

Circular No : TN 44/2013-2014

15th March 2014.

To:

Members in Tamil Nadu

One Day Programme on “Updation of Consumer Price Index numbers for Industrial Workers (CPI-IW) – (Base 2015 = 100)”, on Saturday the 12th April 2014, at Hotel Savera, Chennai.

Members are aware that the Labour Bureau, Government of India, Ministry of Labour & Employment is engaged in compilation of Consumer Price Index numbers for Industrial Workers which regulates payments of Dearness Allowance to millions of employees employed in the Government / Public / Private Sectors.

The Employers' Federation of Southern India in association with Labour Bureau, Government of India is organising a **One day Programme on “Updation of Consumer Price Index numbers for Industrial Workers(CPI-IW) – (Base 2015 = 100)” on Saturday the 12th April 2014, at Hotel Savera, No-146, Dr. Radhakrishnan Salai, Mylapore, Chennai-600 004.**

Background of CPI-IW series:

The CPI-IW series on scientific lines was first introduced with base 1960=100 base worked out on the basis of the results of Family Living Survey conducted in 1958-59 at 50 industrially important centres. The series was then, updated on base 1982=100 and a revision in 1999-2000 has further updated the base on 2001=100. The current series of CPI-IW with base year 2001=100 covering 41040 families from 78 centers spread across the country.

Need for Base Updation:

The consumption pattern of the working class population undergoes change over a period of time and therefore, it becomes necessary that the consumption basket is updated from time to time to account for these changes and to maintain the representative character of the index. The need for frequent revision of base on account of fast changing consumption pattern of the target group has been recommended by International Labour Organisation, National Statistical Commission, National Commission on Labour and also Technical Advisory Committee on Statistics of Prices and Cost of Living.

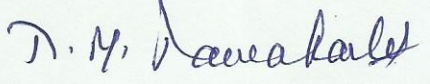
During the Programme the Senior Officers from Labour Bureau, Chandigarh / Shimla / Chennai, Representatives from State Government are bringing their experiences, knowledge and their interpretation of the latest Updation of CPI-IW during the Programme. The copy of the note issued by the Department is enclosed for your information.

The Participation Fee is Rs.1124 including Service Tax 12.36% (Rs.1000 + ST).

A copy of the Tentative Programme is enclosed.

Considering the importance of the subject, members are requested to nominate, Finance Managers, Company Secretaries, Auditors, Managers of HR/IR/Personnel, from your organisation to attend the Seminar.

The attached Proforma dully filled in along with the Cheque/Demand Draft drawn in favour of "The Employers' Federation of Southern India" may please be sent to the Federation as early as possible, preferably before 8th April 2014.


T M Jawaharlal
Secretary

One Day Programme on “Updation of Consumer Price Index numbers for Industrial Workers (CPI-IW) – (Base 2015 = 100)”, on Saturday the 12th April 2014, at Hotel Savera, Chennai.

9.30 am	Registration	
10.00 am	Welcome Address	Mr. A. Sundaresan, Vice President, EFSI and Vice Chairman & Managing Director, Schwing Stetter (India) Pvt Ltd
	Inaugural Address	Ms. P R Ananthalakshmi Additional Director, Department of Economics & Statistics, Chennai – 6.
	Key Note Address	Mr. Daljeet Singh, Director General Labour Bureau, Chandigarh
11.00 am – 11.15 am	Tea Break	
	Address By	Mr. Sunil Chaudhry Director, Labour Bureau, Chandigarh
	Presentation on Organisation on Price Collection work	Mr. S S Negi Director, Labour Bureau, Shimla
12.30 pm – 1.30 pm	Lunch Break	
1.30 pm – 3.30 pm	Views / Comments of Participants to be Moderated by	Ms. P R Ananthalakshmi Additional Director, Department of Economics & Statistics, Chennai – 6.
3.30 pm	Concluding Remarks	Director General, Chandigarh
4.00 pm	Vote of Thanks and Tea	Mr.K.S.Venkiteswaran, Chairman EFSI Tamilnadu Committee and Deputy Managing Director, Sanmar Group

Consumer Price Index Numbers for Industrial Workers (CPI-IW) (base: 2015=100)

The Consumer Price Index Numbers for Industrial Workers (CPI-IW) in India are compiled and disseminated by the Labour Bureau of the Government of India since its inception on a monthly basis. CPI Numbers for Industrial Workers (CPI-IW) measures a change in the retail prices of fixed basket of goods and services being consumed by an average working class family.

Utility of CPI-IW Numbers:

The Consumer Price Index (CPI) Numbers for the working class are of immense utility and a very important economic indicator of the changing economic situation in the country. Apart from serving as a guide for policy formulations, these index numbers are utilized for regulating the dearness allowances paid to thousands of manual workers and other Central/State Govt. employees.

Background of CPI-IW series:

The CPI-IW series on scientific lines was first introduced with base 1960=100 base worked out on the basis of the results of Family Living Survey conducted in 1958-59 at 50 industrially important centres. The series was then, updated on base 1982=100 and a revision in 1999-2000 has further updated the base on 2001=100. The current series of CPI-IW is with base year 2001=100 covering 41040 families from 78 centers spread across the country.

Need for Base Updation:

The consumption pattern of the working class population undergoes change over a period of time and therefore, it becomes necessary that the consumption basket is updated from time to time to account for these changes and to maintain the representative character of the index. The need for frequent revision of base on account of fast changing consumption pattern of the target group has been recommended by International Labour Organisation, National Statistical Commission, National Commission on Labour and also Technical Advisory Committee on Statistics of Prices and Cost of Living. Also this recommendation was strongly reiterated by the Index Review Committee set up under the Chairmanship of Prof. Chadha which inter-alia stated that the intervening gap between the two series should not exceed 10 years. Labour Bureau accordingly, has initiated the process to revise the base year of the existing CPI-IW series 2001=100 to a more recent base year preferably, 2015=100.

Scope and Coverage:

The existing series of CPI IW covers the workers belonging to the seven sectors namely, Factories, Mines, Plantations, Railways, Public Motor Transport Undertakings, Electricity Generating & Distributing Establishments and Port & Docks at 78 centres. The new series of CPI IW would also cover the workers of these seven sectors at the 88 selected centres. Besides, two additional sectors namely, Construction and Handloom Sectors would be covered in two centres each on pilot/experimental basis. Guwahati and Salem centres would cover workers belonging to Handloom Sector and Mumbai and Ghaziabad/G.B.Nagar would cover workers belonging to Construction Sector in addition to the selected seven sectors. The list of Centres to be covered under the survey is given at Annexure. The tentative number of family budget enquiry schedules and house rent schedules to be canvassed during the Working Class Family Income & Expenditure Survey, 2015 would increase to 67,200 schedules (48,384 Sch 'A' and 18816 Sch'B') as compared to 57000 Schedules (41040 Sch 'A' and 15960 Sch'B') in the previous Survey of 1999-2000. The current series comprises of a basket of about 370 items and 289 price collection markets spread across 78 centres of the country. The new series is expected to comprise a larger number of items in the Index basket and markets at the selected 88 centres.

Constitution of Standing Tripartite Committee (STC):

The Index Review Committee headed by Prof. G. K. Chadha recommended to involve various stakeholders i.e. Trade Unions, Employer's Organisations as well as Women's Organisations, NGOs, Academia etc. for the new series of CPI IW. Accordingly, a Standing Tripartite Committee (STC) was constituted vide Order No. Y-12011/5/2010-ESA (LB) dated 12th January 2011 by the M/o Labour & Employment under the chairmanship of Principal Labour & Employment Advisor to examine the various aspects of the base year revision of CPI-IW Numbers including in the selection of centres, sample size, sample design, methodology for deriving the weighting diagram and linking factor.

The first meeting of the Standing Tripartite Committee to discuss the selection of centres and sample size was held at New Delhi on 2nd July, 2013. The 2nd meeting of Standing Tripartite Committee to discuss the final approval of Centres selected and Sample size for Working Class Family Income and Expenditure Survey 2015 was held at New Delhi on 24th February, 2014.

Technical Advisory Committee on Statistics of Prices and Cost of Living (TAC on SPCL):

The Ministry of Statistics & Programme Implementation on request of Labour Bureau vide their office memorandum No. M-11011/4/2012-NAD(PCI), dated

14th February, 2013 has constituted a Group of TAC on SPCL to examine all the technical issues of the base updation of CPI IW. The first meeting of the Group was held under the Chairmanship of Director General, NSSO at New Delhi on 22nd Oct., 2013. The Group in its 1st meeting deliberated upon the selection of Centres for the new series.

Target for Completion :

The Labour Bureau has been directed to undertake the work of revision of CPI-IW series within a period of 3 years instead of a six year time frame which was sanctioned for the existing CPI-IW series. This would be a remarkable departure in terms of time frame for effecting the revision of base year mandated by the Ministry of Labour and employment.

Centres for the New Series — PTO

CENTRES SELECTED FOR THE NEW SERIES OF CPI-IW (2015=100)

SL. NO	STATE/U.T	NAME OF THE CENTRES			
1	2	3			
1.	Andhra Pradesh	1. Hyderabad 2. Vishakhapatnam	3. Warrangal 4. Manchiryal	5. Nellore 6. Guntur	
2.	Assam	7. Doom-Dooma-Tinsukia 8. Labac Silchar	9. Sibsagar 10. Numaligarh-Golaghat	11. Biswanath Chariali 12. Guwahati	
3.	Bihar	13. Patna	14. Monghyr-Jamalpur		
4.	Chandigarh	15. Chandigarh			
5.	Chhattisgarh	16. Raipur	17. Korba	18. Bhilai	
6.	Dadra & Nagar Haveli	19. Dadra & Nagar Haveli			
7.	Delhi	20. Delhi			
8.	Goa	21. Goa			
9.	Gujarat	22. Surat 23. Ahmedabad	24. Vadodara 25. Rajkot	26. Bhavnagar	
10.	Haryana	27. Faridabad	28. Gurgaon	29. Yamunanagar	
11.	Himachal Pradesh	30. Himachal Pradesh			
12.	Jammu & Kashmir	31. Jammu & Kashmir			
13.	Jharkhand	32. Bokaro 33. Dhanbad- Jaria	34. Jamshedpur	35. Ramgarh	
14.	Karnataka	36. Bangalore 37. Belgaum 38. Mysore	39. Hubli-Dharwad 40. Mercara- Kodagu	41. Davanagere 42. Gulbarga	
15.	Kerala	43. Idukki	44. Kollam	45. Ernakulam/Alwaye	
16.	Madhya Pradesh	46. Jabalpur 47. Indore	48. Bhopal	49. Chindwara	
17.	Maharashtra	50. Mumbai 51. Thane	52. Pune 53. Nagpur	54. Sholapur 55. Nasik	
18.	Meghalaya	56. Shillong			
19.	Odisha	57. Cuttak	58. Keonjhar	59. Angul-Talchar	
20.	Puducherry	60. Puducherry			
21.	Punjab	61. Amritsar 62. Ludhiana	63. Jalandhar	64. Sangrur	
22.	Rajasthan	65. Jaipur	66. Alwar	67. Bhilwara	
23.	Tamil Nadu	68. Coimbatore 69. Salem 70. Virudhu Nagar	71. Chennai 72. Madurai	73. Triunelveli 74. Conoor	
24.	Tripura	75. Tripura			
25.	Uttar Pradesh	76. Ghaziabad-G.B.Nagar 77. Varanasi	78. Kanpur 79. Lucknow	80. Agra	
26.	Uttrakhand	81. Udham Singh Nagar			
27.	West Bengal	82. Kolkatta 83. Haldia 84. Durgapur	85. Raniganj 86. Jalpaiguri	87. Darjeeling 88. Howrah	

The Secretary
The Employers' Federation of Southern India
33,Hindi Prachar Sabha Street,
T.Nagar, Chennai-600 017.

PROFORMA

One Day Programme on "Updation of Consumer Price Index numbers for Industrial Workers (CPI-IW) – (Base 2015 = 100)", on Saturday the 12th April 2014,at Hotel Savera, Chennai.

Following persons will be joining the One Day Programme On "Updation of Consumer Price Index numbers for Industrial Workers on Base 2015 = 100 ", on Saturday the 12th April 2014, at Hotel Savera, Chennai.

From Our Company

	Name of the person	Designation
1.	_____	_____
2.	_____	_____
3.	_____	_____

Enclosed herewith a Cheque/Demand draft for Rs. _____
(Rs.1124 Per Participant (1000+S.T)) drawn in favour of "The Employers'
Federation of Southern India,Chennai".

Name of the Person : _____
Designation : _____
Company Name : _____
Address : _____
Ph.No : _____ Fax : _____ e-mail : _____

Please e-mail or Fax to : The Secretary,EFSI
E-mail id : efsi@vsnl.net /efsi@bsnl.in ; or (Fax : 044-24322750)