GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 2463
TO BE ANSWERED ON 15.12.2025

BENEFITS UNDER NEW LABOUR CODES

2463. THIRU DAYANIDHI MARAN:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether the Government is aware of media-reports of widespread trade-union rejection describing the notified labour codes as "anti-worker" and if so, the details thereof;
(b) the details of the concrete consultations held with unions and workers representatives along with their key demands before notifying the four new codes;
(c) the details of the timeline of the implementation of the said code along with rollout, rules- notification dates, transitional safeguards for workers and benchmarks for social-security coverage, State/UT-wise;
(d) the manner in which the Government justify the raising of the threshold for approval of layoffs/closures from 100 to 300 workers in the Industrial Relations Code and the assessment made on the impact likely to have on workers' job security and bargaining power; and
(e) the details of mechanisms are in place to ensure that gig, platform, contract and informal workers, especially in sectors such as textiles, construction and Micro, Small & Medium Enterprises (MSMEs) will receive the promised minimum wages, social security and grievance redressal under the new frameworks?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SUSHRI SHOBHA KARANDLAJE)

(a) & (b): The four Labour Codes were passed after extensive consultations with all stakeholders including State/UT Governments. The comments/concerns raised by the stakeholders were acknowledged and examined before the passage of four Labour Codes.

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Several National and Regional Labour Conferences were held with States/UTs to discuss issues relating to four Labour Codes. The Ministry is also interacting with all stakeholders including States/UTs for smooth implementation of the four Labour Codes.

Further, various concrete provisions have been made in the Industrial Relations Code, 2020 to protect the interest of workers. The collective bargaining of workers has been strengthened and made statutory through recognition of Negotiating Union and Negotiating Council. The provision of two-member Industrial Tribunal will ensure faster dispute resolution.

(c): The four Labour Codes, namely, the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 have come into force with effect from 21.11.2025 across the country. The States/UTs are still in process of finalizing the Rules under the four Labour Codes. As per available information, Code wise status of pre-published Rules by States/UTs are as under:

a) The Code on Wages, 2019: 34
b) The Industrial Relations Code, 2020: 35
c) The Code on Social Security, 2020: 34
d) The Occupational Safety, Health and Working Conditions Code, 2020: 35

(d) to (e): The provision of Fixed Term Employment (FTE) has been introduced in the Industrial Relations Code, allowing engagement of workers for a specified duration. Such workers are entitled to all benefits, at par with permanent employees performing similar work. This provision is expected to reduce contractualization, increase employability and meet workers' aspirations. They are eligible for gratuity after just one year, instead of five years.

The increase in threshold from 100 to 300 will promote employment formalisation, reduce procedural hurdles and simplify compliance requirements.

The Code has provisions for prior notice before retrenchment and retrenchment compensation equivalent to 15 days wages for each completed year of service to be given to the retrenched worker. In addition to the above, 15 days wages is to be given for re-skilling.

Key features of the Labour Codes relating to protection of workers' right as well as their welfare are as under: -

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- **Minimum wages become a statutory right for all employees in every sector, organised or unorganised.**
- **A new Floor Wage introduced.**
- **Rules on timely payment and no unauthorised deductions now apply to all employees**
- **Safe and healthy working conditions for all workers.**
- **Provision for annual health check-up and formalisation of employment by issuing appointment letters to all employees.**
- **Provision of Workers' Re-skilling Fund for retrenched workers.**
- **Women are allowed to work at night, and in all types of work and establishments subject to their consent and safety.**
- **Employees' State Insurance Corporation (ESIC) coverage on voluntary basis for establishments having less than 10 employees**
- **Benefits under ESIC can also be made applicable through notification to an establishment which carries on hazardous or life-threatening occupation in which even a single employee is employed.**
- **Provision of benefits to unorganised workers and to their family members through ESIC or Employees' Provident Fund Organisation (EPFO)**
- **Setting up of a Social Security Fund for formulating schemes for unorganised workers, gig and platform workers.**

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