workers, is denied to the construction labourer, even though the nature of the work done is so arduous. The paid weekly off day is guaranteed by law under the Factories Act, Minimum Wages Act etc. but since no records of employment are maintained by contractors, the workers in this sector are deprived even of this minimum paid casual leave, medical leave and earned leave are unheard of in this industry.

The Employees Provident Fund and Misc. Provisions Act, 1952 is in theory applicable to the construction workers. But our Union has found that on practically every project site the bulk of the workers employed through contracting agencies never get any Provident Fund benefits. In case of death the family never receives the benefits under the associated EPFS or the Workmen's Compensation Act.

The Provident Fund Scheme has been framed, without keeping industry specifics in mind. The applicability of the scheme is contingent upon regular attendance and continuity for a period of time. The contractors quite easily destroy proof of attendance. In any case the worker never has any proof of attendance, as the attendance register/Muster roles are maintained by the employers.

Various loopholes have been left in the law with the result that the Contract Labour Regulation and Abolition Act can be circumvented by nominally changing the contractors every few months. Most contractors have a licence, if at all, to employ only about 50 people but use that licence to employ about 500 people. The actual problem is that the worker has no proof of employment by a particular contractor, with the result that his claim on either the contractor or the principal employer can almost never be substantiated.

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The payment of bonus is an unknown phenomenon in this industry, even though it is rated as yielding the highest rate of profit per rupee invested. This industry has witnessed a phenomenal and sustained growth over the last five decades, as revealed by the tremendous growth in the utilisation of materials like steel, cement, asbestos, bricks and other building materials. While workers employed in the industries sustained by construction (such as steel fabricators, huge pipes sanitary works) are in the better paid organised sector, those in construction, ironically, are sweated labour.

Bonus is computed for a one year period and payable at any time over the next eight months. In a sector where geographic migration is the norm it is virtually impossible for workers to get their bonus completed and paid.

The construction workers never gets gratuity and other terminal benefits for the simple reason that for any worker to get gratuity he has to be in continuous employment for a period of five years. Given the nature of the industry this is impracticable.

Fatal and crippling accidents in this industry are rather frequent as the employees completely disregard ergonomic standards. Even the minimum compensation under the Fatal Accidents Act 1955 the workmens compensation Act 1923 and Rules 1924 is not paid. Usually the worker is a migrant and in many cases his family in a distant village is unable to press claims on behalf of deceased worker. Even where the family is present the circumlocutory process of obtaining compensation precludes the possibility of getting it. The family will have to stay for a long period ranging from three months to a year or more in the place where the worker was employed in order to have the papers processed.

In the case of a crippling accident rendering the limits useless, the worker is in a completely helpless position. The situation of the construction workers seem to be thus characterised as one of complete and total exploitation with labours legislation completely bypassing them. The need therefore to introduce a comprehensive legislation specific to the industry is urgent.

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What then is specific to this industry?

The complete lack of security of service, as mentioned earlier, and the pyramidal nature of work execution i.e. the entire syndrome of principal employer to contractors, etc makes it impossible to organise the construction worker to fight in defence of his already existing rights. The difficulty in establishing an employer-employee relationship in the absence of records, which ought to be maintained, leads to not only job insecurity but also precludes a worker from benefitting from the existing laws. Any legislation intended to benefit the construction workers should first solve the problem of establishing the employer-employee relationship (secondly in any disputes relating to payments the employee is invariably shortchanged since he has no bargaining power. In the event, an independent body like a Board could not only regulate employment but also wages. This Board would act in a sense as a legal and mediatory body between employers and construction workers. As the Board would be familiar with the industry, dealing exclusively with it, the minimum wages would be better determined by it, keeping in view the particular nature of the industry. Thus Board could also ensure compliance and seek to present the rampant irregularities because of which the P.F. scheme is rendered inoperative at the majority of construction sites. The claims in the event of death can be speedily processed.

As a regulatory body the Board and its comprehensive functions would serve a vital need felt by the construction worker today.

In a note submitted to the Energy Ministry on behalf of our Federation we had given details of the functioning of this public sector construction company and feel it may suit our purposes have to append it for years quick perusal. Kind

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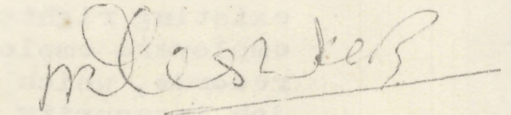
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In the industrial policy Resolution of 1956 and other documents the government has maintained that public sector institutions should be model employees and should set the standards for the rest of the industry. However, in practice it has been observed that they also follow the same exploitative pattern as the worst private contractors.



(M.M. DESHKAR)
 WORKING RESIDENT.