

# Government to protect the interests of workmen as per the provision of the Industrial Disputes Act, 1947

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**The Minister of State for Labour and Employment, Shri Rameswar Teli in a written reply to a question in Lok Sabha today informed that the employment and retrenchment including lay-offs are a regular phenomenon in industrial establishments. Matters relating to lay-offs in industrial establishments in the country are governed by the provisions of the Industrial Disputes Act, 1947 (ID Act) which also regulates various aspects of lay-off and conditions precedent to retrenchment of workmen.**

As per the ID Act, establishments employing 100 persons or more are required to seek prior permission of the appropriate Government before effecting closure, retrenchment or lay-off. Further, any retrenchment and lay-off are deemed to be illegal which is not carried out as per the provisions of ID Act. ID Act also provides for right of workmen laid off and retrenched for compensation and it also contains provision for re-employment of retrenched workmen.

Based on their respective jurisdictions as demarcated in the ID Act, Central and State Governments take actions to address the issues of the workmen and protect their interests as per the provision of the Act. In the establishments that lie in the jurisdiction of Central Government, the Central Industrial Relations Machinery (CIRM) is entrusted with the task of maintaining good Industrial relations and protects the interest of workers including on the matters relating to lay off and its prevention.

The jurisdiction in the matters with regard to multi-national and Indian companies in the IT, social media, Edu Tech firms, online shop traders, start-up companies and related sectors lie with the respective State Governments.

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**MJPS/SSV**

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