

Highlights Labour Codes

Appropriate Government



Code	Central Government	State Government		
Code on Wages, 2019	In relation to, an establishment carried on by or under the authority of the Central Government or the establishment of railways, mines, oil field, major ports, air transport service, telecommunication, banking and insurance company or a corporation or other authority established by a Central Act or a central public sector undertaking or subsidiary companies set up by central public sector undertakings or autonomous bodies owned or controlled by the Central Government, including establishment of contractors for the purposes of such establishment, corporation or other authority, central public sector undertakings, subsidiary companies or autonomous bodies, as the case may be, the Central Government	In relation to any other establishment, the State Government		

Appropriate Government



Code	Central Government	State Government	
IR Code, 2020	In relation to any industrial establishment or undertaking carried on by or under the authority of the Central Government or concerning any such controlled industry as may be specified in this behalf by the Central Government or the establishment of railways including metro railways, mines, oil fields, major ports, air transport service, telecommunication, banking and insurance company or a corporation or other authority established by a Central Act or a central public sector undertaking, subsidiary companies set up by the principal undertakings or autonomous bodies owned or controlled by the Central Government including establishments of the contractors for the purposes of such establishment, corporation, other authority, public sector undertakings or any company in which not less than fifty-one per cent. of the paid-up share capital is held by the Central Government, as the case may be, the Central Government, and even if it reduces by 51%, Central Government	In relation to any other industrial establishment, including State public sector undertakings, subsidiary companies set up by the principal undertaking and autonomous bodies owned or controlled by the State Government, the State Government:	

Dispute between Contractor & CL, AG shall be same as that of the establishment

Appropriate Government

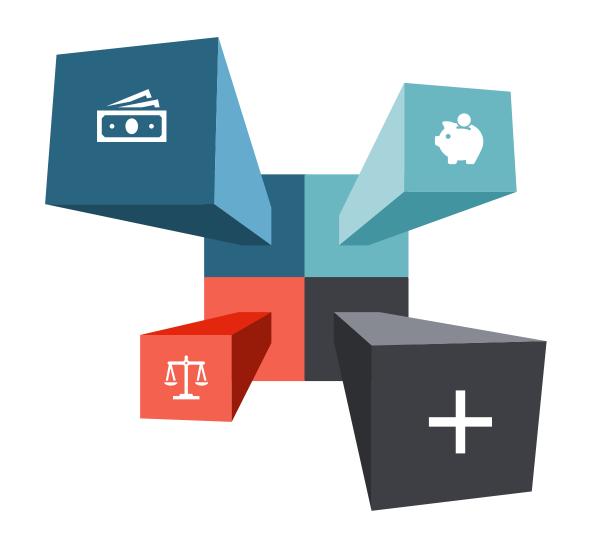


Code	Central Government	State Government		
OSHWC Code, 2020	Same as IR Code, 2020	In relation to a factory, motor transport undertaking, plantation, newspaper establishment and establishment relating to beedi and cigar including the establishments not specified in clause (i), the concerned State Government where it is situated. <i>Explanation:</i> in respect of occupational safety, health and working conditions in a factory.		
Code on Social Security, 2020	Same as IR Code, 2020 + in relation to an establishment having departments or branches in more than one State	In relation to any other establishment, the State Government.		

Code on Wages, 2019

Code on Wages







The Payment of Wages Act, 1936



The Minimum Wages Act, 1948



The Payment of Bonus Act, 1965



The Equal Remuneration Act, 1976

Employee & Worker



EMPLOYEE

Means, any person (other than an apprentice engaged under the Apprentices Act, 1961), employed on wages by an establishment to do any skilled, semi-skilled or unskilled, manual, operational, supervisory, managerial, administrative, technical or clerical work for hire or reward, whether the terms of employment be express or implied, and also includes a person declared to be an employee by the appropriate Government, but does not include any member of the Armed Forces of the Union.



WORKER

Means any person (except an apprentice as defined under clause (aa) of section 2 of the Apprentices Act, 1961) employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward, whether the terms of employment be express or implied, includes working journalists and sales promotion employees but does not include any such person—

- (a) who is subject to the Air Force Act, 1950, or the Army Act, 1950, or the Navy Act, 1957; or
- (b) who is employed in the police service or as an officer or other employee of a prison; or
- (c) who is employed mainly in a managerial or administrative capacity; or
- (d) who is employed in a supervisory capacity drawing wage of exceeding fifteen thousand rupees per month or an amount as may be notified by the Central Government from time to time.
- Definition of worker similar to that of workman in ID Act
- Wages limit for supervisory capacity is ₹10,000 currently

Wages



"Wages" means all remuneration whether by way of salary, allowances or otherwise, expressed in terms of money or capable of being so expressed which would, if the terms of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment, and includes, -

(i) basic pay; (ii) dearness allowance; and (iii) retaining allowance, if any;

but does not include-

- (a) any bonus payable under any law for the time being in force, which does not form part of the remuneration payable under the terms of employment;
- (b) the value of any house-accommodation, or of the supply of light, water, medical attendance or other amenity or of any service excluded from the computation of wages by a general or special order of the appropriate Government;

- (c) any contribution paid by the employer to any pension or provident fund, and the interest which may have accrued thereon;
- (d) any conveyance allowance or the value of any travelling concession;
- (e) any sum paid to the employed person to defray special expenses entailed on him by the nature of his employment;
- (f) house rent allowance;
- (g) remuneration payable under any award or settlement between the parties or order of a court or Tribunal;
- (h) any overtime allowance
- (i) Any commission payable to the employee;
- (j) any gratuity payable on the termination of employment;
- (k) any retrenchment compensation or other retirement benefit payable to the employee or any ex gratia payment made to him on the termination of employment

Wages



Provided that, for calculating the wages under this clause, if payments made by the employer to the employee under clauses (a) to (i) exceeds one half, or such other per cent. as may be notified in the Official Gazette by the Central Government, of the all remuneration calculated under this clause, the amount which exceeds such one-half, or the per cent. so notified, shall be deemed as remuneration and shall be accordingly added in wages under this clause.

Provided further that for the purpose of equal wages to all genders and for the purpose of payment of wages, the emoluments specified in clauses (d), (f), (g) and (h) shall be taken for computation of wage.

Explanation.- Where an employee is given in lieu of the whole or part of the wages payable to him, any remuneration in kind by his employer, the value of such remuneration in kind which does not exceed fifteen per cent. of the total wages payable to him, shall be deemed to form part of the wages of such employee.

Wages



Basic Pay + DA
10,000

Bonus under law (a)	nouse	Employer PF contributi on (c)	nce	Sum to defray special expens es (e)	HRA (f)	Remuner ation under settleme nt (g)	Overtim e allowan ce (h)	Commiss ion (i)
-	-	1200	-	-	4000	-	3100	-

Total amount payable

18,300

Total of (a) to (i)

8300

50% of Total Amount payable under clause 5000 (50% of 10,000)

Amount which exceeds
50% of total amount
payable

3300
(8300 - 5000)

13,300 (10,000 + 3300)

Payment of Wages Key Amendments

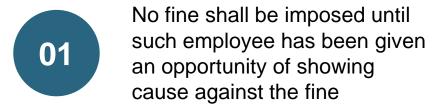


establi irresp	es to all ishments ective of nbers	No Wage ceiling (currently ₹24,000/-)	Wages to be paid by 7 th day of Month (currently 10 days)	F&F to be done in 2 days in all cases	Total deduction should not exceed 50%
			Time period	Full and Final	
Appli	cability	Coverage	Time period of Payment	Settlement	Deduction
No imp	act, as the	All employees in	Already complying,	Stop backdated separation, better	Modify system, quick response
act alrea	ady applies	RIL will be covered, increased legal	Ensure the same	link up with HRBP	mechanism in case
to	RIL	liability	with Contractors	& FCA, inform Contractor	of deduction, inform Contractor

Payment of Wages

Fines & Recovery





- Total amount of fine shouldn't exceed 3% of wages for that wage period
- No fines in installment or after 90 days of offense
- Register for fines and such amount should be used for benefit of employees
- Recovery of advance shall as may be prescribed

Minimum Wages





Category/ Area	Metropolitan	Non Metropolitan	Rural/Others	
Highly-Skilled	Yet to be notified	Yet to be notified	Yet to be notified	
Skilled	Yet to be notified	Yet to be notified	Yet to be notified	
Semi-Skilled	Yet to be notified	Yet to be notified	Yet to be notified	
Unskilled	Yet to be notified	Yet to be notified	Yet to be notified	

- Removed concept of Schedule Employment
- National Floor Minimum Wages likely to be higher than current State MW
- State Governments are authorized to add special allowance considering CPI in states



- High impact on Contract Labour Cost
- Direct impact on bonus, will result in higher bonus
- Map trade with skills (Schedule E)



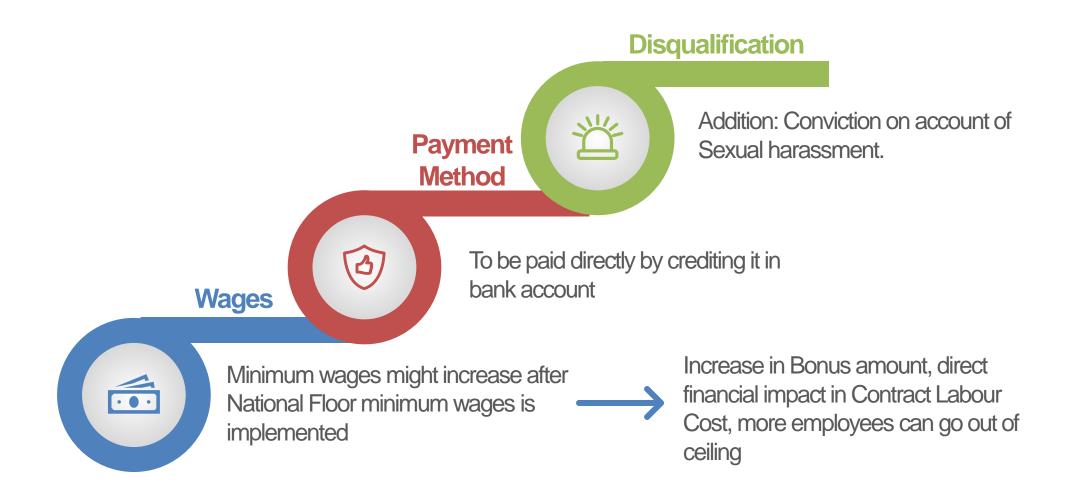
Payment of Bonus



Key Amendments



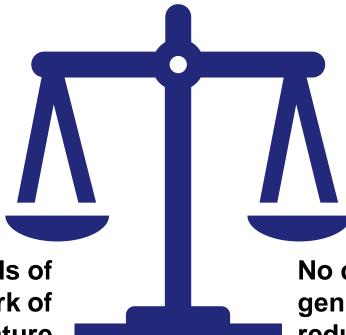
Wage ceiling for coverage not mentioned, might remain unchanged at ₹21,000



Equal Remuneration

R

Key Amendments



No discrimination on grounds of sex while recruitment for work of same & similar nature

Word opposite sex replaced by all sex

No discrimination on grounds of genders relating to wages, shouldn't reduce wages for that purpose

Key Amendments

Applies to all Chapters



Registers

Modifications, maintain electronically

Inspector cum Facilitators

Power of inquiry, advise and guide employers

Burden of Proof

In matter of Wages, On employer



Annual Return

Yet to be notified in the code

Authority

Single Authority for issues arising out of Code (opposed to different under different Acts)

Violation of Code

Individual and Unions can file complaints for violation of code

Key Amendments



Major impact of Draft Rules

- 46. Payment under clause (a) of sub-section (1) of section 44.- Where any amount payable to an employee under the Code is due after his death or on account of his whereabouts not being known, and the amount could not be paid to the nominee of the employee until the expiry of three months from the date the amount had become payable, then, such amount shall be deposited by the employer with the Deputy Chief Labour Commissioner (Central) having jurisdiction, who shall disburse the amount to the person nominated by the employee after ascertaining his identity within two months of the date on which the amount was so deposited with him.
- 55. Timely Payment of Wages.-Where the employees are employed in an establishment through contractor, then, the company or firm or association or any other person who is the proprietor of the establishment shall pay to the contractor the amount payable to him or it, as the case may be, before the date of payment of wages so that payment of wages to the employees shall be made positively in accordance with the provisions of Section 17.
- 57. Responsibility for payment of minimum bonus.- Where in an establishment, the employees are employed through contractor and the contractor fails to pay minimum bonus to them under section 26, then, the company or firm or association or other person as referred to in the proviso to section 43 shall, on the written information of such failure, given by the employees or any registered trade union or unions of which the employees are members and on confirming such failure, pay such minimum bonus to the employees.

Registers under the Code

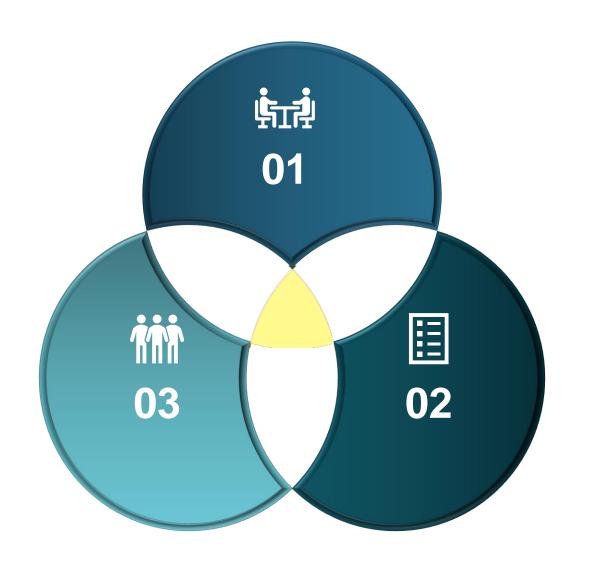


Particular	Matter
Form I	Register of Wages, Overtime, Fine, Deduction for damage and Loss
Form II	Single application under sub- section (5) of section 45 (Application for Claim)
Form III	Appeal under Section 49(1) of the Code on Wages, 2019
Form IV	Employee Register
Form V	Wage Slip
Form VI	Application under sub-section (4) of section 56 for composition of offence

IR Code, 2020

The IR Code





The Industrial Disputes Act, 1947

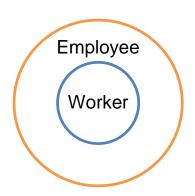
Industrial
Employment
Standing Orders
Act, 1946
Trade Union
Act, 1926

Employee & Worker



EMPLOYEE

"employee" means any person (other than an apprentice engaged under the Apprentices Act, 1961) employed by an industrial establishment to do any skilled, semi-skilled or unskilled, manual, operational, supervisory, managerial, administrative, technical or clerical work for hire or reward, whether the terms of employment be express or implied, and also includes a person declared to be an employee by the appropriate Government, but does not include any member of the Armed Forces of the Union



WORKER

Means any person (except an apprentice as defined under clause (aa) of section 2 of the Apprentices Act, 1961) employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward, whether the terms of employment be express or implied, includes working journalists and sales promotion employees as defined in clause (d) of section 2 of the Sales Promotion Employees (Conditions of Service) Act, 1976, and for the purposes of any proceeding under this Code in relation to an industrial dispute, includes any such person who has been dismissed, discharged or retrenched or otherwise terminated in connection with, or as a consequence of, that dispute, or whose dismissal, discharge or retrenchment has led to that dispute,

but does not include any such person—

- (i) who is subject to the Air Force Act, 1950, or the Army Act, 1950, or the Navy Act, 1957; or
- (ii) who is employed in the police service or as an officer or other employee of a prison; or
- (iii) who is employed mainly in a managerial or administrative capacity; or
- (iv) who is employed in a supervisory capacity drawing wage of exceeding eighteen thousand rupees per month or an amount as may be notified by the Central Government from time to time.

For Ch. III: All persons employed in trade of industry, worker as defined in clause (m) of S. 2 of the Unorganized Workers' Social Security Act, 2008

Fixed Term Employment



"fixed term employment" means the engagement of a **worker** on the basis of a written contract of employment for a fixed period:

Provided that—

- a. his hours of work, wages, allowances and other benefits shall not be less than that of a permanent workman doing the same work or work of similar nature; and
- b. he shall be eligible for all statutory benefits available to a permanent workman proportionately according to the period of service rendered by him even if his period of employment does not extend to the qualifying period of employment required in the statute;
- c. FTE he shall be eligible for gratuity if he renders service under the contract for a period of one year; (added)

Employer



"employer" means a person who employs, whether directly or through any person, or on his behalf or on behalf of any person, one or more employee or worker in his establishment and where the establishment is carried on by any department of the Central Government or the State Government, the authority specified by the head of the department in this behalf or where no authority is so specified, the head of the department, and in relation to an establishment carried on by a local authority, the chief executive of that authority, and includes,—

- i. in relation to an establishment which is a factory, the occupier of the factory as defined in clause (n) of section 2 of the Factories Act, 1948 and, where a person has been named as a manager of the factory under clause (f) of sub-section (1) of section 7 of the said Act, the person so named;
- ii. in relation to any other establishment, the person who, or the authority which has ultimate control over the affairs of the establishment and where the said affairs are entrusted to a manager or managing director, such manager or managing director;
- iii. contractor; and
- iv. legal representative of a deceased employer;

Industry



"industry" means any systematic activity carried on by co-operation between an employer and worker (whether such worker is employed by such employer directly or by or through any agency, including a contractor) for the production, supply or distribution of goods or services with a view to satisfy human wants or wishes (not being wants or wishes which are merely spiritual or religious in nature), whether or not,—

- i. any capital has been invested for the purpose of carrying on such activity; or
- ii. such activity is carried on with a motive to make any gain or profit,

but does not include—

- i. institutions owned or managed by organizations wholly or substantially engaged in any charitable, social or philanthropic service; or
- ii. any activity of the appropriate Government relatable to the sovereign functions of the appropriate Government including all the activities carried on by the departments of the Central Government dealing with defense research, atomic energy and space; or
- iii. any domestic service; or
- iv. any other activity as may be notified by the Central Government;

Industrial Dispute



"industrial dispute" means any dispute or difference between employers and employers or between employers and workers or between workers and workers which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person and includes any dispute or difference between an individual worker and an employer connected with, or arising out of discharge, dismissal, retrenchment or termination of such worker;

Industrial Dispute



Added in CH II:

- (9) Where any employer discharges, dismisses, retrenches, or otherwise terminates the services of an individual worker, any dispute or difference between that worker and his employer connected with, or arising out of, such discharge, dismissal, retrenchment or termination shall be deemed to be an industrial dispute notwithstanding that no other worker nor any Trade Union is a party to the dispute.
- (10) Notwithstanding anything contained in this section or section 53, any worker as is specified in sub-section (5) may, make an application directly to the Tribunal for adjudication of the dispute referred to therein **after the expiry of forty-five days** from the date he has made the application to the conciliation officer of the appropriate Government for conciliation of the dispute, and on receipt of such application the Tribunal shall have powers and jurisdiction to adjudicate upon the dispute, as the Tribunal has in respect of the application filed under sub-section (6) of section 53.
- (11) The application referred to in sub-section (10) shall be made to the Tribunal before the **expiry of two years** from the date of discharge, dismissal, retrenchment or otherwise termination of service as specified in sub-section (9). (Currently 3 years)

Retrenchment



"retrenchment" means the termination by the employer of the service of a worker for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action,

but does not include—

- i. voluntary retirement of the worker; or
- ii. retirement of the worker on reaching the age of superannuation; or
- iii. termination of the service of the worker as a result of the non-renewal of the contract of employment between the employer and the worker concerned on its expiry or of such contract being terminated under a stipulation in that behalf contained therein; or
- iv. termination of service of the worker as a result of completion of tenure of fixed term employment; or
- v. termination of the service of a worker on the ground of continued illhealth

Strikes



"strike" means a cessation of work by a body of persons employed in any industry acting in combination, or a concerted refusal, or a refusal, under a common understanding, of any number of persons who are or have been so employed to continue to work or to accept employment and includes the concerted casual leave on a given day by fifty per cent. or more workers employed in an industry;

Removed concept of Public Utility Services (PUS), need to give 14 days notice before striking in all industrial establishments

Time period to strike increased from 42 days to 60 days

Negotiating Union / Council



Negotiations

Formation of Negotiating Union or Negotiating council

shall recognize such Employer Only 1 Trade Union Trade Union as sole negotiating union

>1 TU with majority (51% or more workers) 1 TU has > 51% workers on rolls of IE, that TU will be recognized by employer

>1 TU no majority (no 51% or more workers)

1 representative for each 20% of total workers of TU

03

Validity of Negotiating **Union / Council**

Any recognition/negotiating council constituted will be valid for 3 years to **5 years**

Mechanism for Resolution of Dispute



- Abolition of Labour Courts
- The procedure of the Tribunal (including distribution of cases in the benches of the Tribunal) shall be such as may be prescribed, provided a bench consisting of a Judicial Member and an Administrative Member shall entertain and decide the cases only relating to
 - a. the application and interpretation of standing order;
 - b. discharge or dismissal of workmen including reinstatement of, or grant of relief to, workmen dismissed;
 - c. illegality or otherwise of a strike or lock-out; and
 - d. retrenchment of workmen and closure of establishment,
 - e. Trade Union disputes
- Every award or order shall be signed by both the Members; and the remaining cases shall be entertained and decided by the bench of the Tribunal consisting either a Judicial Member or an Administrative Member of the Tribunal and the award delivered by such single Member of the Tribunal shall be signed by him alone.
- The Judicial Member shall preside over the Tribunal where the bench of the Tribunal consists of one Judicial Member and one Administrative Member.

Worker Re-Skilling Fund





Utilized by crediting fifteen days wages last drawn by the worker, who is retrenched, within forty-five days of such retrenchment

Drafting of Standing Orders for certification

The provisions of this Chapter shall apply to every industrial establishment wherein three hundred or more than **three hundred workers**, are employed, or were employed on any day of the preceding twelve months. Previously 100

(1) The employer shall prepare draft standing orders within a period of six months from the date of commencement of this Code, based on the model standing orders referred to in section 29 and on any other matter considered necessary by him for incorporation in such standing orders for his industrial establishment or undertaking considering the nature of activity in his industrial establishment or undertaking provided such provision is not inconsistent with any of the provision of this Code and covers every matters set out in the First Schedule.

The employer shall consult the draft of the standing order, with the Trade Unions or recognized negotiating union or negotiating council and thereafter forward a copy of the same for being certified by the certifying officer.

Model Standing Orders



- Where an employer adopts a model standing order of the Central Government referred to in section 29 with respect to matters relevant to his industrial establishment or undertaking, then, such model standing order shall be deemed to have been certified under the provisions of this section and employer shall forward the information in this regard to the concerned certifying officer in such manner as may be prescribed: Provided that if the certifying officer has any observation, he may direct such employer to amend the standing order so adopted within such period as may be prescribed.
- The employer shall prepare the draft of the modifications required in the standing order, if any, in accordance with the provisions of this Code and forward electronically or otherwise to the certifying officer for certification of those modifications only within a period of six months from the date, the provisions of this Chapter becomes applicable to his industrial establishment

Other Key Amendments



- Permission of government required for Closure, Lay-off & Retrenchment:
 No. of workers 300 or more
- Process of Registration of Trade Unions remains same- Will be done under this Code.
- Matters of Disputes related to Trade Unions will be handled by Tribunals
- Interpretation of Standing Orders will be dealt with by Tribunals

The Occupational Safety, Health and Working Conditions Code, 2020

• • • •

The OSHWC Code



1 The Factories Act, 1948

02 The Contract Labour (R&A) Act, 1970

The Interstate Migrant Workmen Act, 1979

The Building & Other

()4 Construction workers

Act, 1996

05 The Mines Act, 1952

The Dock Workers
(Safety, Health & Welfare) Act, 1986

07 The Plantations Labour Act, 1951

The Cine Workers & Cinema Theater Workers Act, 1981

O9 The Beedi & Cigar Workers Act, 1866

10 The Sales Promotion Employees Act, 1966

The Motor Transport Workers Act, 1981

The Working
12 Journalists and other
Newspapers Employees
Act, 1955

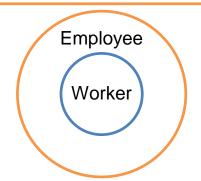
The Working Journalist
(Fixation of Wages) Act
1958

Worker



EMPLOYEE

- (i) in respect of an establishment, a person (other than an apprentice engaged under the Apprentices Act, 1961) employed on wages by an establishment to do any skilled, semiskilled, unskilled, manual, operational, supervisory, managerial, administrative, technical, clerical or any other work, whether the terms of employment be express or implied; and
- (ii) a person declared to be an employee by the appropriate Government,
- but does not include any member of the Armed Forces of the Union



WORKER

Means any person employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward, whether the terms of employment be express or implied, includes working journalists and sales promotion employees

but does not include any such person—

- (a) who is subject to the Air Force Act, 1950, or the Army Act, 1950, or the Navy Act, 1957; or
- (b) who is employed in the police service or as an officer or other employee of a prison; or
- (c) who is employed mainly in a managerial or administrative capacity; or
- (d) who is employed in a supervisory capacity drawing wage of exceeding eighteen thousand rupees per month or an amount as may be notified by the Central Government from time to time.
- Definition of worker similar to that of workman in ID Act
- Wages limit for supervisory capacity currently ₹10,000
- No major impact on RIL

Factory



"factory" means any premises including the precincts thereof—
(i) whereon ten-twenty or more workers are working, or were working on any day of
the preceding twelve months, and in any part of which a manufacturing process is
being carried on with the aid of power, or is ordinarily so carried on; or
(ii) whereon twenty-forty or more workers are working, or were working on any day of
the preceding twelve months, and in any part of which a manufacturing process is
being carried on without the aid of power, or is ordinarily so carried on, but does not
include a mine, or a mobile unit belonging to the armed forces of the Union, railways
running shed or a hotel, restaurant or eating place.

Provided that where under any law for the time being in force in a State immediately before the commencement of this Code, the number of workers specified is more or less than the number specified in clause (i) or clause (ii), then, the number specified under the law of the State shall prevail in that State till it is amended by the competent Legislature.



Applies to

every establishment in which twenty fifty or more contract labour are employed or were engaged on any day of the preceding twelve months through contract;

Every manpower supply contractor who has employed on any day of the preceding twelve months twenty fifty or more contract labour





CL

"contract labour" means a worker who shall be deemed to be employed in or in connection with the work of an establishment when he is hired in or in connection with such work by or through a contractor, with or without the knowledge of the principal employer and includes inter-State migrant worker but does not include a worker (other than part-time employee) who

- (i) is regularly employed by the contractor for any activity of his establishment and his employment is governed by mutually accepted standards of the conditions of employment (including engagement on permanent basis), and
- (ii) gets periodical increment in the pay, social security coverage and other welfare benefits in accordance with the law for the time being in force in such employment;



Contractor

Means a person, who—

- (i) undertakes to produce a given result for the establishment, other than a mere supply of goods or articles of manufacture to such establishment, through contract labour; or
- (ii) supplies contract labour for any work of the establishment as mere human resource and includes a sub-contractor





Registration of PE



Licensing of Contractor



Work specific License



Validity of License

- No separate registration of Principal Employer
- Common registration under the Code
- Contractor can apply for common license if supplying CL in more than one state
- Where the contractor does not fulfil the requisite qualifications, the licensing officer may
 issue him a "work specific license" supply or engage the contract labour, or execute the
 work through contract labour, only for the concerned work order as may be specified in
 such license and subject to such conditions as may be specified in such license
- The license issued shall be valid for a period of 5 years in respect of the number of CL
- To increase no. of CL, shall apply for renewal

R

Prohibition of employment of contract labour

- 1. Notwithstanding anything contained in this Part, employment of contract labour in core activities of any establishment is prohibited: Provided that the principal employer may engage contract labour through a contractor to any core activity, if
 - a. the normal functioning of the establishment is such that the activity is ordinarily done through contractor; or
 - b. the activities are such that they **do not require full time workers for the major portion of the working hours in a day or for longer periods,** as the case may be;
 - c. any sudden increase of volume of work in the core activity which needs to be accomplished in a specified time.
- 2. .
- a. The appropriate Government may, by notification, appoint a designated authority to advise that Government on the question whether any activity of an establishment is a core activity or otherwise.
- b. if a question arises as to whether any activity of an establishment is a core activity or otherwise, the aggrieved party may make an application in such form and manner as may be prescribed, to the appropriate Government for decision
- c. the appropriate Government may refer any such question suo motu or refer the application to the designated authority, which on the basis of relevant material in its possession, or after making such an enquiry as it deems fit, shall report to the appropriate Government, within such period and thereafter the appropriate Government shall decide the question within such period as may be prescribed.



CORE ACTIVITY

"core activity of an establishment" means any activity for which the establishment is **set up and includes any activity which is essential or necessary to such activity**: Provided that the following shall not be considered as essential or necessary activity, if the establishment is not set up for such activity, namely:—

- (i) sanitation works, including sweeping, cleaning, dusting and collection and disposal of all kinds of waste;
- (ii) watch and ward services including security services;
- (iii) canteen and catering services;
- (iv) loading and unloading operations;
- (v) running of hospitals, educational and training Institutions, guest houses, clubs and the like where they are in the nature of support services of an establishment;
- (vi) courier services which are in nature of support services of an establishment;
- (vii) civil and other constructional works, including maintenance;
- (viii) gardening and maintenance of lawns and other like activities;
- (ix) housekeeping and laundry services, and other like activities, where these are in nature of support services of an establishment;
- (x) transport services including, ambulance services;
- (xi) any activity of intermittent nature even if that constitutes a core activity of an establishment;



No labour license by Contractor

Deemed to be employed by PE

In contravention of Code

Payment of Wages

Through bank transfer or electronic mode and inform the principal employer electronically

Failure of Payment of Wages

Appropriate Government shall pass the orders of making payment of such wages from the amount deposited by such contractor as security deposit under the license issued by the licensing officer to the contractor

Welfare Facilities

Canteens, rest rooms, drinking water and first aid shall be provided by the principal employer

Information regarding Work Order

When contractor receives WO, shall intimate authority (time period to be mentioned). If not, license can be cancelled

Experience Certificate

Every concerned contractor shall issue, on demand, experience certificate, in such form as may be prescribed by the appropriate Government, to the contract labour giving details of the work performed by such contract labour

Inter-state Migrant Worker



"inter-State migrant worker" means a person who is employed in an establishment and who—

- has been recruited directly by the employer or indirectly through contractor in one State for employment in such establishment situated in another State; or
- ii. has come on his own from one State and obtained employment in an establishment of another State (hereinafter called destination State) or has subsequently changed the establishment within the destination State,

under an agreement or other arrangement for such employment and draws wages not exceeding the amount of rupees eighteen thousand per month or such higher amount as may be notified by the Central Government from time to time;

Inter-state Migrant Worker



- Part for ISMW newly added
- This Part shall apply to every establishment in which ten or more inter-State
 migrant workers are employed or were employed on any day of the preceding
 twelve months.
- Provision for residential accommodation & displacement allowance removed
- (iii) to extend all benefits to such worker which are available to a worker of that establishment including benefits under the Employees' State Insurance Act, 1948 or the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 or any other law for the time being in force and the facility of medical check-up as available to a worker under clause (c) of sub-section (1) of section 6.
- **Journey allowance:** The employer shall pay, to every inter-State migrant worker employed in his establishment, in a year a lump sum amount of fare for to and fro journey to his native place from the place of his employment, in the manner taking into account the minimum service for entitlement, periodicity and class of travel and such other matters as may be prescribed by the appropriate Government.

Inter-state Migrant Worker



- The appropriate Government shall make schemes to provide— (a) option to an inter-State migrant worker for availing benefits of public distribution system either in his native State or the destination State where he is employed; and(b) for portability of the benefits of the inter-State migrant worker working for building or other construction work out of the building and other construction cess fund in the destination State where such inter-State migrant worker is employed.
- The appropriate Government may provide facility of **toll free helpline** to the inter-State migrant workers in such manner as may be prescribed by that Government.
- The appropriate Government may provide for study of inter-State migrant workers in such manner as may be prescribed by that Government.
- No suit or other proceeding shall lie in any court or before any authority for the recovery of debt or any part thereof relating to an inter-State migrant worker after the completion of his employment where it remains unsettled obligation to the contractor or the principal employer and such debt or part thereof shall, on the completion of the period of employment of such worker, be deemed to have been extinguished.

Other Key Amendments



Welfare Provisions

Bathing places and locker room for male, female and transgender



Creche

Establishments wherein 50 or more workers are ordinarily employed

Shelter or Rest Rooms

Separate shelters or rest-rooms for male, female and transgender, lunch-room where more than 50 workers are ordinarily employed



Annual leave with Wages

Entitles for annual leave with wages, if worked 180 days or more in calendar year

Latrines & Urinals

Sufficient arrangement for male, female and transgender maintaining hygiene





Employment of Women

Entitled to be employed for all types of work, with their consent before 6 a.m. and beyond 7 p.m., in hazardous processesemployer to provide proper safeguards

Other Key Amendments



Requirement of	Applicable for number of workers at Present	Proposed number of workers
Canteens	250	100
Shelters/Rest Rooms	150	50
Creche	30 (women workers)	50 workers (aligned with Maternity Benefit Act)
Safety Officer	1000	Factory- 500
		Factory carrying on hazardous process- 250
		BOCW- 250
		Mines- 100
Welfare Officer	500	250

Other Key Amendments



- Constitution of Occupational Safety and Health Board (OSHB): Central and State Boards
- Board will discharge functions as required under this code and will advise Government on the matters relating to:
 - a. standards, rules an regulations to be framed under this code
 - b. implementation of the provisions of this code and regulations relating there to
 - the issues of policy and program relating to occupational safety and health referred from time to time
 - d. any other matter relating to this code as may be referred by the Government.
- Governments empowered to constitute Technical Committees as may be required.

Code on Social Security, 2020

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Code on Social Security





The Employees'
PF &
Miscellaneous
Provisions Act,
1952



The Employee Compensation Act, 1923



The Cine Workers Welfare Fund Act, 1981



The Payment of Gratuity Act, 1972



The Employees' State Insurance Act, 1948



The Employment Exchange CNV Act, 1959



The Maternity Benefit Act, 1961



The Building & other Construction Worker Act, 1996



The Unorganized Workers Social Security Act, 2008

Applicability



Chapter No.	Chapter Heading	Applicability
III	Employees Provident Fund	Every establishment in which twenty or more employees are employed.
IV	Employees State Insurance Corporation	Every establishment in which ten or more employees are employed or were employed on any day during the preceding twelve months, other than a seasonal factory To establishments in which hazardous or life threatening occupation, even with one employee
V	Gratuity	 (a) every factory, mine, oilfield, plantation, port and railway company; and (b) every shop and establishment in which ten or more persons are employed, or were employed
VI	Maternity Benefit	 (a) every establishment being a factory, mine or plantation including any such establishment belonging to Government; and (b) every shop and establishment in which ten or more persons are employed, or were employed
VII	Employees Compensation	Subject to the provisions of the Second Schedule, it applies to the employers and employees to whom chapter IV does not apply
VIII	Social Security and Cess in respect of Building and Other Construction Workers	Every establishment which falls under the building and other construction work.
IX	Social Security for Unorganized Workers	Unorganized sector, unorganized workers, gig worker, platform worker.

Employee



EMPLOYEE

Means, any person (other than an apprentice engaged under the Apprentices Act, 1961) employed on wages by an establishment, either directly or through a contractor, to do any skilled, semi-skilled or unskilled, manual, operational, supervisory, managerial, administrative, technical, clerical or any other work, whether the terms of employment be express or implied, and also includes a person declared to be an employee by the appropriate Government, but does not include any member of the Armed Forces of the Union

For EPF & ESIC: Employees drawing wages less than or equal to wage ceiling

For EC: Employees mentioned in Second Schedule

Fixed Term Employment



"fixed term employment" means the engagement of an **employee** on the basis of a written contract of employment for a fixed period:

Provided that—

- a. his hours of work, wages, allowances and other benefits shall not be less than that of a
 permanent workman doing the same work or work of similar nature; and
- b. he shall be eligible for all statutory benefits available to a permanent workman proportionately according to the period of service rendered by him even if his period of employment does not extend to the qualifying period of employment required in the statute;





Means a person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship



Gig worker means independent contractors, online platform workers, contract firm workers, on-call workers and temporary workers.[Gig workers enter into formal agreements with on-demand companies, for example Uber, TaskRabbit, Zomato, to provide services to the company's clients.





Means a person employed for remuneration in the unorganized sector, directly by an employer or through any contractor, irrespective of place of work, whether exclusively for one employer or for one or more employers, whether in cash or in kind, whether as a home-based worker, or as a temporary or casual worker, or as a migrant worker, or workers employed by households including domestic workers, with a monthly wage of an amount as may be notified by the Central Government and State Government, as the case may be



Means a person engaged in the production of goods or services for an employer in his home or other premises of his choice other than the workplace of the employer, for remuneration, irrespective of whether or not the employer provides the equipment, materials or other inputs



Means any person who is not employed by an employer, but engages himself in any occupation in the unorganized sector subject to a monthly earning of an amount as may be notified by the Central Government or the State Government from time to time or holds cultivable land subject to such ceiling as may be notified by the State Government

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"platform work" means a work arrangement outside of a traditional employer-employee relationship in which organizations or individuals use an online platform to access other organizations or individuals to solve specific problems or to provide specific services or any such other activities which may be notified by the Central Government, in exchange for payment;



Means an enterprise owned by individuals or self-employed workers and engaged in the production or sale of goods or providing service of any kind whatsoever, and where the enterprise employs workers, the number of such workers is less than ten



Means a home-based worker, self-employed worker or a wage worker in the unorganized sector and includes a worker in the organized sector who is not covered by the Industrial Disputes Act, 1947 or Chapter III to VII



 "retirement" means termination of the service of an employee otherwise than on superannuation;

 "superannuation", in relation to an employee, means the attainment by the employee of such age as is fixed in the contract or conditions of service, as the age on the attainment of which the employee shall vacate the employment



"building or other construction work" means the construction, alteration, repairs, maintenance or demolition in relation to buildings, streets, roads, railways, tramways, airfields, irrigation, drainage, embankment and navigation works, flood control works (including storm water drainage works), generation, transmission and distribution of power, water works (including channels for distribution of water), oil and gas installations, electric lines, internet towers, wireless, radio, television, telephone, telegraph and overseas communications, dams, canals, reservoirs, watercourses, tunnels, bridges, viaducts, aquaducts, pipelines, towers, cooling towers, transmission towers and such other work as maybe specified in this behalf by the Central Government, by notification, but does not include any building or other construction work which is related to any factory or mine or any building or other construction work employing less than ten workers or where such work is related to own residential purposes of an individual or group of individuals for their own residence and the total cost of such work does not exceed fifty lakhs rupees or such higher amount and **employing more than such number of workers** as may be notified by the appropriate Government

Gratuity



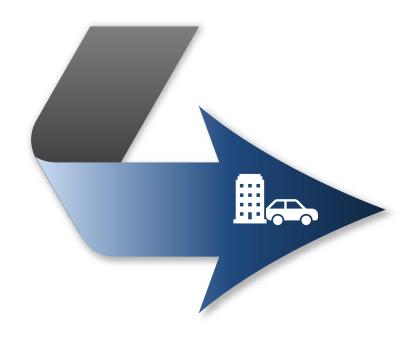
Retained to on completion of 5 years

 Provided that in case of working journalist as defined in clause (f) of section 2 of the Working Journalists and Other Newspaper Employees (Condition of Service) and Miscellaneous Provisions Act, 1955, the expression "five years" occurring in this sub-section shall be deemed to be three years

 Provided also that in the case of an employee employed on fixed term employment or a deceased employee, the employer shall pay gratuity on pro rata basis

Employee Compensation





Employee Commuting from residence

Accident occurred while commuting from residence to place of employment or vice versa for duty, shall be deemed to have arisen out of and in course of employment if nexus between circumstances, time and place in which accident occurred and his employment is established.

Key Amendments



ESI- voluntary registration allowed, is now extendable to Unorganized Workers

EPF: System for covering self-employed or others

Application of Aadhaar



An employee or unorganized worker or any other person, as the case may be, for—

- a. registration as member or beneficiary; or
- b. seeking benefit whether in kind, cash or medical sickness benefit or pension, gratuity or maternity benefit or any other benefit or for withdrawal of fund; or
- c. availing services of career centre; or
- d. receiving any payment or medical attendance as Insured Person himself or for his dependants,

under this Code or rules, regulations or schemes made or framed thereunder, shall establish his identity or, as the case may be, the identity of his family members or dependants through Aadhaar number and for such purpose the expression "Aadhaar" shall have the meaning as defined in clause (a) of section 2 of the Aadhaar (The Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016:

Provided that any foreigner employee shall obtain and submit Aadhaar number for establishing his identity, as soon as possible, on becoming resident within the meaning of clause (v) of section 2 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016



Social Security Schemes

Unorganized Sector

Notify time to time

Central Government

Life and disability cover; health and maternity benefits;

Old age protection;

Education

Any other benefit as may be determined by the Central Government.

Notify time to time

State Government

Provident fund; employment injury benefit;

Housing; educational schemes for children;

Skill upgradation of workers;

Funeral assistance, Old age homes



Social Security Schemes

Gig & Platform Workers

Notify time to time

Central Government

Life & disability cover; Accident insurance

Health and maternity benefits;

Old age protection; Creche

Any other benefit determined by CG

Aggregator contribution at rate of 1-2% in Social Security fund, not exceeding 5% of amount paid to worker

Notify time to time

State Government

The manner of administration of scheme;

The agency/ies for implementing the scheme;

The role of aggregators in the scheme;

The sources of funding of the scheme

Any other matter as the Central Government may consider necessary for the efficient administration of the scheme

Career Centers



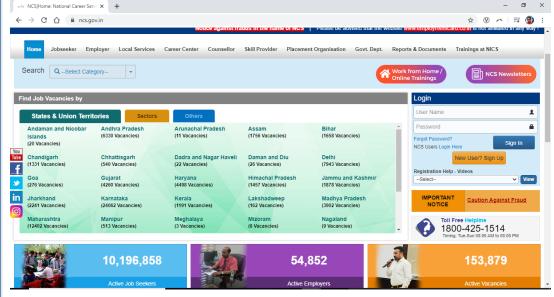
Definition

"Career center" means any office (including employment exchange, place or portal) established and maintained in the manner prescribed by the Central Government for providing such career services (including collection and furnishing of information, either by the keeping of registers or otherwise, manually, digitally, virtually or through any other mode) as may be prescribed by the Central Government may, *inter alia*, relate generally or specifically to



- (i) persons who seek to employ employees;
 - (ii) persons who seek employment;
 - (iii) occurrence of vacancies; and
- (iv) persons who seek vocational guidance and career counseling or guidance to start self-employment;

The Appropriate Government may notify, the employer in every establishment, before filling the vacancy, report that vacancy to Career Center



https://www.ncs.gov.in/

Screen Shot of National Career Services Page by Central Government

Thank You