

New labour codes and their impact

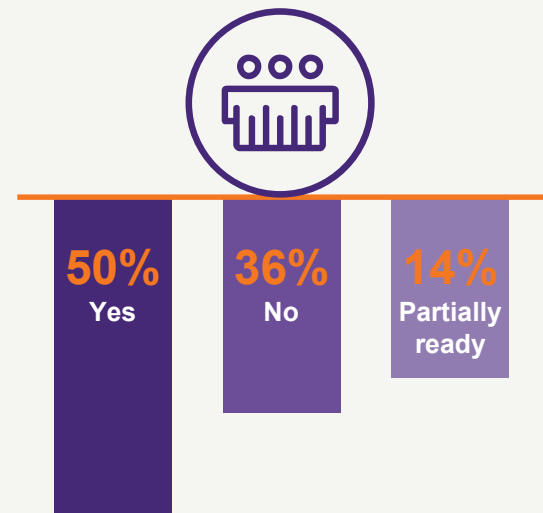
Industry expectation survey

The most recent labour laws were drafted decades ago and the changes in economic development, global trade conditions, new forms of doing business, etc., over the years, have made it necessary to relook at these laws with a fresh perspective. The four new labour codes – Code on Wages, 2019; The Code on Social Security, 2020; The Occupational Safety, Health & Working Conditions Code, 2020; and The Industrial Relations Code 2020; which subsume 29 existing legislation, are the first step in the direction of bringing in labour reforms across the country. The date of implementation is expected to be notified soon.

Against this backdrop, Grant Thornton Bharat conducted a survey to understand stakeholder expectations.



1 Is your organisation ready to implement the new labour codes?



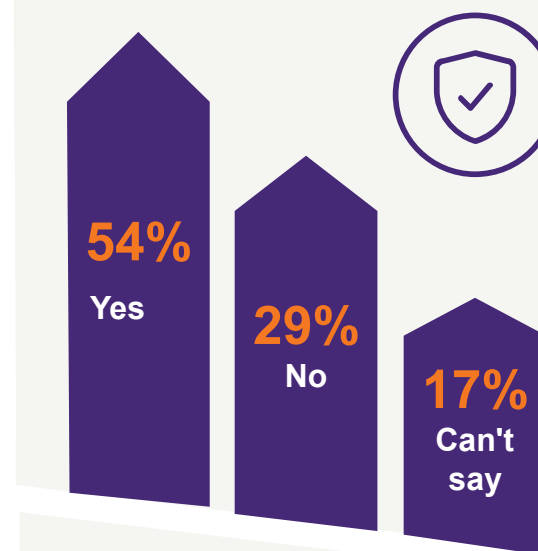
2 What steps has your organisation taken towards preparing for the implementation of new labour codes?



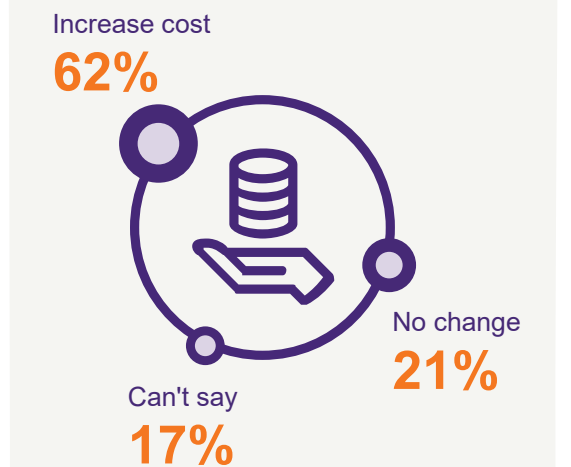
3 Should organisations be allowed a transition period to implement the various obligations, compliances, applicable under new labour codes?



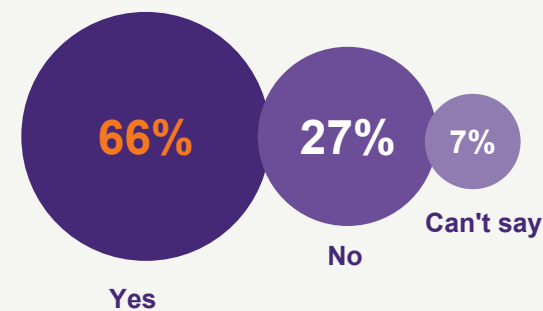
4 Do you think the new labour codes will achieve the objective of widening social security coverage to the unorganised sector?



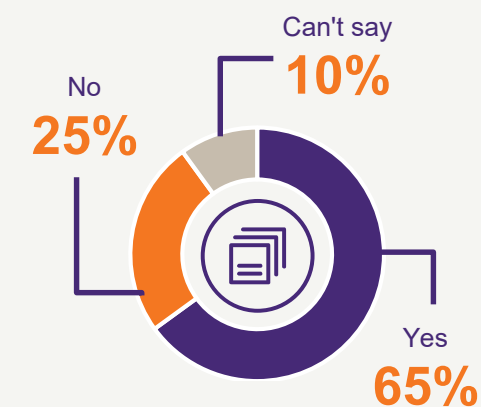
5 How will the change in the definition of 'wages' impact the overall employee compensation cost of your company?



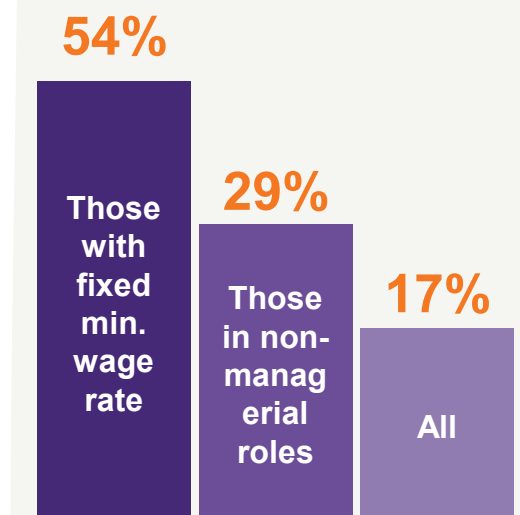
6 Should organisations have the flexibility to hire contractual employees for their core activities?



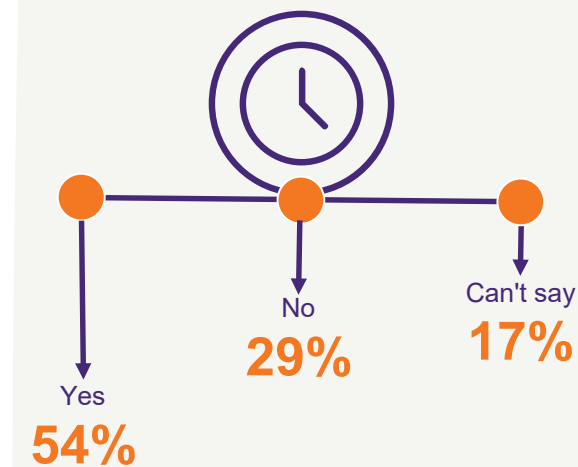
7 Would there be any change in principal employer's obligations vis-à-vis the contractual employees engaged through third-party vendors?



8 In your view, which category of employees/workers should be entitled to overtime payment?



9 Do you think the compliance burden on employers will reduce over a period of time under the new labour codes?



10 Given the current state of the Indian economy, are you optimistic about the long-term impact of the implementation of the new labour codes?

