

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT**

RAJYA SABHA

**UNSTARRED QUESTION NO. 111
TO BE ANSWERED ON 18.07.2018**

SIMPLIFICATION OF LABOUR LAWS

111. SHRI SANJAY SINGH:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether it is a fact that Government has repeatedly claimed to have simplified labour laws but not a single bill, from minimum wage, industrial relations, social security and safety to others, has been passed;**
- (b) if so, the reasons therefor; and**
- (c) the steps that Government is taking to address labour distress considering so many bills have not yet been introduced?**

ANSWER

**MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI SANTOSH KUMAR GANGWAR)**

(a) to (c): Reforms in labour laws are an on-going process to update the legislative as well as governance system to address the need of the hour so as to make them more effective, flexible and in sync with emerging economic and industrial scenario. The Second National Commission on Labour has recommended that the existing Labour Laws should be broadly grouped into four or five Labour Codes on functional basis. Accordingly, the Ministry has taken steps for drafting four Labour Codes on Wages; Industrial Relations; Social Security; and Occupation Safety, Health and Working Conditions respectively, by simplifying, amalgamating and rationalizing the relevant provisions of the existing Central Labour Laws. Out of these, the Labour Code on Wages has been introduced in Lok Sabha on 10.08.2017 and subsequently, referred to the Parliamentary Standing Committee on Labour. The rest of the codes are at pre-legislative consultative stage.

Contd..2/-

In addition, the Ministry has taken a number of legislative as well as governance initiatives during the last 3 years for the protection of the interests of labourers. Some of the important initiatives are as follows:-

- **Amendment to the Payment of Bonus Act, 1965 by which eligibility limit for payment of bonus enhanced from Rs. 10,000/- to Rs. 21,000/- per month and the Calculation Ceiling from Rs. 3,500/- to Rs. 7,000/- or the minimum wages.**
- **Payment of Wages (Amendment) Act, 2017 enabling payment of Wages to employees by Cash or Cheque or crediting it to their bank account.**
- **Child Labour (Prohibition and Regulation) Amendment Act, 2016 provides for complete ban on employment of children below 14 years in any occupation or process.**
- **Maternity Benefit Amendment Act, 2017, increases the paid maternity leave from 12 weeks to 26 weeks.**
- **The Employee Compensation (Amendment) Act, seeks to rationalize penalties and strengthen the rights of the workers under the Act.**
- **The Payment Of Gratuity (Amendment) Act, 2018, provides flexibility to the Central Government firstly to increase the ceiling limit of gratuity to such amount as may be notified from time to time and secondly to enhance the calculation of continuous service for the purpose of gratuity in case of female employees who are on maternity leave to such period as may be notified from time to time. Accordingly, the ceiling limit of gratuity has been increased from Rs. 10 Lakh to Rs. 20 Lakh and the period of maternity leave for calculation purpose has been enhanced from 12 weeks to 26 weeks.**
- **Shram Suvidha Portal, launched by the Government on 16.10.2014, operates a transparent risk based Online Labour Inspection Service for effective enforcement of Labour Laws.**
