

# CONTRACT LABOUR (REGULARATION & ABOLITION) ACT, 1970 & THE RULES

## CHECKLIST

### Object of the Act

To regulate the employment of contract labor in certain establishments and to provide for its abolition in certain circumstances and for matters connected therewith.

### Applicability

- Every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labor.
- Every contractor who employs or who employed on any day of the preceding twelve months 20 or more workmen.

**Sec. 1**

### Registration of Establishment

Principal employer employing 20 or more workers through the contractor or the contractor(s) on deposit of required fee in Form 1

**Sec. 7**

### Prohibition of Employment of Contract Labour

Only by the appropriate Government through issue of notification after consultation with the Board (and not Courts) can order the prohibition of employment of contract labor.

**Sec. 10**

### Revocation of Registration

When obtained by Misrepresentation or suppression Of material facts etc. after opportunity to the principal Employer

**Sec. 9**

### Licensing of Contractor

- Engaging 20 or more than 20 workers and on deposit of required fee in Form IV.
- Valid for specified period. **Sec.12, Rule 21**

### Revocation or Suspension & Amendment of Licences

- When obtained by misrepresentation or suppression of material facts.
- Failure of the contractor to comply with the conditions or contravention of Act or the Rules.

**Sec. 14**

### Welfare measures to be taken by the Contractor

- Contract labor either one hundred or more employed by a contractor for one or more canteens shall be provided and maintained.
- First Aid facilities.
- Number of rest-rooms as required under the Act.
- Drinking water, latrines and washing facilities. **Sec. 16 & 17**

### Laws, Agreement or standing orders inconsistent with the Act-Not Permissible

Unless the privileges in the contract between the parties or more favorable than the prescribed in the Act, such contract will be invalid and the workers will continue to get more favorable benefits.

**Sec. 20**

### Liability of Principal Employer

- To ensure provision for canteen, restrooms, sufficient supply of drinking water, latrines and urinals, washing facilities.
- Principal employer entitled to recover from the contractor for providing such amenities or to make deductions from amount payable. **Sec. 20**

### Registers of Contractors

- **Principal employer**
  - To maintain a register of contractor in respect of every establishment in Form XII.
- **Contractor** **Rule 74**
  - To maintain register of workers for each registered establishment in Form XIII.
  - To issue an employment card to each worker in Form XIV.
  - To issue service certificate to every workman on his termination in Form XV. **Rules 75, 76 and 77**

### Muster Roll, Wages Register, Deduction Register and Overtime Register by Contractor

- Every contractor shall
- Maintain Muster Roll and a Register of Wages in Form XVI and Form XVII respectively when combined.
- Register or wage-cum-Muster Roll in Form XVII where the wage period is a fortnight or less.
- Maintain a Register of Deductions for damage or loss, Register of Fines and Register of Advances in Form XX, Form XXI and Form XXII respectively.
- Maintain a Register of Overtime in Form XXIII.
- To issue wage slips in Form XIX, to the workmen at least a day prior to the disbursement of wages.
- Obtain the signature or thumb impression of the worker concerned against the entries relating to him on the Register of wages or Muster Roll-Cum-Wages Register.
- When covered by Payment of Wages Act, register and records to be maintained under the rules
- Muster Roll, Register of wages, Register of Deductions, Register of Overtime, Register of Fines, Register of Advances, Wage slip. **Rule 79**
- To display an abstract of the act and Rules in English and Hindi and in the language spoken by the Majority of workers in such forms as may be approved by appropriate authority **Rule 80**
- To display notices showing rates of wages, hours of work, wage period, dates of payment, names and addresses of the inspector and to send copy to the inspector and any change forthwith **Rule 81**

## PENALTIES

| <b>Sec.</b> | <b>Offence</b> | <b>Punishment</b>                                                                                                                                                    |
|-------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sec. 22     | Obstructions   | For obstructing the inspector or failing to produce registers etc.<br>- 3 months' imprisonment or fine upto Rs.500, or both.                                         |
| Sec.23      | Violation      | For violation of the provisions of Act or the Rules, imprisonment of 3 Months or fine upto Rs.1000. On continuing contravention, additional fine upto Rs.100 per day |