

BUSINESS



<u>AWARENESS - 6</u>

MAJOR LABOUR

LAWS







The Trade Unions Act, 1926

- This Act deals with formation of trade unions, their registration, rights and responsibilities.
- An individual workman might not always be in a position to keep his demands in front of the employer, hence employing the concept of 'collective bargaining', a group of workers can form a trade union which looks after demands that are in the interest of all the workmen and are genuine.
- A trade union with minimum of 7 members can apply for registration. Such a trade union shall mandatorily follow the rules of the Act, pay the prescribed fee.
- Trade Unions which do not get registered are not governed by the provisions of the Act.

The Industrial Disputes Act, 1947

- This Act deals with the issues of industrial dispute, closure, lock-out, strike, retrenchment, lay-off, etc. and provides elaborate mechanism to get the industrial disputes resolved.
- The disputes have to be referred for conciliation at the first instance.
- Arbitration: A neutral third party hears to the parties in disputes and comes to conclusion and decide the matter which is binding on both the parties.
- The dispute may then be referred to the industrial tribunal, Labour courts or National tribunals either by the parties or by the State government.
- Strike and lockouts are regulated by the Act. The Act lays down certain circumstances in which they are prohibited.
- The Act also provides for compensation to the workmen in case of lay-off or retrenchment or transfer/closure of an undertaking.

The Minimum Wages Act, 1948

- The objective of this Act is to ensure that the labour gets fair wages has a access to basic physical necessity, proper health, and comfort.
- The government is empowered under the Act to fix minimum wages and revise them regularly.
- Minimum Wages are fixed according to the following criteria:
 - I.Time rate
 - 2. Piece rate
 - 3. Overtime rate
- There are penalties under this Act too for non-compliance of the provisions by the employer.

The Employees State Insurance Act, 1948

- This act basically focuses on the safety of employees by providing help in case of sickness, death in the work field, injury, maternity, etc.
- Medical benefits is extended to the family members of the employee too and the funeral benefit is paid to the eldest surviving member of the family or in his absence.
- The employers and employees have to contribute towards the insurance fund named Employees State Insurance Fund which shall be held and administered by the Employees State Insurance Corporation for administration.
- The provisions of this Act shall be applicable to employees who are drawing wages upto rupees 21000/- per month.

The Factories Act, 1948

- The Act regulates the working conditions of the workers employed in factories and lays down provisions to ensure adequate safety measures to implement in the factories for the welfare of the workers.
- The Act imposes upon the owner or the occupier of such factories, certain obligations, to make sure that employment is in conditions conductive to their health and safety.
- The Act is applicable to any factory whereon ten or more workers are working.
- According to the provision of working hours of adults, no adult worker shall be required or allowed to work in a factory for more than 48 hours in a week. There should be a weekly holiday.

The Maternity Benefit Act, 1961

- The Maternity Benefit Act, 1961 and The Maternity (Amendment) Act, 2017, an amendment to the Maternity Benefit Act, 1961, protects the interest of a woman by governing the employment of women in mines, factories, shops and other establishments.
- Brief highlights of the amendment:
- I. Increase paid Maternity Benefit from 12 weeks to 26 weeks for two surviving children and 12 weeks for more than two children.
- 2. Maternity leave for children beyond the first two will continue to be 12 weeks.
- 3. Maternity leave of 12 weeks to be available to mothers adopting a child below the age of three months.
- 4. Every establishment with more than 50 employees to provide for crèche facilities for working mothers and such mothers will be permitted to make four visits during working hours to look after and feed the child in the crèche.

The Payment of Gratuity Act, 1972

- Gratuity is a sum of amount paid to an employee by the employer, on completion of his period of employment.
- The Act provides for the payment of gratuity to employees engaged in mines, factories, oilfields, railways, plantations, ports, shops or other establishments., where 10 or more persons are or were employed, on any day of the preceding 12 months.
- Earlier, gratuity up to ₹10 lakh was exempt from tax. This was extended to ₹20 lakh for employees covered by the Payment of Gratuity Act through an amendment in 2018.

The Equal Remuneration Act, 1976

- The principle of equal pay for equal work for men and women is embodied in Article 39(d) of the Constitution.
- To give effect to this constitutional provision, the Parliament of India enacted the Equal Remuneration Act, 1976.
- As per this Act, equal remuneration should be paid to men and women workers for same work or work of similar nature without any discrimination.
- This Act also prevents discrimination against women employees while making recruitment for the same work or work of similar nature.
- Any non-compliance with it will be an offence and shall be liable to be proceeded against and punished accordingly.

Child and Adolescent Labour (Prohibition and Regulation) Act, 1986

- **ASSIGNMENT!**



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