

Indian labour law needs to be reviewed and simplified
FICCI President highlights five focus areas for improving industrial relations

NEW DELHI, September 11, 2012. Expressing concern over the recent outburst of violence in Manesar at Maruti Suzuki's production plant and the increasing number of labour unrest incidents in the country, **Mr. R V Kanoria, President, FICCI**, has highlighted five focus areas that need immediate attention of all the stakeholders -- Government, industry and labour unions.

The focus areas are:

- To co-create a code of understanding and behaviour for all stakeholders
- To propagate the code across the country through conferences and workshops
- Placing industrial relations on the radar of top management
- Focus on capability and education
- Reviewing the law on contract labour

Addressing the media on the labour situation in India, Mr. Kanoria stated, "Hire and hire' should be the objective of the labour policy to create employment opportunities. Also flexibility is required in the way industry functions and rights and responsibilities of the stakeholders need to be underlined. Better understanding and harmony to recognize the importance of labour laws are needed."

"Another challenge that the industry faces today is giving vocational courses its due. The relevance and importance of skills development through vocational education is imperative. A change in the minds of people regarding this mode of education is an urgent need," explained Mr. Kanoria.

Ms. Naina Lal Kidwai, Senior Vice President, FICCI, remarked, "The Maruti incident has given the industry and other stakeholders an opportunity to look for long term solutions that will help in preventing such outbreaks in future."

She emphasized that the focus needs to be on regulation of labour laws. The present structure of the law is complex and some laws require immediate review. Also, the industry fully supports preservation of social security benefits and skill development measures for contract workers. Industry now has to invest in both capital and labour. The right labour environment will help to reap the benefit of the country's demographic dividend, she added.

Mr. Rajeev Dubey, President (Group HR, Corporate Services & After Market) & Member of Group Executive, Mahindra & Mahindra Ltd and Member of National Executive Committee and President of the Employers' Federation of India (EFI), stressed on the need to create an ecosystem that will result in three things simultaneously – competitiveness, fairness and inclusiveness.

A series of meetings and dialogues have already been initiated among all the stakeholders including the civil society. “The process is under way to find practical solutions and we look forward to devise a plan of action which is agreed upon by all the parties concerned,” he said.

Media Division