



Labour Laws Diluted

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Why in News

Amid the coronavirus-induced lockdown, an increasing number of states that include Uttar Pradesh, Madhya Pradesh, Rajasthan and Gujarat have pushed through **changes to their labour laws by way of ordinances or executive orders**.

Since labour is a **concurrent subject** under the Constitution of India, states can frame their own laws but need the approval of the Central government.

Key Points

- The Uttar Pradesh government has approved an Ordinance **exempting businesses from the purview of all the labour laws** except few for the **next three years**.
 - The labour laws related to settling industrial disputes, occupational safety, health and working conditions of workers, and those related to trade unions, contract workers, and migrant labourers will become defunct.
 - However, laws related to bonded labour, deployment of women and children and timely payment of salaries will not be relaxed.
- The changes in the labour laws will **apply to both** the **existing businesses** and the **new factories** being set up in the state.

- Similarly, the Madhya Pradesh government has also suspended many labour laws **for the next 1000 days**. Few important amendments are:
 - **Employers can increase working hours in factories** from 8 to 12 hours and are also allowed up to 72 hours a week in overtime, subject to the will of employees.
 - The **factory registration now will be done in a day**, instead of 30 days. And the licence should be renewed after 10 years, instead of a year. There is also the provision of penalty on officials not complying with the deadline.
 - Industrial Units will be exempted from majority of the provisions of the **Industrial Disputes Act, 1947**.
 - Organisations will be able to keep workers in service at their convenience.
 - The Labour Department or the labour court will not interfere in the action taken by industries.
 - Contractors employing less than 50 workers will be able to work without registration under the **Contract Labour (Regulation and Abolition) Act, 1970**.
 - **Major relaxations to new industrial units** are:
 - Exempted from provisions on **'right of workers'**, which includes obtaining details of their health and safety at work, to get a better work environment which include drinking water, ventilation, crèches, weekly holidays and interval of rest, etc.
 - Exempted from the requirement of keeping registers and inspections and can change shifts at their convenience.
 - Employers are exempt from penalties in case of violation of labour laws.

Rationale Behind the Changes in Labour Laws

- States have begun easing labour laws to **attract investment** and encourage industrial activity.
- To protect the existing employment, and to provide employment to workers who have migrated back to their respective states.
- Bring about transparency in the administrative procedures and convert the challenges of a distressed economy into opportunities.
- To increase the revenue of states which have fallen due to closure of industrial units during Covid-19 lockdown.
- Labour reform has been a demand of Industries for a long time. The changes became necessary as investors were stuck in a web of laws and red-tapism.

Issues Involved

- The labour law changes will allow more factories to operate without following safety and health norms and give a free hand to new companies to “keep labourers in service as per their convenience”.

- Denying the rights of workers is a violation of human and fundamental rights.
- It may create insecurity among the workers.
- The changes may lead to desperate conditions for workers.

Source: BS