

## First labour code on wages likely to be passed in budget session

PTI



New Delhi, January 14:

Looking to bring a wave of labour reforms this year, the government will push its first labour code — Wage Code Bill — in the forthcoming budget session which would enable it to set benchmark minimum wage for different regions.

“Wage Code Bill will be the first labour code which would be pushed for passage in the budget session. Labour Ministry is expecting Parliament’s select committee to table the bill in the budget session beginning by the end of this month,” a source said.

The draft Code on Wages Bill 2017 was introduced in the Lok Sabha in August 2017. Thereafter, it was referred to the select committee for scrutiny.

The bill seeks to combine Payment of Wages Act, 1936, the Minimum Wages Act, 1949, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976, into one code.

### Minimum wages, ease of compliance

The Ministry of Labour and Employment aims to combine over 44 labour laws into four broad codes in wages, industrial relations, social security, and occupational safety, health and working conditions.

“The other three codes are at different levels of consultations with the stakeholders. These bills would also be pushed for passage in the Parliament by the Labour Ministry this year,” the source added.

The codification of labour laws will remove the multiplicity of definitions and authorities, leading to ease of compliance without compromising wage security and social security to workers.

At present, the provisions of the Minimum Wages Act and the Payment of Wages Act do not cover substantial number of workers, as the applicability of both these Acts is restricted to scheduled employments/establishments.

However, the new Code on Wages will ensure minimum wages to all and timely payment to employees irrespective of the sector without any wage ceiling.

The bill proposes a concept of statutory National Minimum Wage for different geographical areas. It will ensure that no State fixes the minimum wage below the benchmark decided by the Centre for that particular area.

It also provides for an appellate authority between the claim authority and the judicial forum which will lead to speedy, cheaper and efficient redressal of grievances and settlement of claims.

It also provides for rationalisation of penalties for different types of violations.



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