

## **Pending labour reforms to safeguard interest of employers and workers**

India is blessed with abundant human resource, which is one of the pull factors for attracting foreign direct investment into the country. At the same time, availability of human resource by itself will not draw private investment and industrial growth. New investors also look for other factors such as harmonious relation between workers and employers and ease of compliance with labour laws. Data from the Union Ministry of Labour and Employment shows that India has faced 460 strikes and 105 lockouts in the last six years from 2015, which resulted in loss of 1.7 crore man-days.

In order to promote welfare of the workers and at the same time balance the legitimate interest of the employers, the government should step in with concrete measures and appropriate interventions.

According to latest Annual Report of the Union Ministry of Labour & Employment, the ministry has intervened in 238 numbers of threatened strikes in April-November 2020 and it has succeeded in averting 89 strikes through conciliatory efforts. This represents a successes rate of 37.39%, which can be further improved through efficient conciliatory effort by the ministry.

In a path-breaking reform measure, the central government amalgamated 29 labour laws into four labour codes, viz. the Code on Wages, 2019; the Industrial Relations Code, 2020; the Occupational Safety, Health and Working Conditions Code, 2020; and the Code on Social Security, 2020. The implementation of these labour codes, which was planned from April 1, 2021, has been delayed as many state governments have not yet finalized rules for these Codes. Thus, there is a need to expedite introduction of rules by the state government for timely implementation of these labour codes.

The Employee State Insurance (ESI) scheme should be implemented across all the 718 districts in the country. Currently, the ESI Corporation is implementing this Scheme fully in 387 districts and partially in another 188 districts. Under the ESI Act 1948, employers and employees contribute to the ESI Scheme at the rate of 3.25% and 0.75% respectively, of the monthly wage of the employee. The scheme provides comprehensive medical care, which includes treatment, drugs, specialist consultation and hospitalization to insured persons and their dependents.

The labour department of all the state governments should integrate their system with the Shram Suvidha Portal, which is a unified online platform developed by the central government for transparent enforcement of labour laws and to improve ease of compliance by the industry. So far, only nine states, viz. Haryana, Gujarat, Rajasthan, Uttar Pradesh, Madhya Pradesh, Maharashtra, Punjab, Uttarakhand and Delhi have integrated with the Portal.

The Union Ministry of Labour and Employment should fast-track the launch of the national portal for unorganized workers to map the number of these workers across various districts. Last year, the government decided to launch this national database seeded with Aadhar for unorganized workers so that they can be covered under the social security schemes of the central and state governments. This database can also serve as an authentic source of information to map availability of labourers across different states and create employment opportunities in those geographical areas with surplus labourers.

According to the Periodic Labour Force Survey (PLFS) 2017-18, the total employment in India was around 47 crore, of which around 9 crore was engaged in the organized sector and the remaining 38 crore in the unorganized sector. Thus, the unorganized sector employs more than 81% of the total workforce in the country and this share is likely to have risen with the outbreak of Covid-19 and subsequent lockdown measures.

The ministry should adopt digitize its system to fast-track issue of registration and license under Contract Labour Act, Building and Other Construction Workers Act, Inter-State Migrant Workmen Act and other statutes. Currently, it takes several days for employers to secure registration and license under these Acts. The ministry should also adopt online platform for filing of claims and passing of order under Payment of Gratuity Act.

## Notifications

### PIB

Tariff fixation for edible oil, brass scrap, gold and silver

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1718436>

Cabinet clears PLI for advanced chemistry cell battery storage

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1717938>