

Labour Law Reforms in India

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India is witnessing rapid changes on the labour law front with the coming into power of the new Government since May 15th 2014. The State Government of Rajasthan has taken steps to initiate legislative changes in the law and the Union Cabinet has cleared proposals for making changes in the Central Legislations dealing with labour issues.

The following are some of the key changes for which legislative amendments have been so far initiated in Rajasthan Assembly:

State of Rajasthan

A Bill has been passed to amend the Industrial Disputes Act to provide that in cases involving retrenchment, lay-off and termination of workers, the requirement of taking government permission shall apply only to Factories/ Industrial establishments employing up to 300 workers as against the existing limit of 100. Pursuant to this law such establishments which employ less than 300 workers would not be required to take prior permission from the State Government before they retrench or lay off workers. The amendments as passed by Rajasthan Assembly have to be approved by the President of India for it to be implemented in the State.

A Bill amending the Factories Act has been passed to provide that the maximum limit for over-time work be raised to 100 hours as against the present limit of 50 hours.

Similarly, the Bill for amending the Contract Labour Act has been passed to raise the applicability of the Act to establishments employing more than 50 workers as against the current limit of 20.

The Factories Act will apply to factories employing 20 workers with the aid of power and 40 workers employed in factories without the aid of power. The present limit is 10 workers with power and 20 without power.

The Factories Act has also been amended to remove the restriction on night shift by women working in factories subject to adequate safety for women in transportation facilities.

The above Amendments will be forwarded to the President of India for granting his assent to make the above changes operative as laws in the State of Rajasthan. As these amendments have been made to Central Legislations, which deal with subjects in the Concurrent List of the Constitution, they need the President of India's assent.

Government of India

The Union Cabinet has approved proposals for amendments to the following three labour legislations:

Factories Act, 1948

Night Work:

Norms for woman factory workers to be relaxed, restrictions to be removed

Overtime:

Limit to be raised to 100 hours from 50 in a quarter

Safety & Health:

Centre to get power to make rules on key aspects of occupational safety and Health

Apprenticeship Act, 1961

Employers:

The provision prescribing imprisonment for employers for not implementing the Act to be removed.
A Rs.500 fine per shortfall of apprenticeship month to be imposed.

New Traders:

Companies could add new trade under the Act without the Centre's approval.

AMBIT:

Contractual workers, daily workers, agency workers and casual workers to come under the Act.

Parity:

Holidays, leaves, shift working for apprentices to be made the same as regular workers.

Labour Law Act, 1988

Registers:

The need for small firms to maintain registers under the Scheduled Acts to be lowered to two, very small firms may maintain only one.

E-Recorders:

Records to be maintained in electronic media.

Definition:

Small establishments to mean firms employing between 10 and 40 people.



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