

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 1378
TO BE ANSWERED ON 11.12.2025**

IMPLEMENTATION OF LABOUR CODES

1378. # SHRI BABUBHAI JESANGBHAI DESAI:

Will the Minister of Labour and Employment be pleased to state:

- (a) whether Government has implemented 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 with effect from November 21, 2025;**
- (b) the main benefits expected from implementation of these Codes, in terms of simplification of labour laws, reduction of compliance burden and creation of an industry- friendly environment;**
- (c) the improvements ensured in wage protection, social security and workplace safety through the replacement of 29 archaic labour laws by these unified Codes; and**
- (d) the manner in which this would accelerate the labour reform agenda of Atmanirbhar Bharat?**

ANSWER

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

(a): Yes, the Central Government has formulated 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 after amalgamating, simplifying and rationalising the relevant provisions of the existing 29 Central Labour Acts. The aforesaid four Labour Codes have come into effect from 21.11.2025 across the country.

(b) & (c): The four Labour Codes reduce multiplicity of definitions & authorities, facilitate use of technology, bring transparency & accountability in enforcement. The following are the main benefits expected from implementation of the Codes:

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- **Uniformity of Definitions:** A key provision is the uniformity in definitions, especially of “wages,” “employee,” ensuring uniformity across all codes.
- **Inspectors are now Inspector-cum-Facilitators** to support compliance and guide the employers and workers, eliminating “inspector raj.”
- **Provision of Compounding of offences** is introduced.
- **The codes also provide for De-criminalization of offences**, replacing criminal penalties (like imprisonment) with civil penalties (like monetary fines) for first time offences.
- **Simplified compliance:** Single license, single registration, and single return system.
- **No gender-based discrimination**, including against transgender persons, in recruitment, wages or work conditions.
- **Greater opportunities for women:** Women allowed to work in all sectors, including night shifts (with consent and safety measures).
- **Women must have proportional representation in Grievance Redressal Committees.**

The Code of Wages, 2019:

- **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.

The Industrial Relations Code, 2020:

- **Fixed Term Employment (FTE)** introduced; FTE workers get all benefits equal to permanent workers, helping reduce excessive contractualization
- **Formal recognition of trade unions** ensured through the concepts of Negotiating Union and Negotiating Council for collective bargaining.
- **Provision of work-from-home** in service sector based on mutual agreement.
- **Two-Member Industrial Tribunal** introduced for quicker dispute resolution.
- **Provision of electronic records, registration, and communication**, improving transparency and reducing paperwork.

The Code on Social Security, 2020:

- **ESIC coverage expanded nationwide, mandatory coverage for hazardous industries even with a single worker.**
- **New definitions introduced: aggregator, gig worker, platform worker to cover emerging forms of employment.**
- **Provision for a Social Security Fund for unorganised, gig, and platform workers.**
- **A uniform definition of wages to ensure higher social security benefits like gratuity and pension.**
- **Gratuity extended to FTE after one year of continuous service (instead of 5 years).**

The Occupational Safety, Health and Working Conditions Code 2020:

- **The code provides for universal application of occupational safety, health and welfare standards in all establishments having 10 or more workers**
- **This applies even for establishment with one employee, carrying out hazardous or life-threatening occupations.**
- **Expanded definition of Inter-State Migrant Worker:**
- **Free annual health check-up for employees.**
- **Formalization through appointment letters.**
- **Broader coverage of working journalists and cine workers: Covers electronic media and all audio-visual production workers.**

(d): By modernising labour regulations, enhancing workers' welfare and aligning the labour ecosystem with the evolving world of work, the implementation of four Labour Codes lays the foundation for a future-ready workforce and stronger, resilient industries driving labour reforms for Aatmanirbhar Bharat.
