

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 3136
TO BE ANSWERED ON 19.03.2026**

SAFEGUARDS FOR WORKERS' RIGHTS

3136. SMT. JEBI MATHER HISHAM:

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

- (a) whether Government has addressed concerns that the new Labour Codes dilute workers' rights through expanded hiring-firing flexibility and restricted collective bargaining and if so, the details thereof;**
- (b) whether Government has reviewed expert observations on raised layoff/closure thresholds weakening job security and if so, the details thereof;**
- (c) whether any safeguards have been incorporated in the Labour Codes to prevent fixedterm employment from becoming a large-scale contractualisation tool and if so, the details thereof; and**
- (d) whether structured consultations have occurred with worker organisations on unresolved Labour Code concerns, current status and outcomes?**

ANSWER

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

(a) to (d): Under the Industrial Relations Code, establishments with less than 300 workers are not required to obtain prior permission of the appropriate Government for lay-off, retrenchment or closure. However, statutory safeguards in the form of mandatory notice period, retrenchment compensation and provision for retrenched workers to be given preference in reemployment are applicable for all retrenched workers irrespective of threshold. The Code also introduces Workers Re-skilling fund for retrenched workers for the first time with a view to providing financial support to help workers transition to new employment.

For the first time, the Negotiating Unions/ Negotiating Councils have been given statutory recognition to strengthen collective bargaining.

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Fixed-term employees are entitled to the same wages, allowances, statutory benefits and working conditions as permanent workers doing similar work. They are also eligible for gratuity on a pro-rata basis after completing one year service.

The Government has held consultations with stakeholders, including employers' organisations, workers' organisations and State Governments, during the formulation of the Labour Codes and the subsequent drafting of rules. Draft rules under the Codes have also been placed in the public domain inviting comments and suggestions.
