Amendment to Factories Act

Why in news?

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The central trade unions have opposed the Centre’s proposed change to empower states to increase threshold limit for coverage of factories under the Factories Act, 1948.

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Factories Act 1948:

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The **Factories Act,1948** , as amended by the Factories (Amendment) Act, 1987, serves to assist in formulating national policies in India with respect to occupational safety and health in factories and docks in India. It deals with various problems concerning safety, health, efficiency and well-being of the persons at work places.

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What has been proposed?

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- The Centre has proposed an enabling provision that lets State governments **decide the threshold over which a unit will be considered a factory for the purpose of the law**.
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- The Centre believes that the registration of factories on a web-based portal would be enough.
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What is the concern of trade unions?

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- The central trade unions strongly object to the amendment proposed to the definition of ‘factory’ giving powers to State Governments to **increase the threshold limits of workers up to 20 and 40 in the case of establishments working with and without the aid of power respectively.**
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- The unions demanded covering all manufacturing firms under the Factories Act.
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- The present Factories Act, 1948 applies to establishments with 10 or more workers, if the premise is using power and to establishments with 20 or more workers, without electricity connection.
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- The unions also opposed another proposal allowing entrepreneurs to set up factory without getting a license.
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- It alleges that in the name of online registration, the process of self-certification coupled with deemed approval and the removal of licencing will result in freeing the employer of any regulatory control.
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- This will endanger the health and safety of workers and society at large.
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- The labour unions requested the government to circulate the draft Bill to amend the Factories Act, 1948.
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Source: The Hindu

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