

Addressing Issues in Employment

Why in news?

Union Cabinet has approved for the introduction of the Code on Occupational Safety, Health and Working Conditions Bill, 2019.

What are the highlights of the bill?

- Code on Occupational Safety, Health and Working Conditions Bill, aims to enhance the coverage of the safety, health and working conditions provisions compared to the current scenario.
- The new code has been drafted after amalgamation, simplification and rationalization of the relevant provisions of the 13 Central Labour Acts.
- The Code on labour safety and working conditions include regular and mandatory medical examinations for workers, issuing of appointment letters, and framing of rules on women working night shifts.

What are existing rift between government and labour unions?

- Other codes that await Cabinet approval include the Code on Industrial Relations and the Code on Social Security.
- The bill related to industrial relations that will be scrutinized by labour unions for any changes to worker rights and rules on hiring and dismissal and contract jobs, the two that have been passed should be easier to build a consensus on, in Parliament and in the public sphere.
- Organized unions have vociferously opposed changes proposed in the Industrial Relations code, especially the proviso to increase the limit for prior government permission for lay-off, retrenchment and closure from 100 workers as it is currently, to 300.
- The Economic Survey highlighted the effect of labour reforms in Rajasthan, suggesting that the growth rates of firms employing more than 100 workers increased at a higher rate than the rest of the country after labour reforms.
- But worker organizations claim that the implementation of such stringent labour laws in most States is generally lax.

What are the concerns with employment market?

- The Periodic Labour Force Survey that was finally made public in late May clearly pointed to the dire situation in job creation in recent years.
- While the proportion of workers in regular employment has increased, unemployment has reached a 45-year high.
- The worker participation rate has also declined between surveys held in 2011-12 and 2017-18.
- The government's response to this question has either been denial, as was evident after the draft PLFS report was leaked last year or silence after it was finally released.

What measures need to be considered?

- A cross-State analysis of labour movement and increase in employment should give a better picture of the impact of labour reforms proposed by the government.
- The consolidated code bills should be thoroughly discussed in Parliament and also with labour unions before being enacted.
- Simplification and consolidation of labour laws apart, the government must focus on the key issue of job creation.
- In such a situation, the government should be better off building a broader consensus on any major rule changes to existing worker rights rather than rushing through them for the sake of simplification.

Source: The Hindu