

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**FINANCE MINISTER HOLDS PRE BUDGET CONSULTATIONS WITH
TRADE UNION GROUPS ; NECESSARY MEASURES SOUGHT TO
SAFEGUARD INTEREST OF WORKERS**

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The Union Finance Minister Shri Pranab Mukherjee said that food inflation has come down on the negative side in the last two consecutive weeks. The annual rate of inflation (year on year) for December 2011 has declined to 7.47% as against 9.11 % in November 2011 and 9.45% in December 2010. The Finance Minister Shri Mukherjee was addressing the representatives of Trade Union Groups as part of the ongoing Pre-Budget Consultations exercise for the year 2012-13. He said that the 2008 economic crisis had engulfed the entire world and thereafter, the euro-zone crisis posed a serious threat to recovery and development of Europe as a whole. The high volatility of international prices particularly fuel posed serious challenges on the inflation front. The overall slowdown in the economy led to concomitant problems in other areas. He said that the current account deficit appears difficult to manage especially due to fall in exports in later part of the 2011. After giving a brief outline of the present state of the Indian economy, the Finance Minister sought inputs from the representatives of trade union groups inviting suggestions which could be considered.

The representatives of the trade union groups put forth their suggestions to make the budget more workers-oriented in order to remove poverty and unemployment and sought necessary preventive measures to safeguard the interest of workers. They suggested that wages of contract labour should be at par with that of regular labour. They said that necessary changes should be carried out in the Company laws to ensure that workers take part in net profit sharing. Further, it was suggested that Bonus Act, and Gratuity Act etc. should be amended. It was also suggested that the personal income tax ceilings should be revised upward. Besides, it was suggested that the implementation of the MGNREGA scheme should be reviewed periodically and there should be a mechanism whereby malpractices in the scheme could be curbed. It was said that the forthcoming budget should address the glaring problems of malnutrition of

children, child labour, farmers' suicide and problems being faced by women working in Self-help Groups. Some members suggested that there should be assured pension for all and the pension amount should be reasonable enough for the workers to sustain themselves. It was suggested that the publication of GDP data and publication of employment data should be linked and both should be published together.

Beside the Finance Minister, both the Ministers of State for Finance, Shri S.S.Palanimanickam and Shri Namo Narain Meena, Secretary (Economic Affairs), Chief Economic Advisor, Secretary (Expenditure), Secretary (Financial Services), Secretary (Disinvestment), Secretary (Labour and Employment), Chairman, CBDT, Chairman, CBEC, Addl. Secretary Budget were present among others. The major representatives from the Trade Union Groups who attended the meeting included Shri K.P. Singh and Shri Uday Patwardhan of Bhartiya Mazdoor Sangh, Shri Ashok Singh and Shri P. Chandarsekharan of Indian National Trade Union Congress (INTUC), Shri Dipankar Mukherjee and Shri Tapan Sen, MP (RS), Centre of Indian Trade Unions (CITU), Shri R.A. Mittal, Hind Mazdoor Sabha, Shri H. Mahadevan and Shri D.L.Sachdev of All India Trade Union Congress (AITUC), Shri Sankar Saha, All India United Trade Union Centre (AIUTUC), Shri Rajiv Dimri, All India Central Council of Trade Union, Shri S.P.Tewari, Trade Union Co-ordination Centre (TUCC), Shri C.Kuppusami (MP), Labour Progressive Federation (LPF), Dr. Deepak Jaiswal and Shri Govindrao Adik of National Front of Indian Trade Unions among others.

DSM/SS/GN