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We reproduced the following circular for your reference and records.  
 For further details, you may contact the above address.

## LABOUR'S LOVE LOST

# Govt's laboured delivery on labour reforms

SOMESH JHA  
 New Delhi, 18 August

Long wait by industries for key labour reforms in the country might not be over as the Union government is going slow on their demands. After coming to power, the National Democratic Alliance (NDA) government had announced a slew of labour reforms such as labour codes on industrial relations and wages, small factories Bill, factories (amendment) Bill, employees' state insurance (amendment) Bill, among others. However, these are pending at various stages.

One of the factors delaying this reform process is the staunch opposition by the trade unions which have collectively called a nationwide strike on September 2. The industries are desperate for labour law reforms. "We are hopeful and positive about the reform process initiated by the government and hope it moves in the right direction. We want the changes as early as possible but there is a consultative process which we appreciate the government has to follow and get all the stakeholders on board," said Babu Khan, senior director at Confederation of Indian Industry (CII).

### KEY LABOUR LAW CODES

PROPOSED LAW	INDUSTRIAL RELATIONS BILL	SMALL FACTORIES BILL	Factories AMENDMENT BILL	WAGES BILL	* EPF (AMENDMENT) BILL	** ESI (AMENDMENT) BILL
WHAT IT PROPOSES?	Eases retrenchment norm, toughens trade union formation, calling strike virtually impossible	A separate law for factories with up to 40 workers, inspection and other norms made easier	Women to be allowed to work in night shifts, increase overtime limit and strict safety guidelines for workers	Union wage definition, eases inspection, allows states to set minimum wage for different regions	Employees can switch to National Pension System; firms with 10 workers to be covered under the law	Provides option to workers between ESI scheme and health insurance offered by private sector
CURRENT STATUS	Referred back to sub-committee	Pending in Union labour ministry; more changes will be incorporated	Pending with parliamentary standing committee	Inter-ministerial comments received, to be sent to law ministry soon	Pending in labour ministry	Trade unions reject the proposal in a tripartite meeting

\*EPF: Employees Provident Fund \*\*ESI: Employees State Insurance

Source: Labour ministry officials

According to sources, the proposed industrial relations Bill, which eases retrenchment norms, has been sent back to a sub-committee for re-examination by the Union labour ministry after receiving staunch opposition from the trade unions. The Bill was discussed by a sub-committee of workers and employers for almost four months after trade unions had

opposed various provisions of the Bill, especially those related to easing retrenchment for employers. The sub-committee is scheduled to meet on August 20.

The proposed industrial relations Bill has been sent back for review despite the committee recommending some of the long-pending demands of the trade unions. These included mandatory recognising trade

unions as representative of workers in case of a dispute and creating a re-skilling fund to train retrenched workers where the employer will have to pay 30 days of wage towards the fund. This was in addition to a three times increase in the compensation package in case of retrenchment.

The proposed IR Bill allows factories with up to 300 workers

to retrench them or shut shop without government approval. The present norms allow factories with 100 workers to do so. Along with this, outsiders will not be allowed to become office bearers of trade unions in the organised sector. Also, there are several restrictions on calling a strike.

For full report, visit [www.business-standard.com](http://www.business-standard.com)



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# Rules May be Eased for Construction Workers to Avail Social Security Sops

Move to cut minimum working days to one-third may help over 25 million such workers

**Yogima.Sharma**  
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**New Delhi:** The labour ministry may soon propose to reduce to a third the minimum number of work days a construction worker is required to clock to avail social security benefits under the Building and Other Construction Workers Act.

The measure will be a bonanza for over 25 million building and construction workers in the country, most of whom are part of the unorganised sector.

A senior government officer told ET that the ministry is revisiting the law to make an enabling provision that will make construction workers eligible for social security benefits under the Employees' Provident Fund Organisation and the Employee State Insurance Corporation by working for 30 days instead of 90 days as stipulated

**ET VIEW**

## Link PF A/cs to Aadhaar Cards

A lower minimum work period for availing social security benefits makes sense. But more importantly, what's required is ready portability of employee provident fund accounts across employers and geographies. It would make no sense to simply reduce the work period and have a huge and rising number of untraced accounts as a consequence. Instead, we need to revamp the delivery mechanism so that workers have active accounts, even as they change jobs and place of work. Hence, the need for modern electronic accounts linked to Aadhaar cards for unique identification.

under the Act. "We are making the necessary changes to the Building and Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996, to widen the scope of its implementation and simplify it so as to remove all difficulties pertaining to registration of workers under the Act," the official said. The draft amendment will soon be put in

the public domain for stakeholder consultation.

"As per other changes mooted to the Act, henceforth, the worker will have to simply declare on an affidavit that he/she is a construction worker and get himself enrolled under the Act using the Aadhaar number. Besides, the worker will not be required to pay any amount to the registrar and even the annual registration will no longer be required," the official said, requesting anonymity.

"Once the worker is enrolled he will be given a universal account number, based on which he can be traced anywhere in India, keeping in mind the migrant nature of work they are engaged in to," he said. The government is of the view that building and other construction workers are one of the most vulnerable segments of the unorganized sector workforce in the country, enduring uncertain working hours and temporary nature of the work.

## IN BRIEF

### EPFO reviews PF withdrawal plan

Retirement fund body EPFO has decided to re-examine its plan to launch online provident fund withdrawal facility for its subscribers having Aadhaar-enabled provident fund and bank accounts, in the backdrop of apex court ruling. The Employees' Provident Fund Organisation (EPFO) is cautious after the apex court ruled earlier this month that "the production of an Aadhaar card will not be a condition for obtaining any benefits otherwise due to a citizen".

PTI