

Cabinet approves the Industrial Relations Code Bill, 2019

Posted On: 20 NOV 2019 10:35PM by PIB Delhi

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has given its approval for introduction of the Industrial Relations Code, 2019 in the Parliament.

Benefits:

- Setting up of two-member tribunal (in place of one member) introducing a concept that some of the important cases will be adjudicated jointly and the rest by a single member resulting speedier disposal of cases.
 - To impart flexibility to the exit provisions (relating to retrenchment etc.), for which, the threshold for prior approval of appropriate Government has been kept unchanged at 100 employees, but added a provision for changing 'such number of employees' through notification.
 - The re-skilling fund, is to be utilised for crediting to workers in the manner to be prescribed.
 - Definition of Fixed Term Employment and that it would not lead to any notice period and payment of compensation on retrenchment excluded.
- Vesting of powers with the government officers for adjudication of disputes involving penalty as fines thereby lessening the burden on tribunal.

Background:

The draft code on Industrial Relations has been prepared after amalgamating, simplifying and rationalizing the relevant provisions of following three Central Labour Acts:

1. The Trade Unions Act, 1926
2. The Industrial Employment (Standing Orders) Act, 1946
3. The Industrial Disputes Act, 1947