

# **PRS Capsule April 2020**

## Key Highlights of PRS

- Polity
  - Protections for Healthcare Personnel Combatting Epidemic
  - Reduction of Salary, Allowances and Pension of Members of Parliament
  - Report on Industrial Relations Code, 2019
- Economy
  - National Infrastructure Pipeline
  - Use of Surplus Rice for Making Ethanol
- Health
  - Cigarettes and other Tobacco Products (Packaging and Labelling) Amendment Rules, 2020
  - The Indian Medicine Central Council (Amendment) Ordinance, 2020 ne Vision
- Agriculture
  - Forecast for Southwest Monsoon Rainfall

# **Polity**

# Protections for Healthcare Personnel Combatting Epidemic

- The Ordinance was promulgated to amend the **Epidemic Diseases Act, 1897**. The Act provides for the prevention of the spread of dangerous epidemic diseases.
- The Ordinance amends the Act to include protections for healthcare personnel combatting epidemic diseases and expands the powers of the central government to prevent the spread of such diseases.
- Definitions
  - The Ordinance defines healthcare service personnel as a person who is at risk of contracting the epidemic disease while carrying out duties related to the epidemic. They include:
    - public and clinical healthcare providers such as doctors and nurses,
    - any person empowered under the Act to take measures to prevent the outbreak of the disease, and
    - other persons designated as such by the state government.
  - An 'act of violence' includes any of the following acts committed against a healthcare service personnel:
    - harassment impacting living or working conditions,
    - · harm, injury, hurt, or danger to life,
    - obstruction in discharge of his duties, and
    - loss or damage to the property or documents of the healthcare service personnel.
  - Property is defined to include a:
    - clinical establishment,
    - quarantine facility,
    - · mobile medical unit, and

• other property in which a healthcare service personnel has direct interest, in relation to the epidemic.

## Powers of the central government:

- The Act specifies that the central government may regulate:
  - the inspection of any ship or vessel leaving or arriving at any port, and
  - the detention of any person intending to travel from the port, during an outbreak.
- The Ordinance expands the powers of the central government to regulate the inspection of any bus, train, goods vehicle, ship, vessel, or aircraft leaving or arriving at any land port, port or aerodrome.
- Further, the central government may regulate the detention of any person intending to travel by these means.

#### Protection for Healthcare Personnel and Damage to Property

- The Ordinance specifies that no person can:
  - commit or abet the commission of an act of violence against a healthcare service personnel, or
  - abet or cause damage or loss to any property during an epidemic.
- Contravention of this provision is punishable with imprisonment between three months and five years, and a fine between Rs 50,000 and Rs 2 lakh.
- This offence may be compounded by the victim with the permission of the Court.
  - If an act of violence against a healthcare service personnel causes grievous harm, the person committing the offence will be punishable with imprisonment between six months and seven years, and a fine between one lakh rupees and five lakh rupees.
  - These offences are cognizable and non-bailable.

## Compensation

- Persons convicted of offences under the Ordinance will also be liable to pay a compensation to the healthcare service personnel whom they have hurt. Such compensation will be determined by the Court.
- In the case of damage or loss of property, the compensation payable to the victim will be twice the amount of the fair market value of the damaged or lost property, as determined by the Court.
- If the convicted person fails to pay the compensation, the amount will be recovered as an arrear of land revenue under the Revenue Recovery Act, 1890.

# Reduction of Salary, Allowances and Pension of Members of Parliament

- To supplement the resources of the centre to fight <u>COVID-19</u>, the government amended the emoluments of Members of Parliament (MPs) and Ministers:
  - Emoluments of MPs: An Ordinance was promulgated to amend the Salary, Allowances, and Pension of Members of Parliament Act, 1954 to reduce the salaries of MPs by 30% (from one lakh rupees to Rs 70,000 per month).
    - The government also amended the rules under the 1954 Act to reduce certain allowances of MPs. These are the constituency allowance (from Rs 70,000 to Rs 49,000 per month) and office allowance (from Rs 60,000 to Rs 54,000 per month).
  - Suspension of MPLAD Scheme: The government also suspended the MPLAD Scheme
    for two years. The scheme enables MPs to recommend developmental work in their
    constituencies.
  - **Emoluments of Ministers:** A second Ordinance was promulgated to amend the Salaries and Allowances of Ministers Act, 1952 to reduce the sumptuary allowance (expenditure incurred for entertaining visitors) of various categories of Ministers by 30% for one year.

• The amendments translate to a reduction for the Prime Minister (from Rs 3,000 to Rs 2,100 per month); for Cabinet Ministers (from Rs 2,000 to Rs 1,400); for Ministers of State (from Rs 1,000 to Rs 700), and for Deputy Ministers (from Rs 600 to Rs 420).

#### Note:

- The 1952 Act pegs the salaries, and daily and constituency allowances of Ministers to the rates specified for an MP under the 1954 Act.
  - Similar provisions apply to presiding officers of both Houses (other than Chairman of Raiya Sabha) who are regulated by a different Act.
  - Therefore, the amendments to the salaries and constituency allowance of MPs will also apply to Ministers, Speaker and Deputy Speaker of Lok Sabha, and Deputy Chairman of Rajya Sabha.
- The salary of the Chairman of Rajya Sabha will continue to remain unaffected by the Ordinances (Rs 4 lakh per month).

## **Members of Parliament Local Area Development Scheme**

- It was announced in December 1993 under the control of the Ministry of Rural Development. Later, in October 1994, it was transferred to the **Ministry of Statistics and Programme** Implementation.
- **Objectives:** To enable MPs to recommend works of developmental nature with emphasis on the The Vision creation of durable community assets based on the locally felt needs to be taken up in their Constituencies.

# Report on Industrial Relations Code, 2019

- The **Standing Committee** on **Labour and Employment** submitted its report on the Industrial Relations Code, 2019.
- The Industrial Relations Code, 2019 was introduced in Lok Sabha. It seeks to replace three labour laws:
  - The Industrial Disputes Act, 1947
  - The Trade Unions Act, 1926
  - The Industrial Employment (Standing Orders) Act, 1946
- The Bill applies to all establishments except those engaged in charitable and philanthropic work, domestic work, sovereign functions of the state and any notified activity.
  - It provides for the recognition of trade unions, notice periods for strikes and lock-outs, standing orders, and resolution of industrial disputes.
- Key observations and recommendations of the Committee include:
  - Appropriate government: The Committee recommended changes to the definition of appropriate government in certain cases.
    - It recommended that in cases where an employer has establishments in more than one state the appropriate government will be determined based on the place of origin of employment.
    - Further, in case of disputes between contract labour and contractors, the appropriate government should be the central or state government based on whichever has control over the establishment where the dispute arose.
  - **Dispute resolution:** The Code prescribes a time limit of three years for raising an industrial dispute. The Committee recommended that this be decreased to one year.

- Further, the Code empowers the appropriate government to reject or modify an award given by an Industrial Tribunal.
- The Committee recommended deleting this clause since a similar provision in the 1947 Act was struck down by the Andhra Pradesh High Court for violating the principle of separation of powers between the executive and judiciary.
- **Strikes:** The 1947 Act states that a person employed in a public utility service cannot go on strike unless he gives notice for a strike within six weeks before going on strike or within 14 days of giving such notice.
  - The Code expands this provision to all establishments.
  - The Committee recommended that the restriction on strikes should only apply to public utility services such as water, electricity, and other essential services.
- Lay-off and retrenchment: The Code includes special provisions for lay-off and retrenchment in establishments employing 100 or more workers or such number as notified by the appropriate government.
  - The Committee recommended that the power to change this threshold of employees should not be with the executive. Instead, the state legislature should pass an amendment to the law to change this threshold.
  - Worker re-skilling fund: The fund will be set up by the appropriate government. It will consist of contributions from employers equal to 15 days (or as specified by the central government) of the last drawn wages of every retrenched worker. Contributions from other sources may be prescribed by the appropriate government. Funds must be utilised within 45 days of retrenchment as may be prescribed.

#### Note:

- Retrenchment: It refers to the termination of service of a workman for any reason other than
  disciplinary action. It does not include retirement, non-renewal of contract, or completion of tenure
  of fixed term employment.
- In India, labour falls under the Concurrent List of the Constitution. Therefore, both Parliament and state legislatures can make laws regulating labour.

# **Economy**

# **National Infrastructure Pipeline**

- The Ministry of Finance had constituted a task force in September 2019 to draw up a <u>National Infrastructure Pipeline (NIP)</u> of projects costing more than Rs 100 lakh crore for the period 2019-25.
- The task force submitted its report on the NIP.
- Key observations and recommendations of the task force include:
  - **Spending on infrastructure:** The task force has projected a capital expenditure of Rs 111 lakh crore in infrastructure sectors in India during the period 2019-20 to 2024-25.
    - Of the total capital expenditure on NIP, 79% is expected to be made by the government (39% by the centre and 40% by states), and the rest 21% by the private sector.
  - **Sector-wise breakup:** 71% of the total investment projected in infrastructure projects in the NIP is across four sectors. These are:
    - energy (24% of the total investment),
    - roads (18%),
    - urban infrastructure (17%), and
    - railways (12%).

• Other major sectors with projects in the NIP include irrigation (8%) and rural infrastructure (7%).

## Financing the NIP:

- 18%-20% of the NIP is expected to be financed through direct allocations made in the central government's budget and 24%-26% through allocations in state budgets.
- 31% of the funds required for NIP would be raised through debt from bond markets, banks, and NBFCs. Equity from private developers, external aid from multilateral and bilateral agencies, and internal accruals of PSUs would comprise 4%–10% of the funds.
- In addition to using these existing sources, which would finance 83%-85% of the NIP, the task force has suggested other sources of financing such as new development finance institutions and asset monetisation by the centre and states.
- **Reforms:** The task force recommended a set of reforms to scale up infrastructure investments in various sectors. These include:
  - improving project preparation process,
  - enhancing execution capacity of the private sector,
  - providing all key clearances and approvals upfront to avoid undue delays,
  - ensuring sanctity and enforcement of contracts, and fair contracts, and
  - institutionalising dispute resolution mechanisms.
  - In addition, the task force also recommended various sector-wise reforms.

#### **National Infrastructure Pipeline (NIP)**

- NIP will enable a forward outlook on infrastructure projects which will create jobs, improve ease
  of living, and provide equitable access to infrastructure for all, thereby making growth more
  inclusive.
- NIP includes economic and social infrastructure projects.
- It also includes both greenfield and brownfield projects.
- It will help in stepping-up annual infrastructure investment to achieve the Gross Domestic Product (GDP) of \$5 trillion by 2024-25.
- The **Centre and states** are expected to have almost equal share in implementing NIP, while the **private sector contribution** is expected to be around 21%.

## **Use of Surplus Rice for Making Ethanol**

- The **National Biofuel Coordination Committee** approved utilisation of the surplus rice available with the <u>Food Corporation of India</u> for making ethanol.
- The ethanol thus produced will be used for making alcohol-based hand sanitizers and for blending with petrol under the **Ethanol Blended Petrol (EBP)** programme.
  - The EBP programme was launched in 2003 to promote the use of alternative and environment friendly fuels. Blending ethanol with petrol helps reduce vehicle exhaust emissions and reduces the import burden for petroleum.
- According to the <u>National Biofuel Policy 2018</u>, if an over-supply of food grains is anticipated during an agriculture crop year, the surplus quantities of food grains can be converted to ethanol, based on the approval of the National Biofuel Coordination Committee.

#### **Biofuel**

Any hydrocarbon fuel that is produced from an organic matter (living or once living material) in a short period of time (days, weeks, or even months) is considered a biofuel. Biofuels may be solid, liquid or gaseous in nature.

### National Policy on Biofuels, 2018

- The Policy categorises biofuels as "Basic Biofuels" viz. **First Generation (1G)** bioethanol & biodiesel and "Advanced Biofuels" **Second Generation (2G)** ethanol, Municipal Solid Waste (MSW) to drop-in fuels, **Third Generation (3G)** biofuels, bio-CNG etc.
- It expands the scope of raw material for ethanol production by allowing use of sugarcane juice, sugar containing materials like sugar beet, sweet sorghum, starch containing materials like corn, cassava, damaged food grains like wheat, broken rice, rotten potatoes, unfit for human consumption for ethanol production.

#### **Ethanol Blending Programme (EBP)**

- It aims at blending ethanol with petrol, thereby bringing it under the category of biofuels and saving millions of dollars by cutting fuel imports.
- Under the EBP program, availability of ethanol will increase due to the higher price for C heavy molasses based ethanol and enabling procurement of ethanol from B heavy molasses and sugarcane juice for the first time.
- The Government has also reduced GST on ethanol for blending in fuel from 18% to 5%.

# Health

# Cigarettes and other Tobacco Products (Packaging and Labelling) Amendment Rules, 2020

- The Ministry of Health and Family Welfare notified the Cigarettes and other Tobacco Products (Packaging and Labelling) Amendment Rules, 2020.
- The Rules amend the 2008 rules which were notified under the Cigarettes and other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003.
- Key features of the 2020 Rules include:
  - Definitions: The 2008 Rules define a package as any type of pack in which cigarette and other tobacco products are packaged for consumer sale. Package does not include wholesale, or semi-wholesale packages if such packages are not intended for consumer use.
    - The Act defines a package as a wrapper, box, carton, tin, or other container.
  - Labelling: The 2008 Rules require packages containing tobacco to reflect certain textual
    warnings such as "tobacco causes cancer" and "tobacco causes painful death". The 2020
    Rules removes the requirement of the warning label of "tobacco causes cancer" to be
    represented on the packaging.
  - **Pictorial health warning:** The 2008 Rules require the packaging of tobacco products to include a pictorial health warning that covers 60% of the display area of the packaging.
    - The 2020 Rules remove the specification of the percentage of display area the pictorial health warning should cover on the packaging.
    - The pictorial health warnings must be images as provided by the central government. The 2020 Rules change which images may be used as pictorial health warnings for tobacco.

## The Indian Medicine Central Council (Amendment) Ordinance, 2020

■ The Indian Medicine Central Council (Amendment) Ordinance, 2020 was promulgated. The Ordinance amends the Indian Medicine Central Council Act, 1970.

- The Act provides for the constitution of a **Central Council** which regulates the education and practice of the Indian Medicine system (includes Ayurveda, Yoga, Naturopathy).
- **Supersession of the Central Council:** The Ordinance amends the 1970 Act to provide for the supersession of the Central Council.
  - The Central Council will be reconstituted within one year from the date of its supersession.
  - In the interim period, the central government will constitute a Board of Governors, which will exercise the powers of the Central Council.
- Board of Governors: The Board of Governors (Board) will consist of up to ten members.
  - The members must be persons of eminence in the field of Indian Medicine, and eminent administrators. They may be either nominated members or ex officio members, appointed by the central government. The central government will select one member to be the Chairperson of the Board.
  - The Board will exercise the powers and discharge the functions of the Central Council set up under the 1970 Act. These include regulating the practice and education of Indian Medicine.

# **Agriculture**

#### Forecast for Southwest Monsoon Rainfall

- The India Meteorological Department (IMD) released its <u>first long-range</u> (seasonal) forecast for southwest <u>monsoon rainfall</u> in 2020.
- The monsoon seasonal rainfall during the period June-September 2020 is estimated to be 100% of the long period average (LPA), with an error of +/- 5%.
  - LPA is the average rainfall in a region during the period 1961 to 2010, which is 88 cm for the country. Rainfall is considered to be normal if it ranges between 96-104%.
- In 2019, the southwest monsoon rainfall was estimated to be 96% of the LPA, whereas the actual rainfall was 110% of the LPA.

## **Models for Forecasting**

- **Dynamical Model:** It is also called the Monsoon Mission Coupled Forecast System. It relies on the supercomputers, mathematically simulating the physics of the ocean and the atmosphere.
  - This model is better at forecasting the state of the weather a week or two in advance and is not yet considered reliable by meteorologists in forecasting the monsoon.
- **Statistical Model:** It takes into consideration the global weather models pointing to negligible chances of El Nino, a warming of the central equatorial Pacific which is associated with the drying up of monsoon rain. The IMD relies on this model.
  - In any given year, there is a 33% chance of a normal monsoon that's why there is high confidence that the monsoon in 2020 would be normal.

#### India Meteorological Department (IMD)

- IMD was established in 1875.
- It is an agency of the **Ministry of Earth Sciences** of the Government of India.
- It is the principal agency responsible for meteorological observations, weather forecasting and seismology.

