



Highlights of Labour Law Reforms



Dear Professional Colleague,

With a view to facilitate ease of doing business, generate employment and safeguard interest of workers and employers, the Central Government has taken various legislative, administrative and e-governance initiatives relating to Labour Laws in India. One of such major initiative is to draft four (4) Labour Codes by simplifying, amalgamating and rationalising the relevant provisions of the existing Central Labour Laws. The four Labour Codes are as under:

1. The Code on Wages, 2019
2. The Occupational Safety, Health and Working Conditions Code, 2019 (Bill)
3. The Industrial Relations Code, 2019 (Bill)
4. The Code on Social Security, 2019 (Bill)

Legislative developments related to these Codes and existing labour laws repealed / to be repealed are mentioned below:

The Code on Wages, 2019	The Occupational Safety, Health and Working Conditions Code, 2019 (Bill)	The Industrial Relations Code, 2019 (Bill)	The Code on Social Security, 2019 (Bill)
Passed by Parliament and received the assent of the President on 8th August, 2019.	Introduced in the Lok Sabha on July 23, 2019. The Code was referred to Parliamentary Standing Committee on Labour. The report of the Standing Committee was placed before both the Houses of the Parliament on February 11, 2020.	Introduced in the Lok Sabha on November 28, 2019. The Code was referred to Parliamentary Standing Committee on Labour, which had sought suggestions on the Code in January, 2020.	Re-introduced in the Lok Sabha on December 11, 2019. The Code was referred to Parliamentary Standing Committee on Labour, which had sought suggestions on the Code in January, 2020.

The Code on Wages, 2019	The Occupational Safety, Health and Working Conditions Code, 2019 (Bill)	The Industrial Relations Code, 2019 (Bill)	The Code on Social Security, 2019 (Bill)
Laws repealed	Existing labour laws to be repealed by these Codes		
<ol style="list-style-type: none"> 1. Payment of Wages Act, 1936 2. The Minimum Wages Act, 1948 3. The Payment of Bonus Act, 1965 4. The Equal Remuneration Act, 1976 	<ol style="list-style-type: none"> 1. The Factories Act, 1948 2. The Mines Act, 1952 3. The Dock Workers (Safety, Health and Welfare) Act, 1986 4. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 5. The Plantations Labour Act, 1951 6. The Contract Labour (Regulation and Abolition) Act, 1970 7. The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 8. The Working Journalists and other Newspaper Employees (Conditions of Service and Misc. Provision) Act, 1955 9. The Working Journalist (Fixation of rates of wages) Act, 1958 10. The Motor Transport Workers Act, 1961 11. The Sales Promotion Employees (Condition of Service) Act, 1976 12. The Beedi and Cigar Workers (Conditions of Employment) Act, 1966 13. The Cine Workers and Cinema Theatre Workers Act, 1981 	<ol style="list-style-type: none"> 1. The Industrial Disputes Act, 1947 2. The Trade Unions Act, 1926 3. The Industrial Employment (Standing Orders) Act, 1946 	<ol style="list-style-type: none"> 1. The Employees' Compensation Act, 1923 2. The Employees' State Insurance Act, 1948 3. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 4. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 5. The Maternity Benefit Act, 1961 6. The Payment of Gratuity Act, 1972 7. The Cine Workers Welfare Fund Act, 1981 8. The Building and Other Construction Workers Welfare Cess Act, 1996 9. The Unorganised Workers' Social Security Act, 2008

The proposed codification will make the existing labour laws in sync with the emerging economic scenario, reduce the complexity by providing uniform definitions, reduction in multiple authorities under various Acts, bring transparency and accountability in enforcement of labour laws. This in turn would lead to ease of compliance, catalysing the setting-up of manufacturing units including boosting labour intensive industries such as agriculture and manufacturing exports. This would also lead to enhancement in employment opportunities as well as its formalization along with ensuring safety, social security and welfare of workers.

You are requested to acquaint yourself with the latest changes taking place in the labour laws, since it will have significant bearing on the setting-up of new establishments in India and functioning of the existing ones. Since we have a major role to play in terms of providing advisory, incorporation and compliances services to the corporate, it is an excellent opportunity to contribute in this endeavour of the government of rationalising of labour laws in India for the benefit of one and all.

Thanking you,

Yours faithfully,

CS Ashish Garg
President