



Standing Committee Report Summary

The Industrial Disputes (Amendment) Bill, 2009

- The Standing Committee on Labour submitted its First Report on 'The Industrial Disputes (Amendment) Bill, 2009' on December 9, 2009. The Chairperson was Shri Hemanand Biswal.
- The Bill provides for the central government to administer disputes in companies where 51% or more of the equity is held by it, in central public sector undertakings, and in other bodies owned or managed by it. State governments shall be the 'appropriate government' to administer disputes in state public sector undertakings or bodies owned or controlled by relevant state government. The Committee recommended that the Act make it clear that in case of a dispute between a contractor and contract labour, the dispute would fall under the purview of the 'Appropriate Government' of the Industrial establishment where the dispute first arose.
- The Industrial Disputes Act currently applies only to those supervisory staff who earns less than Rs 1,600 per month (defining them as 'workmen'). The Bill raises this ceiling to Rs 10,000 per month. The Committee recommended that all supervisory staff be kept out of the 'workmen' category and be clubbed along with managerial and administrative employees.
- In case, the government still felt the need to cover low paid supervisory staff, the Committee recommended a wage ceiling of Rs. 25,000 be imposed, rather than Rs 10,000. It urged the government to specify a list of highly paid jobs, presently covered under the 'workmen' category such as airline pilots, which would be outside the Act's purview.
- The Committee recommended that social security benefits be made available to all employees including managerial and supervisory employees, through a separate legislation.
- The Bill allows a workman to directly approach a labour court or tribunal three months after filing a complaint with the government against termination of services. The Committee recommended that this waiting period be cut down to 45 days.
- The Bill broadens the scope of qualifications required for presiding officers of courts or tribunals established under the Act. The Committee felt that the acquisition of a law degree, along with a specified seniority level was sufficient. It urged the government to immediately fill the vacancies of presiding officers in labour courts and tribunals.
- The Bill requires all industrial establishments with more than 20 workmen, to set up one or more grievance redressal committees to resolve grievances of individual workmen. The Committee recommended that such machinery be set up in establishments with 10-100 workmen. It observed that establishments with less than 10 workers were covered by the Unorganized Workers' Social Security Act, 2008. At the same time, the law already provided for the setting up of Works Committees to resolve disputes in establishments with more than 100 workmen.
- The Committee supported an amendment in the Bill which empowered the government to make rules with regard to salaries and other conditions of appointment of presiding officers. However, it urged the government to issue a blue print of the rules framed.
- The Committee urged the government to evolve a consensus through consultations between employers and trade unions over possible amendments to chapters of Act dealing with layoffs and retrenchment. Such consultations should include provision of prior notice, adequate compensation package and other benefits for the retrenched workers.
- The Committee recommended that provisions for the payment of subsistence allowance be made part of the Model Standing Orders applicable to Industrial Establishments under the Industrial Employment (Standing order) Act, 1946.
- The Committee recommended that a specific provision in the Act be made for compulsory recognition of registered trade unions by the industrial establishments covered under the Industrial Dispute Act.

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