

SUGGESTIONS TO REFORM LABOUR LAWS

Labour issues are concurrent subject between State and Central Government. As Government is promoting 'Make in India', 'Ease of Doing Business', 'Start Ups' and 'Skill India', there is greater need to simplify and rationalize Labour Laws. The requirement of Central approval in matters of labour despite State clearance renders the regulatory system ineffective causing delay and unnecessary hardship. This also subverts the process of "Ease of Doing Business", "Make in India", "Skill India" and other development programmes.

Earlier, labour laws were applicable to organizations with more than 300 employees. This threshold limit was later reduced to 100 employees. AIAI appeals to you to bring the threshold limit to atleast 500 employees, or else restore it to 300 employees. Further, companies, factories and other organizations with a base of less than 50 workers should be brought under the purview of labour laws only in respect of regulations such as minimum wages payable and payment of timely salary. They should not be subjected to the entire gamut of labour laws which poses undue burden on the establishments and hinders smooth operations.

We feel that the State Government should review the Labour Laws and introduce suitable reforms and amendments, which will thereby bring in maximum employment, more investment and improve export competitiveness and general employment.