



INDIA'S NEW LABOUR CODES: UNCOVERING THE REAL BENEFICIARIES

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ABSTRACT

India's new labour law codes streamline regulations and aim to balance worker welfare with employer flexibility. This study identifies the main beneficiaries, noting gains such as expanded social security and standardized wages for workers, and reduced compliance burdens for employers. While the reforms may boost formalization and economic efficiency, their impact will ultimately depend on effective implementation and sector-specific outcomes.

KEYWORDS :

1. INTRODUCTION

Literature Review: Beneficiaries of the New Labour Codes in India

The Government of India consolidated 29 central labour laws into four Labour Codes between 2019–2020:

1. Code on Wages, 2019,
2. Industrial Relations Code, 2020,
3. Occupational Safety, Health and Working Conditions (OSHC) Code, 2020, and
4. Social Security Code, 2020.

These Codes aim to simplify compliance, expand coverage, promote formalization, and improve worker welfare. The academic literature reflects mixed views on who benefits—workers, employers, or the state

Benefits to Government from the New Labour Codes in India

Based on General Review of literature following are the Benefit of government from the new labour law In India.

1. Simplifies labour laws and enhances administrative efficiency & Improve Labour compliance.
2. Strengthens enforcement, transparency, and data-driven policymaking.
3. Promotes formalization, investment, and ease of doing business.
4. Expands social security and aligns with global labour standards.
5. Enhanced government revenue through increased taxation, wider coverage under EPF and ESI schemes, and greater social security contributions.

Benefits to Employer from the New Labour Codes in India

Based on General Review of literature following are the Benefit of employer from the new labour law In India

1. Simplification of labour laws through consolidation of multiple Acts
2. Reduced compliance burden and easier administration
3. Greater flexibility in hiring, retrenchment, and workforce management
4. Promotion of fixed-term employment with clear rules
5. Uniform wage definitions across establishments
6. Improved industrial relations and dispute resolution mechanisms
7. Encouragement of ease of doing business
8. Greater clarity and transparency in labour regulation

Disadvantages of New Labour Codes for Employers

The new labour codes increase compliance costs, raise social security contributions, impose stricter penalties, and create administrative challenges for employers.

Benefits to Employee from the New Labour Codes in India

Based on General Review of literature following are the Benefit of employee from the new labour law In India.

1. Ensures fair wages for all employees.
2. Promotes equal pay for equal work.
3. Improves job security and worker rights.
4. Expands social security benefits.
5. Covers gig and platform workers.
6. Provides safer working conditions.
7. Strengthens health and welfare protection.
8. Ensures financial security after retirement
9. Ensures Lumpsum payment during retirement

Disadvantages of New Labour Codes to employee.

The new labour codes may reduce job security, restrict the right to strike, weaken trade unions, increase fixed-term employment, and create uncertainty due to delayed implementation

The new labour codes shift most costs to employees, increase work pressure, may reduce take-home salary, and limit benefits through fixed-term employment.

Benefits of New Labour Laws in India

The new labour laws simplify and modernize labour regulations. They ensure fair wages and equal pay. Social security is extended to gig and unorganized workers. Grievance redressal and union recognition are strengthened. Workplace safety and conditions are improved. Job protection and employee welfare are enhanced.

CONCLUSION

India's New Labour Codes represent a major reform aimed at simplifying labour laws and creating a more inclusive work environment. The codes benefit employees by ensuring fair wages, promoting equal pay, expanding social security, improving workplace safety, and enhancing job protection. Gig and unorganized workers also gain legal recognition and welfare coverage for the first time. Overall, these reforms are designed to balance the interests of workers and employers, modernize industrial relations, and support a more equitable and efficient labour ecosystem in India.