

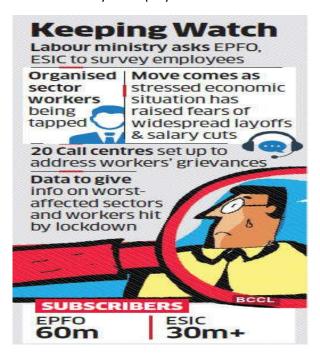
Labour ministry to compile data on layoffs, pay cuts

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New Delhi: The Employees Provident Fund Organisation (EPFO) and Employees State Insurance Corporation (ESIC) have been asked to collate data on job losses, salary cuts and delayed payment. Once data is collated a report will be presented to the Prime Minister's Office (PMO).

This labour ministry initiative comes as stressed economic situation has raised fears of widespread layoffs/salary reductions in India's organised sector and in the backdrop of Prime Minister Narendra Modi's repeated appeals to employers to be considerate to employees.

The PM made this a part of his 7-point advisory during his most recent address to the nation on April 14. Earlier the ministry issued an advisory to employers to not cut salaries or fire employees.



Officials familiar with the matter who spoke off the record told ET that the exercise has started and particular attention will be paid on the last day of April and May 7 — salaries are usually paid on a month's last day or the 7th of the next month.

The target group for this exercise is fairly large. EPFO has 60 million subscribers, including pensioners. ESIC has over 30 million subscribers. There's some overlap between the two sets.

Regional EPFO offices have been asked to reach out to subscribers via telephone calls.

The labour ministry, under the initiative of the central chief labour commissioner, has set up 20 call centres to record and resolve workers' grievances related to salary cuts or job losses.



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"The data collected will give us some sense of worst-affected sectors as well as workers impacted by the closure of establishments post the lockdown," another official said.

India has a workforce of nearly 500 million, of which over 10% or around 50 million, is in the organised sector. In its first relief package, the Centre had made a commitment of contributing for 3 months the mandatory 24% savings of some employees — those earning less than Rs 15,000 per month in firms where 90% of employees are getting salaries less than Rs 15,000. This, however, leaves a very large portion of organised sector employees out. India doesn't offer automatic unemployment benefits to employees either.