

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 586
TO BE ANSWERED ON 23.07.2026**

MASS LAYOFFS IN PRIVATE SECTOR

586. SHRI A. A. RAHIM:

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

- (a) the number of cases of mass layoffs, retrenchments and closures reported in private sector establishments during the last five years, year-wise, State-wise and sector-wise;**
- (b) whether Government has conducted any assessment of the reasons behind increasing instances of mass layoffs in private sector and if so, the details and findings thereof;**
- (c) the number of workers affected by such layoffs and the measures taken by Government to facilitate their re-employment and social security; and**
- (d) the steps taken by Government to regulate mass layoffs, strengthen employment security and ensure compliance with labour laws by private sector establishments?**

ANSWER

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

(a) to (d): “Labour” as a subject falls in the Concurrent List. Based on their respective jurisdiction as demarcated in the Industrial Relations Code, 2020, Central and State Governments take actions to address the issues of the workers and protect their interests. In the establishments that lie in the jurisdiction of Central Government, the Central Industrial Relations Machinery (CIRM) is entrusted with the task of maintaining good industrial relations and protecting the interest of workers including in matters relating to termination, retrenchment or lay-off and its prevention. The data pertaining to the private sector are maintained by the respective State Governments.

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The Industrial Relations Code, 2020 contains various provisions to safeguard workers' rights and job security, including statutory safeguards in the form of mandatory notice period, retrenchment compensation and provision for retrenched workers to be given preference in re-employment are applicable for all retrenched workers. The Code also introduces Workers Re-skilling fund for training of retrenched workers for the first time with a view to providing financial support to retrenched workers to utilize that amount for his re-skilling. The Negotiating Unions/Negotiating Councils have been brought under the statutory provisions to strengthen collective bargaining.

Further, the industrial establishments having 300 or more workers are required to seek prior permission of the appropriate government for lay-off, retrenchment and closure.

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