



Implementing New Labour legislation in India: Opportunities and Challenges

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ABSTRACT:

The significance of the worthiness of human labour, as well as obligation to protect & safeguard the interests of workers as human beings, has been provided in the 3rd and 4th Chapters of the Indian Constitution. Indian labour legislations are influenced by a number of sources such as international conventions, findings from numerous Indian and international labour conferences, suggestions from national committees and commissions, as well as various judicial rulings. Despite the fact that there are over 50 national and state labour laws, the reality is that workers face job insecurity and denial of basic benefits like as social security. As a result, it was felt that the existing labour laws must be reformed to make them simpler and more efficient. Therefore, in recent years, many Labour Legislations have been amended by both Parliament and various State Legislatures. Apart from that, the present administration launched an intensive process of labour law changes by codifying a significant number of currently in force labour legislation into four key Labour Codes, reflecting the long-felt demand of the business community and workers from diverse segments and sectors of the market. This paper examines briefly the important aspects, concerns, and challenges in adopting the new Labour Codes related to Wages, Industrial Relations, Social Security, and Occupational Safety, Health, & Working Conditions.



INTRODUCTION

Labour law is the body of law that governs the interaction between a worker, trade unions, along with the government as a whole. It is critical in protecting labour rights, unions, and wages, as well as for developing a link between government and workers. It is a code of protection for labourers, workers, & employees, with the objective of educating them about their rights and providing a consistent legislation regarding labour work standards.

This branch of law has the most widespread relevance since it impacts more men and women than any other. It is also the most exciting issue to examine due to its wide consequences and changing features. These statutes typically address the safety and health of employees at work, collective bargaining, unjust. labour practises, union registration, relations between employers and employees, public holidays, yearly leave, working hours, unjust removal for services, minimum pay, laying-off practices and severance compensation etc.

The Indian labour laws are considered to be among the most complicated in the world due to the plethora of rules and regulations that need to be followed. This complex system consists of more than one hundred state laws and Forty central laws, each with multiple extra regulations and compliances attached. The Central Government approved four new labour laws to address this issue & create a unified labour law framework. The adoption of these labour laws will streamline and update the country's existing labour law structure. These labour codes are intended to harmonise India's current labour law legislations and to manage four important components of the labour law system, namely pay, industrial relations, social security, and occupational health, safety, & working conditions.

1. The Labour Codes

According to the recommendations of the Second National Commission of Labour, the Indian Government has lately begun enacting important labour law reforms across the country. The Commission stressed the importance of consolidating as well as streamlining labour regulations in order to ensure clear and consistent definitions and procedures. Consolidation of labour laws would additionally allow for more extensive employment coverage, as distinct labour legislation apply to different worker categories and across diverse levels. The four labour Codes stated above were enacted by the legislatures in response to the suggestions of the Labour Commission.¹

The development of regulations and guidelines has been a major source of dissatisfaction for Indian businesses since it usually results in more resources, paperwork, administrative effort, as well as expenditures. The recently enacted labour codes are intended to consolidate India's diverse labour laws while also reducing the nation's varied compliance obligations. As implied by the title, each code regulates a particular component of labour law and attempts to standardise and substitute existing laws in that domain.

Some of the intended objectives of the codes are as follows:

- a) Consolidation of twenty-nine laws concerning pay, conditions at work, social security, safety, & health.
- b) Maintain uniformity in definition for compliance simplification.
- c) Improve company accessibility, create jobs, and provide firms with greater choice regarding personnel mix and recruitment.
- d) Clarify as well as simplify the concerns regarding contract labour.
- e) To standardise concerns regarding union recognition and bargaining representatives, rationalise salaries, as well as deal with ethically unacceptable conduct.
- f) Streamlining enforcement powers as well as putting in place a web-based inspection system.²

¹ Labour laws in India, *available at*: <https://blog.ipleaders.in/labour-laws-in-india-2/>, (last visited on 08/10/2023).

² Labour laws in India, *available at*: <https://blog.ipleaders.in/labour-laws-in-india-2/>, (last visited on

1.1. The Code on Wages, 2019

The Code on wages intends to regulate bonus payments and salaries in all job settings, including manufacturing, commerce, business, and industry. It aims to advance worker welfare, equity, and business sustainability, which will spur economic expansion and the development of job opportunities. It integrates the wage-related laws namely Payment of Wages³, Minimum Wage⁴, Payment of Bonus⁵ and Equal Remuneration Act⁶.

The codification resulted in two significant definitional revisions. For instance, the Code broadened the purview by eliminating the difference between scheduled & non-scheduled jobs, while the Minimum Wage Act was only applicable to the ‘scheduled of employment’ specified by the law. Therefore, formal as well as informal industries have been included in the definitions of employee and employer.

In addition to it the Code expanded the coverage of the Payment of Wages Act as well as the Minimum Wage Act to all employees & establishments, unless granted exemption, rather than only those whose income is less than a certain threshold.

Important Aspects of the Code on Wages, 2019

- a) A universal definition of 'Wages' is introduced, providing standardisation and simplifying to a variety of wage-related concerns. Wages include pay, bonuses, and any other monetary component. This excludes, among other things, any travel reimbursement or employee bonuses.⁷
- b) It allows the appropriate authorities ability to choose the standards for determining the minimum wages for different worker groups. The necessary expertise, the level of complexity of the tasks assigned, the company's location, and any other variables deemed

08/10/2023).

³ The Payment of Wages Act, 1936 (Act 4 of 1936).

⁴ The Minimum Wages Act 1948 (Act 11 of 1948).

⁵ Payment of Bonus Act, 1965 (Act 21 of 1965).

⁶ Equal Remuneration Act of 1976 (Act 25 of 1976).

⁷ Perspective: Employment Laws in India - Challenges, Changes and the Way Forward, *available at* :

<https://www.foxmandal.in/perspective-employment-laws-in-india-challenges-changes-and-the-way-forward/>, (last visited on 07/10/2023).

necessary by the relevant government will all be taken into consideration when determining the parameters.

- c) The precise wordings of 'woman' & 'man' in the Equal Remuneration Act, which mandated equal payment for equal work for women & men, has been removed and substituted with 'gender.' It provides the ability to shield transgender people from prejudicial behaviour.
- d) A quasi-judicial appellate authority is also set up under the Code to deal with disagreements. The Inspectors-in-Charge of keeping a watch on Compliance has been redesignated as Inspectors-cum-Facilitators, which is noteworthy. In order to discuss the Minimum Wage and other pertinent issues, it also formed Central and State Advisory Boards and mandated the inclusion of women.
- e) Provisions from earlier Payment of Bonus Act, 1965, had been included to ensure that persons earning lower than a specified pay ceiling are given a yearly bonus of a minimum of 8.3% of their earnings or One Hundred Rupees, whichever is greater. To provide workers additional time to settle their claims, the period for submitting claims has been expanded from 180 days to 2-3 years.
- f) Unlike the existing practise of calculating simply on basic income, the new labour rules necessitate all workers benefits to be based on new benchmark "wage" as established under the labour laws. The biggest advantage of the new labour regulations is thought to be the revised definition, which will result in higher amounts of benefits for employees, including more gratuities, compensation for overtime, and leave encashment.

1.2. The Industrial Relations Code (IR Code), 2020

The IR Code, which was signed into law by the President, consolidated & amended the legislations for regulating trade unions, working conditions in industries, establishes a broader framework for protecting workers' rights to form unions, reducing friction between companies and employees, in addition to establishing procedures for the resolution of industrial disputes.⁸ It

⁸ THE INDUSTRIAL RELATIONS CODE, 2020, *available at* : <https://www.lawrbit.com/article/industrial-relations-code-2020/>, (last visited on 11/10/2023).

unifies the employment legislations, i.e. the acts related to Trade Unions⁹, Industrial Employment¹⁰ and Industrial Disputes¹¹.

Important Aspects of the IR Code, 2020

- a) The Code regulates trade union registration, strikes & the resolution of industrial disputes.
- b) The classification of a worker under the provisions of the Code is expanded to consist of people performing supervisory duties with monthly earning of less than Eighteen Thousand or a sum periodically specified by the Central Government.
- c) A minimum of 100 workers or 10% of the workforce in a given industry must be present to register a union. Only if 51% of the workers endorse a trade union will it be recognized as a negotiating union. The Code calls for the setting up of a union negotiating council in all other circumstances.
- d) Furthermore, workers must now give sixty days' notice before going on strike, a requirement that was previously not needed. Before terminating employees, companies with over three hundred staff must acquire approval from the central or the concerned state government. The former law required a minimum of One Hundred employees in the company for the restrictions to take effect. The code also suggests setting up a labour tribunal for resolving disputes.¹²
- e) To address disputes arising from personal complaints, the enterprises with more than twenty workers must have at least one grievance redressal committees. This committee must include an equal number of members from both employers and employees. Notably, there must be a significant number of female employees on the committee, and the chairperson should be appointed alternatively from among the employer and the employee.¹³

⁹ Trade Unions Act of 1926 (Act. 16 of 1926).

¹⁰ Industrial Employment (Standing Orders) Act of 1946 (Act. 20 of 1946).

¹¹ Industrial Disputes Act, 1947 (Act. 14 of 1947).

¹² *Supra* note 8

¹³ The Industrial Relations Code, 2019, available at: <https://prsindia.org/billtrack/the-industrial-relations-code-2019/>, (last visited on 05/10/2023).

1.3. The Occupational Safety, Health and Working Conditions Code (OSHC Code), 2020

The aim and objective of the Code, which got approval from the president on September 20, 2020, is to amend and consolidate the legislations governing the safety while on work, health, and working conditions of those working in any company, as well as other issues associated with them. It also includes measures for the hiring of female employees in all types of jobs. The act namely Factories Act¹⁴, Plantations Labour Act¹⁵, Mines Act¹⁶, Working Journalist & Other Newspaper Employees Act¹⁷, Working Journalists Act¹⁸, Motor Transport Workers Act¹⁹, Beedi & Cigar Workers Act²⁰, Contract Labour Abolition Act²¹, Sales Promotion Employees Act²², Inter-State Migrant Workmen Regulation Act²³, The Cine Workers Act²⁴, The Dock Workers Safety Act²⁵, and The Building & Other Construction Workers Regulation Act²⁶ have been merged into the code.

Important Aspects of the OSHWC Code, 2020

- a) It is applicable to factories that employ twenty or more workers in production activities requiring electricity or at least forty workers in activities not requiring electricity. It is not applicable to the Central or the State Governments, ships of war, individuals belonging to any other country; however, its regulations are applicable to contract workers engaged by any contractor at sites of establishments where any State or the Central Government is the primary employer.²⁷

¹⁴ Factories Act, 1948 (Act 63 of 1948).

¹⁵ Plantations Labour Act, 1951 (Act 69 of 1951).

¹⁶ Mines Act, 1952 (Act. 35 of 1952).

¹⁷ Working Journalist & Other Newspaper Employees (Conditions of Service & Miscellaneous Provision) Act, 1955 (Act. 45 of 1955).

¹⁸ Working Journalists (Fixation of rates of wages) Act, 1958 (Act. 29 of 1958)

¹⁹ Motor Transport Workers Act, 1961 (Act. (27 of 1961).

²⁰ Beedi & Cigar Workers (Conditions of Employment) Act of 1966 (Act. 32 of 1966).

²¹ The Contract Labour (Regulation and Abolition) Act, 1970 (Act 37 of 1970).

²² Sales Promotion Employees (Conditions of Service) Act, 1976 (Act. 11 of 1976)

²³ Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 (Act. 30 of 1979).

²⁴ The Cine Workers & Cinema Theatre Workers Act, 1981 (Act. 50 of 1981).

²⁵ The Dock Workers (Safety, Health & Welfare) Act, 1986 (Act. 54 of 1986)

²⁶ The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (Act 27 of 1996).

²⁷ The Occupational Safety, Health And Working Conditions Code, 2020, *available at* :

<https://prsindia.org/billtrack/the-occupational-safety-health-and-working-conditions-code-2020/>, (last visited on 03/10/2023).

- b) Occupational health and safety cover a wide range of topics. An occupational safety & health program intends to encourage a healthy & safe working atmosphere. It also protects the general population residing in the vicinity who could be affected by the work environments.²⁸
- c) The Code intends to reduce the administrative load on employers by substituting many registrations required by different statutes with a one-time universal registration, single license, and one return. This will eventually lead to the development of a consolidated database to assist with business activities.
- d) Leave encashment provisions are set aside to be utilized at the close of the calendar year. The Code allows for the carryover of leaves (but not exceeding thirty days), if any employee could not utilise all of their authorised leave in a particular calendar year.
- e) The legislation also grants the Government of India extensive jurisdiction to oversee the over-all safety and well-being of inhabitants in the whole or part of the country in the case of an epidemic, pandemic, or calamity. It also includes setting up of a social security corpus for the workers of informal sector.

1.4. The Code on Social Security, 2020

The Code, which got presidential assent on September 28, 2020, was enacted by modifying and consolidating the relevant sections of the nine central labour legislations namely Employees' Compensation Act²⁹, Employees' State Insurance Act³⁰, Employees' Provident Funds Act³¹, Employment Exchanges Act³², Maternity Benefit Act³³, Payment of Gratuity Act³⁴, Cine Workers Welfare Fund Act³⁵, Building and Other Construction Workers Welfare Cess Act³⁶, Unorganised Workers' Social Security Act³⁷, with the goal to widen the benefits of social security net to all workers and employees in all industries belonging to formal as well as informal sector.

²⁸ Perspective: Employment Laws in India - Challenges, Changes and the Way Forward, *available at* : <https://www.foxmandal.in/perspective-employment-laws-in-india-challenges-changes-and-the-way-forward/>, (last visited on 04/10/2023).

²⁹ The Employees' Compensation Act, 1923 (Act. 8 of 1923)

³⁰ Employees State Insurance Act, 1948 (Act. 34 of 1948).

³¹ The Employees' Provident Fund & Miscellaneous Provisions Act, 1952 (Act 19 of 1952).

³² The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 (Act. 31 of 1959).

³³ Maternity Benefit Act 1961 (Act 53 of 1961)

³⁴ Payment of Gratuity Act, 1972 (Act 39 of 1972).

³⁵ The Cine Workers Welfare Fund Act, 1981 (Act. 33 of 1981),

³⁶ The Building and Other Construction Workers Welfare Cess Act, 1996 (Act. 27 of 1996).

³⁷ The Unorganised Workers' Social Security Act, 2008, (Act. 33 of 2008).

Important Aspects of the Social Security Code, 2020

- a) Fixed-term as well as home-based workers, independent contractors, platform employees, & gig workers are all defined in the Code.
- b) The Code empowers the Government of India to establish social security programmes for platform and gig workers, as well as undocumented workers, in addition to their dependents, through the Employees State Insurance Corporation. The Indian Government may also devise plans for extending social security benefits to self-employed contractors as well as any other category of persons it deems appropriate. It also allows a business to voluntarily extend coverage under the Employees' Provident Fund & the Employees' State Insurance Corporation, even if it employs people less than the statutory requirement. It mandates that the gratuity for fixed-term workers be paid proportionally instead of based on the currently existing requirement of a minimum of 5 years of uninterrupted service.
- c) The Code also outlines creche services and covers maternity benefits. Women is not permitted to work for a period of 6 weeks following childbirth, miscarriage, or terminating a pregnancy medically. A woman is entitled to a healthcare benefit of three thousand five hundred rupees or the sum authorised by the Central Government, if the organisation she works for does not extend prenatal / postnatal care free of cost. Women are also allowed to avail maternity benefits for an overall duration of twenty-six weeks, starting no earlier than 8 weeks prior to the anticipated delivery date.
- d) Significant changes have been made to the offences and penalties outlined in the Code. Employers are given the opportunity to resolve noncompliance before any legal or legal action is taken. Failure to deposit employee contributions results in a penalty of Rupees Ten Lakhs as well as 1 – 3 years imprisonment. On the other hand, repeat offenders face greater penalties, while corporate offences are dealt with by sanctions that extend outside the confines of the organisation.

2. Opportunities for Advancement

The introduction of the new labour laws is a tremendous opportunity to address concerns and promote positive results across the labour ecosystem. One of the most significant advantages is the possible formalisation of the informal sector.³⁸ The codes can increase inclusivity and reduce income inequalities by offering legal protections and advantages to informal employees, such as access to social security in addition to improved working conditions. This leads to more equitable economic growth.

Consolidating several labour laws into comprehensive codes might help firms simplify their compliance operations. This simplification, in conjunction with unified reporting procedures and digitalization initiatives, has the prospect to lower the compliance burden considerably, particularly for small & medium-sized firms (SMEs). These approaches can make compliance easier and lead to a more effective and beneficial regulatory environment.

The new guidelines also prioritise workplace flexibility, intending to make recruitment and termination easier and to promote contract work. Because organisations can quickly react to shifting market conditions and optimise their staff, this emphasis on flexibility can drive higher productivity and creativity.

3. Common Concerns Across the Four Labour Codes

3.1.1. Defining ‘Appropriate Government’

The newly introduced Labour Codes fail to sufficiently describe the 'appropriate government' authority because the definitions vary from one Code to the next. Some codes indicate that the 'appropriate government' for public sector units (PSU) is the Government of India, only if the Central Government owns at least fifty percent of the PSU. However, under certain codes, the Central Government is still the appropriate government even when its stake in the PSU is below fifty percent. The question at hand is how, in the event that the Central Government is unable to exercise its managerial authority over any PSU—that is, if it has less than fifty percent ownership—and yet be able to act as the "appropriate government" in making decisions.³⁹

³⁸ Challenges And Opportunities In Implementing The New Labour Codes In India, *available at* : <https://www.legalserviceindia.com/legal/article-12812-challenges-and-opportunities-in-implementing-the-new-labour-codes-in-india.html>, (last visited on 07/10/2023).

³⁹ All you need to know about issues with new labour codes, *available at* : <https://blog.iplayers.in/all-you-need-to-know-about-issues-with-new-labour-codes/>, (last visited on 06/10/2023).

3.1.2. Government Interference in Granting Exceptions to Businesses

The IR Code allows the State or Central Government to exclude newly created industrial enterprises or any other type of firm from any or all of its restrictions if it deems it essential in the public interest. Giving the State and Central Government such extensive powers may result in significant government intervention into the functioning of an industrial facility, influencing its work culture as well as its overall performance.

3.1.3. Centralization of Powers

Under the IR Code, certain responsibilities previously exercised by the appropriate government are now assigned to the central government. These include the authority to formulate guidelines for recognising of trade unions, revise schedules, and eliminate obstacles. Greater centralization of authority is against the ideas of federalism.

3.1.4. All Worker Categories Not Covered by the Labour Code.

The newly introduced labour codes are not being applied in the same way as the prior labour legislations. Several organisations are exempt from the new labour code. The IR Code is applicable to establishments with varying thresholds for lay-off, retrenchment, as well as other standing orders, whereas the OHS Code applies to establishments with 10-20 employed staff. Furthermore, both regulations empower the government to exempt some establishments, which raises the question of which establishments are covered and up-to what degree. When a certain limit is specified to define an industrial facility, many businesses try to evade adhering to the criterion in order to avoid compliance requirements. It has been suggested that enforcing labour standards depending on the number of workers is better in order to minimise the compliance burden on small enterprises while simultaneously encouraging economic growth.

3.2. Key Concerns with the Code on Wages

3.2.1. Division Based on Regions

The Wage Code gives the Central Government the authority to classify the labour-force into 3 categories: semi-metropolitan, metropolitan, and rural. This would cause ambiguity and hamper the classification process because earlier accessible data was only divided into two categories: rural and urban areas.

3.2.2. Unnecessary Technical Committee

The Wage Code authorises the Government of India to classify workers into four categories: highly skilled, skilled, semi-skilled and unskilled. The technical committee's recommendation will be used to make this classification. The requirements of the Code, on the other hand, already establish the key qualification required for being categorised as highly skilled, skilled, semi-skilled and unskilled. As a result, the technical committee's function in determining something predetermined can be described as flawed and unreasonable.

3.2.3. Increased Working Hours

The Wage Code has substantially raised the amount of work hours from eight to twelve. This clause contradicts the common practise of eight hours and thus violates the standards established by the ILO based on the Hours of Work (Industry) Convention, 1919. Work duration is limited to weekly forty-eight hours and daily eight hours under the Convention. Employers could readily take advantage of this provision, allowing them to extend labour hours and shifts.

3.3. Key Concerns under the Industrial Relations Code, 2020

3.3.1. Strike and Lockout Procedures

The IR Code, 2020, has made it more difficult to carry out strikes and lockouts. It has mandated a 60-day advance notice for the carrying out of any strike or lockout. A 14-day prior notice is required if conciliation proceedings about the issue are continuing before the proceedings. Because of this, the legitimacy and efficacy of strikes or lockouts may be directly impacted by this lengthy and complex process. By the time workers can stage a strike, the motivation for it has already been forgotten. In addition, the employer can take steps to ensure that the strikes or lockouts fail.⁴⁰

⁴⁰*Supra* note 39.

3.3.2. Central Government Authority to Reverse Tribunal's Decision

The code authorises the Central Government to depart from the tribunal's ruling on the basis of public interest, economic effect, and social justice. In cases where the government is involved in the dispute, this clause may be exploited. This throws into doubt the separation of powers between the government and the judiciary.

3.3.3. Restriction on Setting up of the Negotiation Council

The code brought forth the concept of 'Sole Negotiating Union,' which permits only labour unions having more than fifty-one percent of the establishment's employees to bargain with the employer. If registered trade unions are not able to meet these standards, a bargaining council must be constituted by a trade union that represents at least twenty percent of the establishment's employees. The drawback here is that, regardless of whether they are members of a trade union or not, the Code prohibits workers from creating their own bargaining councils. It also does not take into account the circumstances in which numerous trade unions may have the authority to create negotiation councils because they represent more than 20 percent of the workforce in the same establishment.

3.3.4. Fixed-term Employment Exploitation

The legislation contained clauses pertaining to fixed-term employment, which are agreements between employers and employees that designate a worker's temporary employment. The main worry in this situation is that, because the employer has the power to extend the contract, a non-permanent employee may run the danger of experiencing employment insecurity. Since the employer's whims and fancies determine their future in the company, employees are reluctant to voice complaints about unfair work practises and poor working conditions in order to stay on the contract.

3.4. Key Concerns relating to the Code on Social Security (SS Code), 2020

3.4.1. 2nd National Commission on Labour: Recommendations

The Code's main objective is to harmonise and streamline existing laws with the suggestions given by the 2nd National Commission on Labour. It is noteworthy, nonetheless, that the newly adopted Code was cautious to put these suggestions into practise.

The revised Code includes criteria for the inclusion of social security benefits based on the size of the firm, despite the fact that the Labour Commission advocated that the system apply to all enterprises irrespective of size. It makes pension and gratuity benefits mandatory for enterprises with a specific employee count of 10-20. The Code excluded establishments with fewer than ten employees or employees working in the unorganised sector.

The NCL also advocated for the elimination of the pay ceiling limit. However, the Code has fallen short in this regard. It keeps differentiating employees depending on the pay given to different kinds of workers within the same firm.

3.4.2. Schemes for ‘gig workers’ and ‘platform workers’

The definitions of 'gig and platform worker' are introduced in the SS Code. It distinguished between several types of workers, such as gig workers, platform workers, self-employed workers as well as workers of informal sector. The Code establishes several plans for various types of workers but fails to specify particular schemes for these workers.

3.4.3. Gratuity Pay for Workers on Fixed Tenure

According to the SS Code, workers who have been with the firm for five years or more are eligible to receive a gratuity. However, if the contract term of a fixed-term employee expires, that period does not apply. But according to the IR Code, a worker is qualified for a gratuity following a year of employment with the company. Both Codes have distinct eligibility rules for gratuity, as can be observed. As a result, gratuity for such type of worker is unclear, and universal guidelines are required.

3.5. Concerns with Code on Occupational Safety, Health and Working Conditions, 2020

3.5.1. Exceptional Conditions for Specific Organisations

There are no provisions in the Code for supervising and maintaining specialist establishments. All establishments should be subject to health and safety regulations. However, certain groups of hazardous facilities are exempt from the Code's health and safety provisions. To increase the Code's long-term efficiency, particular provisions for such establishments should be included.

3.5.2. Limitation on the Authority of Civil Courts

The Code prohibits companies and workers from resolving conflicts in civil courts. If there is a disagreement, those involved have to come to the Inspector to put forward their side of the story. A party may file an appeal directly with the High Court and, if necessary, with the Supreme Court if they are dissatisfied with the Inspector's judgement. This will increase the amount of work that currently overwhelms the Supreme Court and the High Court from writ petitions and appeals.

Conclusion

Workers all over the world fought for their justly entitled rights and for their lives, which led to the evolution of labour legislation. Labour law is a vibrant field with a distinct niche in the legal profession. It includes certain elements designed with employees in mind. India's labour regulations are similar to those of advanced industrial civilizations in various aspects. Numerous regulations address minimum wage, occupational safety and healthcare, social security, and other problems. However, India's labour laws only cover a small section of the workforce, and even within that small percentage, the rules' actual application is incredibly restricted.

Consolidating several labour laws is an important step towards simplifying compliance. A wider workforce will benefit from the law's advantages due to the rationalisation of terminology and expansion of its scope to encompass the informal labour market. Even if it took many years, the



changes made should open the door for enhancing business climate in the country, creating employment, and impacting the country's future labour relations.

One may characterise the new labour laws as essential upgrades to the nation's current labour laws. The current labour law framework is outdated, and the new labour reforms eventually exceed it in terms of modernising and simplifying the labour system. The fact that these labour changes are more advantageous to businesses must be emphasised, nonetheless. It creates a few clauses that let employers abuse their employees' rights. The new reforms have simplified many compliances, but by omitting to clarify key terms in the legislation, they have also led to certain misconceptions. Only with time will it become clear how successful these Codes will be in the long term.