

House Panel Urges Labour Code Implementation and Revival of Tripartite Dialogue

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Labour Laws Latest News

- The Labour Standing Committee of Parliament has pulled up the Union Labour Ministry for not convening the Indian Labour Conference (ILC) during the last 10 years.

Background

- India's labour regulatory landscape underwent a landmark transformation with the consolidation of 29 central labour laws into **four comprehensive Labour Codes** between 2019 and 2020.
- The move aimed to simplify the regulatory framework, improve ease of doing business, and ensure wider coverage of social and labour protections to workers across formal and informal sectors.
- Despite their passage in Parliament, these codes are yet to be fully operationalised due to delays in framing and implementing rules by States.
- A recent report by the **Parliamentary Standing Committee on Labour, Textiles, and Skill Development** has urged the Ministry of Labour and Employment to expedite the process and also reconvene the long-pending Indian Labour Conference (ILC).

Overview of the Four Labour Codes

- **The Code on Wages, 2019**
 - This code amalgamates four existing laws related to wages, including the Minimum Wages Act and the Payment of Wages Act.
 - It ensures **universal minimum wage coverage** across employment types and streamlines payment procedures.
- **The Industrial Relations Code, 2020**
 - This code consolidates laws governing trade unions, industrial disputes, and conditions for layoffs and closures.
 - It aims to create a **balance between worker rights and employer flexibility** and introduces provisions for fixed-term employment.
- **The Social Security Code, 2020**
 - Covering various benefits such as provident fund, gratuity, maternity benefits, and health insurance, this code brings both organised and unorganised sector workers under a **common social security net**.
 - It also enables the creation of social security funds for gig and platform workers.
- **The Occupational Safety, Health and Working Conditions Code, 2020**
 - This code amalgamates 13 existing laws and addresses the safety, health, and welfare conditions of workers across different establishments.
 - It includes provisions for working hours, welfare facilities, and appointment of safety officers.

News Summary

- In its report tabled in Parliament, the committee, MP Basavaraj Bommai, highlighted **delays and inconsistencies in the implementation** of these labour codes.
- **Progress on Rulemaking**
 - As of early 2024, **32 States and Union Territories** had pre-published rules under all four codes. However, States like **West Bengal and Lakshadweep** had not done so.

- The committee noted that rule publication does not equate to enforcement and stressed the need for actual **on-ground implementation**, supported by administrative readiness and awareness drives.

- **Tripartite Consultations and the Indian Labour Conference**

- The committee criticised the Ministry for not holding the **Indian Labour Conference** since 2015.
- The ILC is India's primary platform for tripartite dialogue between government, employers, and worker unions. The committee argued that such a forum is vital, particularly during structural reforms like the rollout of the labour codes.
- Despite multiple requests by trade unions and stakeholders, the Ministry had not shared any timeline for the next ILC session.
- The committee emphasised that informal or bilateral consultations cannot replace the institutional significance of the ILC.

Women's Participation in the Workforce

- On a positive note, the committee highlighted the **rising Worker Population Ratio (WPR) among women**, citing data from the Periodic Labour Force Survey (PLFS).
- Women's WPR rose from **28.7% in 2019-20 to 40.3% in 2023-24**, a significant shift driven by policy interventions, digital job platforms, and increased awareness.
- To sustain and build on this trend, the panel recommended:
 - Special employment outreach in **rural, tribal, and underdeveloped areas**
 - Active promotion of the **National Career Services (NCS) portal**
 - Greater efforts by industries to encourage **female workforce participation** through flexible work options

Way Forward

- The committee's report strongly advocated for:
 - **Expedited implementation** of the four labour codes through close coordination with State governments
 - **Resumption of the Indian Labour Conference** to ensure inclusive policymaking
 - **Capacity-building efforts** for labour officials to ensure effective rule enforcement
 - **Data-driven monitoring mechanisms** to evaluate the real-world impact of the labour reforms
- Given India's rapidly changing employment landscape, marked by gig work, platform-based jobs, and informal labour, such reforms are critical to ensuring **worker protection, job formalisation, and economic inclusivity**.

Indian Labour Codes and Parliamentary Review FAQs

Q1. What are the four labour codes introduced in India between 2019 and 2020?

Ans. The four codes are on Wages, Industrial Relations, Social Security, and Occupational Safety and Health.

Q2. Why is the Indian Labour Conference significant?

Ans. It enables structured dialogue between government, employers, and workers to shape labour policies.

Q3. Which States have yet to publish rules for labour codes?

Ans. West Bengal and Lakshadweep have not yet pre-published rules under the four labour codes.

Q4. What trend was observed in women's workforce participation?

Ans. Women's Worker Population Ratio increased from 28.7% in 2019-20 to 40.3% in 2023-24.

Q5. What is the role of the Parliamentary Standing Committee on Labour?

Ans. It reviews labour policies, examines Ministry actions, and submits reports to Parliament with recommendations.

Source: TH

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