

Bill Summary

The Employee's Compensation (Amendment) Bill, 2016

- The Employee's Compensation (Amendment) Bill, 2016 was introduced in Lok Sabha on August 5, 2016 by the Minister for Labour and Employment, Mr. Bandaru Dattatreya.
- The Bill amends the Employee's Compensation Act, 1923. The Act provides payment of compensation to employees and their dependants in the case of injury by industrial accidents, including occupational diseases.
- **Duty to inform employee of right to compensation:** The Bill introduces a provision which requires an employer to inform the employee of his right to compensation under the Act. Such information must be given in writing (in English, Hindi or the relevant official language) at the time of employing him.
- **Penalty for failure to inform:** The Bill penalises an employer if he fails to inform his employee of his right to compensation. Such penalty may be between 50,000 to one lakh rupees.
- **Appeals from the Commissioner's order:** The Act permits appeals against the Commissioner's orders related to compensation, distribution of compensation, award of penalty or interest, etc. However, this is only if the amount in dispute is at least 300 rupees. The Bill raises this amount to 10,000 rupees. It permits the central government to further raise this amount.
- **Withholding payments pending appeal:** Under the Act, if an employer has appealed against a Commissioner's order, any payments towards the employee can be temporarily withheld. The Commissioner may do so only by an order of the High Court, until the matter is disposed of by the Court. The Bill deletes this provision.

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