

# Centre pushes labour reforms, notifies codes

Govt to soon put draft rules in public domain for consultation

**HIMANSHI BHARDWAJ & SHIVA RAJORA**  
New Delhi, 21 November

Five years after the four labour codes were passed by the Parliament, reforming and consolidating the 29 existing labour laws, the Union government on Friday notified their implementation.

The four Labour Codes—the Code on Wages (2019), Industrial Relations Code (2020), Code on Social Security (2020) and Occupational Safety, Health and Working Conditions Code (2020) — are intended to modernise labour regulations, enhancing workers' welfare and aligning the labour ecosystem with the evolving world of work.

The new codes require employers to issue appointment letters to all workers, extend social security coverage to the entire workforce including gig and platform workers, ensure payment of statutory minimum wages, and provide free annual health checkups for workers above 40. They also allow women to work at night across all establishments and expand employees' state insurance benefits nationwide. Fixed-term employees will receive benefits equal to permanent workers, and will be eligible for gratuity after just one year, instead of five. The codes define gig work, platform work and aggregators for the first time.

Turn to Page 6 ►

## What changes after the reforms

■ Pre ■ Post

Formalisation of employment

No such requirement

**Mandatory appointment letters to all workers**

Social security coverage

Limited coverage

**Coverage for all workers including gig**

Minimum wages

Applied only to scheduled industries

**Statutory minimum wage payment for all workers**

Preventive health care

No legal requirement

**Free annual health checkup for workers above 40 years**

Timely wages

No mandatory compliance

**Mandatory for employers**

ILLUSTRATION: BINAY SINHA



ESIC coverage

Limited

**Coverage and benefits extended pan-India**

Compliance burden

Multiple registrations, licences, and returns

**Single registration, pan-India single licence and single return**

Women workforce participation

Participation norms restrictive

**Permitted to work at night and in all types of jobs**

Gratuity

After 5 years of continuous service

**After one year under fixed term employment**

Source: Ministry of labour and employment

“THESE REFORMS WILL BOOST JOB CREATION, DRIVE PRODUCTIVITY AND ACCELERATE OUR JOURNEY TOWARDS A VIKSIT BHARAT”

Narendra Modi  
Prime Minister



# Centre pushes labour reforms, notifies codes

The new codes mandate aggregators to contribute 1-2 per cent of the annual turnover, capped at 5 per cent of the amount paid/payable to gig and platform workers.

“While the four codes were notified earlier in the gazette, the date of implementation was deferred to a later date. With today’s notification, the codes officially come into effect for standalone provisions where further rule-making is not necessary. Since the draft rules by the Centre were published a couple of years ago, they need certain changes to reflect the new realities. Government will soon put the draft rules in the public domain for at least 45 days for consultation. Major provisions of the four codes will come into effect once the rules are notified by the Centre. The states can now go ahead and notify rules under their domain,” a government official said..

PM Narendra Modi termed it one of the most comprehensive and progressive labour-oriented reforms. “These Codes will serve as a strong foundation for universal social security, minimum and timely payment of wages, safe workplaces and remunerative opportunities for our people,

especially Nari Shakti and Yuva Shakti. It will build a future-ready ecosystem that protects the rights of workers and strengthens India’s economic growth,” Modi added.

The Joint Platform of Central Trade Unions (CTUs) comprising 10 Central Trade Unions, including Indian National Trade Union Congress (INTUC), All India Trade Union Congress (AITUC) and Centre of Indian Trade Unions (CITU) condemned the “blatantly unilateral implementation” of the labour codes, calling for protests from November 26. Labour minister Mansukh Mandaviya said all the states, except West Bengal, have pre-published the rules. “There is no specific point that labour unions have reservations about. It is a political reservation,” he stressed.

Puneet Gupta, partner, people advisory services, EY India, said formal employees gain stronger protections and uniform benefits, while gig and platform workers will start to get social security. “This will reshape compensation structures, human resources policies, and employment models, creating a more inclusive and future-ready labour ecosystem,” he noted.