### New Labour Codes of India Professor K D Raju Rajiv Gandhi School of Intellectual Property Law Indian Institute of Technology, Kharagpur Lecture 21 The Code on Wages, 2019 – An Introduction

Dear students, today we are going to discuss about the new wage code, 2019. The importance of this particular code is that this is the one legislation which is already notified by the government and enforced and other legislations are passed but not notified. So, in this class, we are going to discuss and look into various definitions of the new code.

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### **CONCEPTS COVERED**

- Highlights of Wage Code 2019
- · Definition of Wages
- Definition of Contract Labour
- · Definition of Contractor
- Powers of Inspector-cum-Facilitator

### **KEYWORDS**

- Wages
- Contract Labour
- Contractor
- Inspector-cum-facilitator

So, what are wages? The background of the wages code, the highlights of the wages code, the definition of wages and what will come under the definition of wages and what not come

within the definition of wages, its inclusions and exclusions and what you mean by contract labour and the definition of contractor and the new role of labour inspectors as Inspector-cum-Facilitator. So, we are going to look into this definitional aspect in today's class.

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### **KEYWORDS**

- Wages
- Contract Labour
- Contractor
- Inspector-cum-facilitator

### The Code on Wages, 2019 - Introduction

- Under the Constitution of India, labour is a subject in the Concurrent List of the 7th Schedule where both the Central and State Governments are competent to enact legislation.
- The Central Government is empowered to fix the Floor wages by taking into account the living standards of workers.

If you look into the background of this particular Act, this particular Act is amending many laws relating to wages. So, we know that labour is in the concurrent list of the seventh schedule of the Indian constitution. So, the central government as well as the state governments are empowered to enact legislation. So, this Wage code is passed by the central legislation, which repeals a set of laws under which the state governments can pass their own laws or rules which are related to wages.

So, through this particular code, the wages code, the government wants to repeal all the laws relating to wages and put them in a single code and clarify certain provisions with regard to minimum wages or wages. The most important aspect of this wage code is the central government is going to fix a floor wage according to the living standards of workers throughout India.

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### The Code on Wages, 2019 - Introduction

- It may set different floor wages for different geographical areas.
- The minimum wages decided by the central or state governments must be higher than the floor wage.
- The Floor wage may be revised every 5 years.
- The Floor wage will be decided in consultation with the Central Advisory Board and certain state governments as the central government deems necessary.

So, this floor wage will be common for everybody in India. The state governments would not be able to fix a lower rate than the floor rates. Even though it is a particular subject that is on the concurrent list of the Indian constitution. And presently, there are different floor wages. I would say that different minimum wages are for different geographical areas in India.

So, the state governments are empowered to fix the minimum wages in accordance with their requirements, and there are no uniform criteria adopted throughout India. So, through this particular floor wage, the Central government wants to fix the floor wage for the whole country and thus eliminate the disparity in regional or state-wise minimum wages. So, the flow wage will be fixed in consultation with the Central Advisory Board and also with the State governments.

And in India so, the next class is going to be with the minimum wage. So, we will discuss more minimum wages in the next class.

### The Code on Wages, 2019 - Introduction

- It consolidates the provisions of 4 labour laws concerning wage and t payments and makes universal the provisions for minimum wages and t payment of wages for all workers in India.
- The Code repeals and replaces
  - The Payment of Wages Act, 1936,
  - The Minimum Wages Act, 1948,
  - The Payment of Bonus Act, 1965, and
  - The Equal Remuneration Act, 1976
- The Code comprised of 69 Sections under IX Chapters.

And the code on wages, in 2019 repeals the Payment of Wages Act, 1936 a British Act, then the Minimum Wages Act, 1948 and the Payment of Bonus Act, 1965 and the Equal Remuneration Act 1976. And all these laws deal with wages or remunerations or salaries. So, basically, we are going to discuss one party's pages and another party's bonus.

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### The Code on Wages, 2019 - Introduction

- Nothing contained in this Code shall be deemed to affect the provisions of
  - The Mahatma Gandhi National Rural Employment Guarantee Act, 2005 and
  - The Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948,
  - Or of Any scheme made thereunder.

So, here we can see that the government has excluded the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 from the purview of the new wages code. So, it means that the MNREGA Act is under this particular Act. Different wages are fixed for 100 days of work in rural areas.

So, the government has excluded the application of this particular Act and the Mines Provident Fund and Miscellaneous Provisions Act, 1948 coal mines from the purview of the new wages code.

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### The Code on Wages, 2019 - Introduction

- Swaraj Abhiyan-III v. Union of India, WP. No.857 of 2015.
- · Sanjit Roy v. State of Rajasthan, AIR 1983 SC 328.
- The Court held that the Rajasthan Famine Relief Works Employees (Exemption from Labour Laws) Act, 1964 is Constitutionally invalid as to the exclusion of the minimum wages act.
- Providing labour for less than the minimum wage amounts to forced labour and as such violates Article 23 of the Constitution.

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So, the government has given a direction from the Supreme Court in Swaraj Abhiyan III versus Union of India their petition constrained by the Supreme Court in 2015. As a consequence, still, the Supreme Court has directed the government to give minimum wages in accordance with the state government minimum wages fixed by the State governments.

By citing its earlier decision in Sanjit Roy versus State of Rajasthan in 1983. So, in that case, the Court considered the question of whether a lower wage can be paid below the minimum wages fixed by the State governments with regard to specific legislations. So, in that

particular case, the legislation was Rajasthan Famine Relief Works Employees, exemption from Labour Laws Act, 1964.

So, the question was whether this particular legislation was constitutionally valid and to provide and also, whether you can provide a minimum wage below much below the state government fixed minimum wages. So, the court said that providing this even though it is a special specific legislation to provide some kind of work to it during the famine, time, not providing minimum wages amounts to forced labour and violates Article 23 of the Constitution that is the various kind of exploitation of the labour.

So, in 2016, the Supreme Court ordered to pay minimum wages across India under the particular project.

So, the particular project is the Mahatma Gandhi National Rural Employment Guarantee Act, but the central government is not ready to provide the minimum wages as fixed by the State governments under this particular act as of now on, but, they have specifically excluded this particular application of this act from the purview of wages code.

So, we are discussing wages, the definition of wages and minimum wage under the background of this kind of judgment and also the responses of the Central government and State governments.

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### Draft Code on Wages (Central) Rules, 2020

- The draft rules, seeks to be in supersession of the:
  - i. Payment of Wages (Procedure) Rules, 1937;
  - ii. Payment of Wages (Nomination) Rules, 2009;
  - iii. Minimum Wages (Central) Rules, 1950;
  - iv. Minimum Wages (Central Advisory Board) Rules, 2011;
  - v. Ease of Compliance to Maintain Register under various Labour Laws Rules, 2017;
  - vi. Payment of Bonus Rules, 1975;
  - vii. Equal Remuneration Rules, 1976; and
  - viii. Central Advisory Committee on Equal Remuneration Rules, 199

We know that there are a number of legislations, there is no dearth of legislations and we already said that the 4 legislations were repealed by this particular code. The draft rules made

under this particular code are going to eliminate the Payment of Wages (Procedure) Rules 1937, the Payment of Wages (Nomination) Rules 2009, Minimum Wages (Central) Rules 1950, the Minimum Wages (Central Advisory Board) Rules 2011 and Ease of Compliance to Maintain Register under various Labour Laws Rules 2017, and Payment of Bonus Rules 1975, Equal Remuneration Rules 1976, and Central Advisory Committee on Equal Remuneration Rules 1991.

So, you can see that almost the new rules are going to replace eight rules made under different legislations. So, the code on wages under central rules is going to replace all the earlier rules.

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### Draft Code on Wages (Central) Rules, 2020

- These Draft Rules will apply to all central sector establishments.
- These include:
  - Railways, mines, oilfields, and banking companies and
  - Establishments carried on by or under the authority of the central government.
- · Some Highlights:
  - Calculation of minimum wage
  - Norms for fixing minimum wage
  - Revision of dearness allowance
  - · Calculation of floor wage
  - Work hours
  - Inspection Scheme

And here these rules are applicable to all establishments including railways, mines, oil fields, banking companies, and establishments under the authority of the central government and the wages code provides for the calculation of minimum wage, norms for fixing minimum wages and the revision of dearness allowances from time to time, calculation of floor wage, working hours, inspection scheme, etc.

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### The Code on Wages, 2019 - Introduction

### Objective:

 An Act to amend and consolidate the laws relating to wages bonus and matters connected therewith or incidental thereto.

So, all the provisions are provided. So, in the wages code clearly, the objective says to amend and consolidate the laws relating to wages and bonuses and the matter is connected there with an incidental thereto.

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### The Code on Wages, 2019 - Provisions Notified (up to April 2

 By Extraordinary Gazette No. 4041, Dated 18.12.2020, the folk provisions were notified:

Serial No.	Provisions of the Code
1	Section 42(1), 42(2), 42(3), 42(10), 42(11) (To the extent they relate to the <b>Central Advisory Board</b> )
2	Section 67(2)(s), 67(2)(t) (To the extent they relate to the Central Advisory Board)
3	Section 69 (To the extent it relates to Section 7 & 9 (To the Extent they relate to the Central Government) and Section 8 of the Minimum Wages Act, 1948)

So, the act is already notified by an extraordinary gazette. The provisions are notified.

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# The Code on Wages, 2019 - Overview Chapter I 2. Definitions 3. Prohibition of Discrimination on ground of gender 4. Decisions as to dispute, with regard to same or similar nature of work. Chapter II - Minimum Wages 5. Payment of minimum wages 6. Fixation of minimum wages 7. Components of minimum wages 8. Procedure for fixing and revising minimum wages 9. Power of Central Government to fix floor wage 10. Wages of employee who works for less than normal working day 11. Wages for two or more classes of work 12. Minimum time rate wages for piece work 13. Fixing hours of work for normal working day

And if you look into the various chapters and the provisions, which begins that it gives a comprehensive outlook of stocks about the minimum wages or payment rates, fixation of how to fix the minimum wages, minimum components of minimum wages and powers of the central government for fixing the floor wages and wages for 2 or more classes of work and minimum time rates and fixing hours of work for the normal working day, wages for overtime work.

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### The Code on Wages, 2019 - Overview Chapter III - Payment of Wages 15. Mode of payment of wages 16. Fixation of wage period 17. Time limit for payment of wages 18. Deduction which may be made from wages 19. Fines 20. Deduction for Absence from duty 21. Deductions for damage or loss 22. Deductions for services rendered 23. Deductions for recovery of advances 24. Deductions for recovery of loans 25. Chapter not to apply to Government establishments

And then the second chapter talks about the payment of wages. So, the payment of wages also we will deal with in another class.

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### The Code on Wages, 2019 - Overview

### Chapter IV - Payment of Bonus

- 26. Eligibility for bonus, etc.
- 27. Proportionate reduction in bonus in certain cases
- 28. Computation of number of working days
- 29. Disqualification for bonus
- 30. Establishments to include departments, undertakings and branches.
- 31. Payment of bonus out of allocable surplus
- 32. Computation of gross profits
- 33. Computation of available surplus
- 34. Sums deductible from gross profits
- 35. Calculation of direct tax payable by employer
- 36. Set on and set off of allocable surplus
- 37. Adjustment of customary or interim bonus against bonus payable under this code
- 38. Deduction of certain amounts from bonus payable
- 39. Time limit for payment of bonus
- 40. Application of this chapter to establishments in public sector in certain cases

So, in the Indian legislation, we can see that it deals with wages, payment of wages, and the repeal of another category the Payment of Bonus and the Wage Code. Under bonus, the chapter explains the eligibility of people who is eligible for bonus and what can be reduced from the bonus and how the computation of working days are calculated and how many days the bonus is to be provided, disqualification of bonus, and computation of certain calculations, gross profits available surplus, and directable form from gross profits etc.

And also, the direction of certain amounts from the bonus is also dealt with in the provisions under chapter 4.

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### The Code on Wages, 2019 - Overview

### Chapter V - Advisory Board

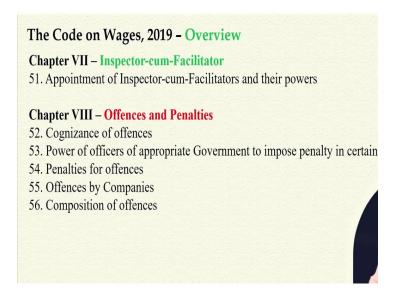
42. Central Advisory Board and State Advisory Boards

### Chapter VI - Payment of Dues, Claims and Audit

- 43. Responsibility for payment of various dues
- 44. Payment of various undisbursed dues in case of death of employee
- 45. Claims under Code and procedure thereof
- 46. Reference of disputes under this code.
- 47. Presumption about accuracy of balance sheet and profit and loss account of corporation and companies
- 48. Audit of account of employers not being corporation or companies
- 49. Appeal
- 50. Records, returns and notices

And then this Advisory Board and then chapter 6 is the Payment of Dues Claims and Audit.

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So, 7 is one of the important chapters which talks about Inspector-cum Facilitator, which we are going to do in today's class, then offenses and penalties.

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# The Code on Wages, 2019 - Overview Chapter IX - Miscellaneous 57. Bar of suits 58. Protection of action taken in good faith 59. Burden of proof 60. Contracting out 61. Effect of laws agreements, etc., inconsistent with this code. 62. Delegation of powers 63. Exemption of employer from liability in certain cases 64. Protection against attachments of assets of employer with Government 65. Power of Central Government to give directions 66. Saving 67. Power of appropriate Government to make rules 68. Power to remove difficulties

So, then miscellaneous provisions are there.

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### **Important Definitions**

- Wages
- · Minimum wages
- Same work or work of a similar nature
- Direct Tax
- · Agricultural Income Tax Law
- Industrial Dispute
- Employer
- Employee
- Worker
- Contractor
- · Contract Labour

So, we can see that when we are today going to look into some of the important definitions which are connected with wages.

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### The Code on Wages, 2019 - Definitions

- ☐ 2(y) "wages" means all remuneration
- ☐ Whether by way of salaries, allowances or otherwise,
- ☐ Expressed in terms of money or capable of being so expressed,
- ☐ If the terms of employment, express or implied, were fulfilled,
- ☐ Which would be payable to a person employed in respect of his employment or of work done in such employment, and includes
  - i. Basic pay;
  - ii. Dearness allowance; and
  - iii. Retaining allowance, if any,
- □ but does not include -

And the wage code defines what you mean by exactly wages and wages mean all remuneration so, whether you are getting it by way of salary, allowances or otherwise, so, if you can express in terms of money and if the terms of employment, whether it is express or implied, where it is fulfilled and which would be payable to a person employed in respect of his employment, this includes basic pay, dearness allowance, and retaining allowance.

So, the entry of the third category retaining allowance is new to the Act. Earlier there were basic pay and dearness allowance and we will see what is the definition of these also later.

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### The Code on Wages, 2019 - Definitions

### □ but does not include—

- a) Any bonus payable under any law for the time being in force, which
  does not form part of the remuneration payable under the terms of
  employment;
- b) The value of any house-accommodation, or of the supply of light, water, medical attendance or other amenity or of any service excluded from the computation of wages by a general or special order of the appropriate Government;
- Any contribution paid by the employer to any pension or provident fund, and the interest which may have accrued thereon;
- d) Any conveyance allowance or the value of any travelling concession;
- e) Any sum paid to the employed person to defray special expenses entailed on him by the nature of his employment;

But, certain categories of payments are specifically excluded from the purview of the definition of wages. For example, the bonus is not going to be part of this remuneration wages, the value of any house accommodation, we call it HRA and any electricity charges, water charges, medical attendance or any other amenities are not going to be included under the definition of wages.

And also any contribution paid by the employer to the pension schemes, whether it is a provident fund or whether it is to the new pension scheme and will not be considered as a part of the wages. Conveyance allowance, Conveyance allowance, travelling concessions or any other payments for special expenses in the nature of employment will not come under the definition of wages.

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### The Code on Wages, 2019 - Definitions

### ☐ but does not include—

- f) House rent allowance;
- g) Remuneration payable under any award or settlement between the parties or order of a court or Tribunal;
- h) Any overtime allowance;
- i) Any commission payable to the employee;
- i) Any gratuity payable on the termination of employment;
- k) Any retrenchment compensation or other retirement benefit payable to the employee or any ex gratia payment made to him on the termination of employment:

And here specifically specific exclusions, we already talked about HRA and house rent allowances. And also if any payment under any settlement of disputes or award of the tribunal, overtime allowances, any commission payable to the employee, any gratuity payable on the termination of the employment or superannuation of the employment, retrenchment compensation or any retirement benefit or escalation payments are excluded from the purview of the definition of wages.

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The Code on Wages, 2019 - Definitions

- ■Where an employee is given in lieu of the whole or part of the wages payable to him,
- ☐ Any remuneration in kind by his employer,
- ☐ The value of such remuneration in kind which does not exceed 15% of the total wages payable to him, shall be deemed to form part of the wages of such employee.

Here we can see that any kind of remuneration will be included under the definition of wages. And also any other benefits, which are part of the remuneration can also be considered within the purview of the definition of wages. (Refer Slide Time: 16:10)

The Code on Wages, 2019 - Definitions

□2(s) "minimum wage" means the wage fixed under *section 6 (Fixation of minimum wages)* of the Code on Wages, 2019;

Now, we come to the minimum wage. So, the wage code simply says that minimum wage means, the wages fixed under Section 6 of the fact that the fixation of minimum wages of the code and section 6 talks about how the minimum wage is to be fixed. So, it is an inclusive definition, no clear definition is given under this particular code.

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The Code on Wages, 2019 - Definitions

- ☐ 2(v) "same work or work of a similar nature" means
- □ Work in respect of which the skill, effort, experience, and responsibility required are the same when performed under similar working conditions by employees and
- ☐ The difference if any, between the skill, effort, experience, and responsibility required for employees of any gender, are not of practical importance in relation to the terms and conditions of employment;

And the concept introduced under Section 2(v) is the same work or work of a similar nature because the same work or work of similar nature is going to get the same wages. So, this is specifically with regard to skill, effort, experience and responsibility required and also it is performed under similar working conditions by the employees, then such kind of work can be considered as the same work or work of a similar nature.

So, if any difference in the skill or effort or experience is required or responsibility is required irrespective of the fact of gender. So, this is not a criterion for the determination of the same work or work of a similar nature. So, this is very important with regard to the differences in wages.

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### The Code on Wages, 2019 - Definitions

- □ 2(q) "Industrial dispute" means,
  - i. Any dispute or difference
    - ✓ Between employers and employers, or
    - ✓ Between employers and workers or
    - ✓ Between workers and workers
      - Which is connected with the employment or
      - Non-employment or
      - The terms of employment or
      - With the conditions of labour, of any person; and
  - ii. Any dispute or difference
    - Between an individual worker and an employer
    - Connected with, or arising out of, discharge,

So, and also we can see the other definitions like industrial disputes. So, we have already seen the definition of industrial disputes, the industrial dispute between employers and employers, and employers and workers and between workers and workers will come under the purview of industrial dispute. So, wages and industrial disputes are connected.

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### The Code on Wages, 2019 - Definitions

- 2(1) "Employer" means a person who employs
- Whether directly or through any person, or on his behalf or on behalf of any person,
- One or more employees
- · In his establishment and
- For an establishment carried on by Central Government or the State Government, the authority specified, or where no authority is specified: the head of the department and in relation to an establishment carried on by a Local authority, the CEO of that authority

and Includes -

And here are the most important the employer what is the definition? Who is an employer? An employer is a person who employs. So, it can be directly or indirectly it may be also through the contractor. So, in the case of contractors, he becomes the principal employer and also an establishment carried by the central government or even the state governments with authority and the head of the department is going to be the employer for even local authorities or the CEO of that particular authority will be considered as an employer.

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# The Code on Wages, 2019 - Definitions and Includesi. In relation to a factory, the occupier of the factory or, a manager of factory ii. In relation to any other establishment, the person/authority who ultimate control over the affairs of the establishment or a managemanaging director iii. Contractor; and iv. Legal representative of a deceased employer

This also includes as far as the factory is concerned. The occupier of the factory or manager of the factory is going to be considered as the employer. For all other establishments, the authority that has the ultimate control over the affairs of the establishment may be the manager, it may be a director, it may be managing director, maybe a company secretary. So, whoever is ultimate control over the affairs of the establishment will be considered as the employer. And also the contractor or even legal representative can be the employer in different cases.

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### The Code on Wages, 2019 - Definitions

- 2(k) "Employee" means, any person (other than an apprentice engaged under the Apprentices Act, 1961)
- · Employed on wages
- · By an establishment
- To do any skilled, semi-skilled or unskilled, manual, operational, supervisory, managerial, administrative, technical or clerical work
- · For hire or reward.
- Whether the terms of employment be express or implied

But does not include any member of the Armed Forces of the Union

We will see the definition of an employee. So, employee, we saw the definition in the earlier codes as well. The employee means a person who is employed on wages and he may be skilled he may be semiskilled may be unskilled, it is manual, operational, supervisory, managerial, administrative, technical or clerical work.

So, we already talked about for hire or reward. So, the terms and conditions can be implied or it can be express, but the armed forces are completely excluded from the overview of the definition of employee.

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### The Code on Wages, 2019 - Definitions

- 2(z) "Worker" means any person (other than an apprentice engaged under the Apprentices Act, 1961)
- Employed in any industry
- To do any manual, unskilled, skilled, technical, operational, clerical or supervisory work
- · For hire or reward
- Whether the terms of employment be express or implied
- Includes: Working Journalists and Sales Promotion Employees
- Includes any person who has been dismissed, discharged or retrenched or otherwise terminated In connection with, or as a consequence of, that dispute, or whose dismissal, discharge or retrenchment has led to that dispute
- But does not include -

And another important definition is the worker. Now, the workmen become workers under Section 2(z) of the New Wages Code 2019. So, here also definition says that any person other than an apprentice, under the Apprentice Act of 1961, is employed in any industry, whether he is manual, unskilled, skilled technical, operational, clerical or supervisory work. Again hire or reward includes and these are the 2 new inclusions in the definition that are working journalist and sales promotion employees.

So, you can see that these are the people who can come under the definition of worker. So, the earlier Industrial Dispute Act talks about workmen and here the definition is the worker.

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### The Code on Wages, 2019 - Definitions

- · But does not include
  - a) Any person who is subject to Air Force Act, 1950, or Army Act, 1950, or Navy Act, 1957; or
  - b) Who is employed in the Police service or Officer/Employee of a **Prison**; or
  - c) Who is employed mainly in a Managerial or Administrative capacity; or
  - d) Who is employed in a **Supervisory Capacity** drawing ₹15,000/per month or *an amount as notified by Central Government*.

But again as I told you that the exclusions are the armed forces, Air Force, Navy and Army and Police Service are also excluded, as all other people who are in a managerial or administrative capacity. Again, in the supervisory positions, some people are included, but people who are drawing a salary of more than 15,000 per month are not going to be included in the definition of employee. So, they are not going to be in they are not in their capacity, they are not going to be termed as an employee.

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### The Code on Wages, 2019 - Definitions

- 2(f) "Contractor", in relation to an establishment, means a person, who
  - i. Undertakes to produce a given result for the establishment, other than a mere supply of goods or articles of manufacture to such establishment, through contract labour; or
  - ii. Supplies contract labour for any work of the establishment as mere human resource and includes a sub-contractor:

And who is a contractor? A contractor is a person who undertakes to produce a given result for the establishment. So, it may be a supply, of course, it may be something manufacturing and through a particular contractor. So, contract labour if the contractor is supplying manpower, contract labour for any workforce for any establishment and then there may be the inclusion of a subcontractor as well. So, contractor, the definition is very clear.

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### The Code on Wages, 2019 - Definitions

- 2(g) "Contract Labour" means a worker
  - Who shall be deemed to be employed in or in connection with the work of an establishment
  - · When he is hired in or in connection with such work
  - · By or through a contractor,
  - With or without the knowledge of the principal employer and
  - Includes Inter-State migrant worker
  - Includes Part-time Employee
- But does not include a worker who —

And what do you mean by contract labour? Contract labour is something different. So, here the worker who shall be deemed to have been employed or in connection with the work of the establishment, whether he can be hired or encouraged with such work or through a contractor and it may be with or without the knowledge of the principal employer. So, it can include

industry, migrant workers, and part-time employees as well. So, contract labour can be contract labour including all this contract labour.

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### The Code on Wages, 2019 - Definitions

But does not include a worker who —

- Is regularly employed by the contractor for any activity of his establishment and
  - His employment is governed by mutually accepted standards of the conditions of employment (including engagement on permanent basis), and
- ii. Gets Periodical Increment in the pay, social security coverage and other welfare benefits
  - in accordance with the law
  - for the time being in force in such employment

And but again, it will not include so, if somebody is regularly employed by the contractor for any activity of his establishment, and also his employment is given by mutually accepted standards and conditions of employment. And also then periodical increments are paid or social security coverage and other benefits are given. So, then also it does not include the person who is who cannot be considered as a worker.

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Inspector-cum-Facilitator

### 51. Inspector-cum-Facilitator

- The appropriate Government may, by notification, Appoint Inspector-cum-Facilitators
- Who shall exercise the **powers** 
  - · Throughout the State or
  - Such geographical limits assigned in relation to one or more establishments situated in such State or geographical limits or
  - In one or more establishments, irrespective of geographical limits
- The appropriate Government may, lay down an inspection scheme, which may provide for generation of a web-based inspection and calling of information relating to the inspection electronically.

So, the most important thing is the inspector cum facilitator. So, the new role of inspectors is there going to be inspector cum facilitators. So, these people are going to be the contact point for the implementation of this course. What state governments assign geographical limits or geographical limits to these particular offices also you can see that the Appropriate government lays down an inspection scheme, which generates an online web-based inspection scheme calling for information relating to the inspection electronically. So, the inspector cum facilitate can ask for this particular information every year.

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### 51. Inspector-cum-Facilitator

- Every Inspector-cum-Facilitator shall be deemed to be a public servant.
- The Inspector-cum-Facilitator may-
  - a) Advice to employers and workers relating to compliance of this Code;
  - **b) Inspect the establishments**, subject to the instructions or guidelines issued.

So, here the inspector cum facilitators are going to be public servants and they may be advising or advice to employees and workers relating to compliance with the code. So, and

also has the power to inspect establishments and is subject to the guidelines of the state governments.

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### 51. Inspector-cum-Facilitator

- The Inspector-cum-Facilitator may-
- a) Examine any person who is found in any premises of the establishment, whom the Inspector-cum-Facilitator has reasonable cause to believe, is a worker of the establishment;
- **b)** Require any person to give any information, which is in his power to give with respect to the names and addresses of the persons;
- c) Search, seize or take copies of such register, record of wages or notices or portions thereof as the Inspector-cum-Facilitator may consider relevant in respect of an offence under this Code and which the Inspectorcum-Facilitator has reason to believe has been committed by the employer;
- d) Bring to the notice of the appropriate Government defects or abuses not covered by any law for the time being in force; and
- e) Exercise such other powers.

And also see, we can see that the inspectors cum facilitators examined, they can examine any person who is found on any premises of the establishment. So, if he is believing that he is a worker of that particular establishment, requires any person to give any information and also in producing or using evidence and records, then taking copies of register or codes of wages or other notices or portions thereof.

So, he can inspect again or the inspector cum facilitator if he reasonably believes that such kind of people is committed any offence under this particular Act, and also he can bring the defects and abuses not covered by this particular act, he can report it back to the government and any other powers are empowered to this particular inspector cum facilitators. It means this category of people have a great job to do and their responsibilities are very high and their powers are also very high.

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### CONCLUSIONS

- Specific definition of "wages" removes any ambiguity.
- Specific definition of Employee, Employer and Worker, Contractor, Contr Labour clarifies the role, status and protection of law for these people.
- Specific declaration of the rights and powers of Inspector-cum-facilita helps to ascertain the legality of actions taken by him.

Here, again, we can see that these definitions are very specific and also take it from the old definitions, but these definitions are clearly mentioned and explained. And ambiguities in the wages, the definition of wages are clearly removed. And the specific definition of employee, worker, contractor and also their role is also very, very much clarified. And also the specific declaration of the rights and powers of the inspector cum facilitator is also provided under the relevant provisions.

And the role of inspector cum facilitator is going to be very important in the coming times under this particular act.

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### REFERENCES

- The Code on Wages, 2019
- The Code on Wages (Central Advisory Board) Rules, 2021
- The Code on Wages (Central) Rules, 2020 (Draft)

So, this is when the rules are going to be notified, then the Act is going to be completely operational and other legislation is also going to be taken up by this particular board.

So, this is all about the important aspects or important definitions of different wages code and also relating to the wages. So in the next class, we are going to discuss about the minimum wages. Thank you