

18th July 2022

Implementation of Labour Codes

The Government has enacted the four Labour Codes, namely, the Code on Wages, 2019; the Industrial Relations Code, 2020 (IR Code); the Code on Social Security, 2020 (SS Code) and the Occupational Safety, Health and Working Conditions Code, 2020 (OSH Code).

“Labour” as a subject is in the Concurrent List of the Constitution of India and under the Codes, the power to make rules has been entrusted to Central Government as well as State Governments. As a step towards implementation of the four Labour Codes, the Central Government has pre-published the draft Rules, inviting comments of all stakeholders. The details of the State/Union Territories (UTs) which have pre-published the draft Rules, inviting comments of all stakeholders, are as under:-

| Name of Code | Name of State/UT |
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| The Code on Wages, 2019 | Andhara Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Mizoram, Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura, Uttarakhand, Uttar Pradesh, UTs of Andaman & Nicobar Islands, Chandigarh, Jammu & Kashmir, Ladakh, NCT of Delhi and Puducherry (31) |
| The Industrial Relations Code, 2020 | Andhara Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Odisha, Punjab, Tamil Nadu, Telangana, Tripura, Uttarakhand, Uttar Pradesh, UTs of Chandigarh, Jammu & Kashmir, Ladakh and Puducherry (26) |
| The Code on Social Security, 2020 | Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Odisha, Punjab, Telangana, Tripura, Uttarakhand, Uttar Pradesh, UTs of Andaman & Nicobar Islands, Chandigarh, Jammu & Kashmir, Ladakh and Puducherry (25) |
| The Occupational Safety Health and working Conditions Code, 2020 | Andhara Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Manipur, Odisha, Punjab, Tamil Nadu, Telangana, Tripura, Uttarakhand, Uttar Pradesh, UTs of Chandigarh, Jammu & Kashmir and Ladakh (24) |

The Labour Codes strengthen the protection available to workers, including unorganized workers, in terms of statutory minimum wage, social security, working hours, healthcare, etc. The SS Code, 2020, provides for social security benefits for all workers including in unorganized sectors as well as gig and platform workers. Some of the new provisions envisaged in the Codes are as under:

- i. Setting up of Social Security Fund for formulating schemes for welfare of the unorganised workers, gig workers and platform workers.
- ii. Extension of coverage under Employees' State Insurance Corporation (ESIC) to pan-India, i.e., in all districts in the country.
- iii. ESIC coverage on voluntary basis for establishments having less than 10 employees has been introduced.
- iv. under ESIC can also be made applicable through notification to an establishment which carries on hazardous or life threatening occupation in which even a single employee is employed.
- v. Extension of benefits to unorganised workers, gig workers and platform workers and the members of their families through ESIC or Employees' Provident Fund Organization (EPFO).
- vi. For the persons engaged in Fixed Term Employment (FTE), the proportionate benefit of service has been extended without requirement of minimum service of 5 years for gratuity. The person having a contract for one year under FTE will also be eligible for gratuity.

In line with the Payment of Gratuity Act, 1972, the SS Code, 2020 also provides for payment of gratuity to workers on the rate of wages last drawn. Further, as provided under the Payment of Gratuity Act, 1972, the SS Code, 2020 also provides that the amount of gratuity payable to an employee shall not exceed such amount as may be notified by the Central Government. However, the said Code has not come into effect so far.

In order to maintain continuity, the SS Code, 2020 envisages administration of social security schemes under the Code by the respective social security organisations.

Further, the OSH Code, 2020 consolidates and amends the laws regulating the occupational safety, health and working conditions of the persons employed in an establishment. It inter alia provides for free annual health check-up of employees and provision for formal appointment letter. Women have been empowered for employment in all establishments covering all types of works. Women are now entitled to work in the night, subject to their consent, with provisions of safety.

This information was given by the Minister of State for Labour & Employment, Shri Rameswar Teli in a written reply in Lok Sabha.