

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT**

LOK SABHA

**UNSTARRED QUESTION NO. 2189
TO BE ANSWERED ON 08.03.2021**

EMPLOYEE COMPENSATION PACKAGES

2189. DR. T.R.PAARIVENDHAR:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether it is true that the Ministry has finalized rules under the four labour codes or laws and is likely to notify very soon which will promote companies to restructure employee compensation package or “Cost to Company”(CTC);**
- (b) if so, the details thereof;**
- (c) the special features of the proposed CTC and the impact on employees and employer; and**
- (d) the time by which the new labour codes are likely to come into effect?**

ANSWER

**MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI SANTOSH KUMAR GANGWAR)**

(a) to (d): As a step towards implementation of four Labour Codes in pursuance to their notification in Official Gazette and in terms of requirement of pre-publication, the four draft rules, namely, the Code on Wages (Central) Rules, 2020; the Industrial Relation (Central) Rules, 2020; the Code on Social Security (Central) Rules, 2020 and the Occupational Safety, Health and Working Conditions (Central) Rules, 2020 were published on 7th July, 2020, 29th October, 2020, 13th November, 2020 and 19th November, 2020 respectively in the Official Gazette for inviting suggestions from all the stakeholders.

However, the provisions related to the Central Advisory Board as specified under Section 42 and 67 of the Code on Wages, 2019 have come into effect on 18th December, 2020. In addition, the Code on Wages (Central Advisory Board) Rules, 2021 have come into effect on 1st March, 2021.

The term “Cost to Company” (CTC) has not been defined in the Codes and the Government has no role in determining the CTC of the establishment.
