

**GOVERNMENT OF INDIA  
LABOUR AND EMPLOYMENT  
LOK SABHA**

UNSTARRED QUESTION NO:4130

ANSWERED ON:19.12.2011

AMENDMENT OF LABOUR LAWS

Ponnam Shri Prabhakar; Sayeed Muhammed Hamdulla A. B.

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the Government has any proposal to review/amend the Labour and Industrial laws keeping in view the problems of labourers;
- (b) if so, the details thereof;
- (c) whether the worker may remain on contract for five years or more and may never become permanent;
- (d) whether big companies adopt various strategies like ancillarisation, outsourcing and dispersed production network to take advantage of flexibility that smaller firms enjoyed; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF LABOUR AND EMPLOYMENT (SHRI MALLIKARJUN KHARGE)

(a) & (b): Review/amendment of labour laws is a continuous process and amendments are made in labour laws from time to time keeping in view, inter-alia, the problems of the labourers. Recent amendments carried out include those under the Payment of Wages Act, 1936, the Payment of Bonus Act, 1965, the Apprentices Act, 1961, the Payment of Gratuity Act, 1972, the Employees' State Insurance Act, 1948, the Industrial Disputes Act, 1947, the Plantation Labour Act, 1951 and the Workmen's Compensation Act, 1923. A new Act, namely, the Unorganized Workers' Social Security Act, 2008 has also been enacted.

(c): There is no provision for regularization of contract worker under the Contract Labour (Regulation & Abolition) Act, 1970.

(d) & (e): The big companies are adopting various strategies like ancillarisation, outsourcing and dispersed production network, but there is no specific evidence to suggest that this strategy is being adopted to take advantage of flexibility that smaller firms enjoyed.