

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT  
LOK SABHA  
UNSTARRED QUESTION NO. 4904  
TO BE ANSWERED ON 23.03.2026**

**FIXED TERM EMPLOYMENT AND UNIVERSAL MINIMUM WAGES**

**4904. SHRI VISHALDADA PRAKASHBAPU PATIL:  
SMT. SHAMBHAVI:  
SHRI RAJESH VERMA:  
DR. LATA WANKHEDE:**

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

- (a) whether the Government is prioritizing the notification of key pro-worker provisions under the four Labour Codes, specifically "Fixed Term Employment" and "Universal Minimum Wages" and if so, the details thereof;**
- (b) whether the rationale for "Fixed Term Employment" is to grant the same statutory benefits by including pro-rata gratuity after just one year of service as permanent employees by eliminating exploitation of the contract workers and if so, the details thereof;**
- (c) the details of consensus building with State/UT Governments to ensure a uniform rollout of the "Floor Wage" across the country, preventing "wage shopping" by industries;**
- (d) the details of safeguards ensuring that the flexibility provided to industries does not compromise the job security and dispute resolution mechanisms available to workers; and**
- (e) the manner in which the said modern codes balance "Ease of Doing Business" for employers with "Ease of Living" for employees, fostering a harmonious industrial environment?**

**ANSWER**

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

**(a) to (e): The Industrial Relations Code, 2020 enacted by Central Government has the provision of Fixed Term Employment which makes a worker engaged for a fixed period of time eligible to get the same wages allowances, hours of work and other statutory benefits as that of a permanent worker doing same or similar work. The worker is also eligible for pro-rata gratuity after one year of service.**

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**The Code provides for safeguards against layoffs, retrenchment and closure in the form of prior permission of appropriate government for industrial establishments with 300 or more workers, mandatory notice, retrenchment compensation and reskilling fund for all retrenched workers. The code also has provisions for dispute resolution through conciliation officers and industrial tribunals.**

**The Code on Wages, 2019 universalizes the applicability of minimum wages across employments and ensures timely payment of wages to all employees. The code empowers both the Central as well as State Governments as appropriate governments to fix, review and revise the minimum rate of wages for the establishments in their spheres. The Code further mandates the Central Government to fix a floor wage, below which no state can fix its minimum wages.**

**The Occupational Safety, Health and Working Conditions Code, 2020 provides a uniform legal framework to ensure the welfare, health, and safety of workers across all sectors, while simultaneously promoting ease of doing business through simplified compliance mechanisms.**

**The Code on Social Security, 2020 extends social security benefits like provident fund, gratuity, maternity, compensation, disablement and sickness benefits etc. to all employees and workers in the organised and unorganised sectors.**

**The four codes have been enacted after simplification, amalgamation and rationalization of 29 existing Central Labour Laws to make compliances simpler while ensuring workers safety, health and welfare.**

**The codes have been made effective from 21<sup>st</sup> November 2025.**

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