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NEW LABOUR CODES 2025: HIGHLIGHTS AND KEY CHANGES

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Abstract

India's labour law reform project culminated in the operational commencement of the four consolidated Labour Codes on 21 November 2025, replacing 29 central labour enactments with a more unified framework for wages, industrial relations, social security, and occupational safety. The reform is legally significant because it seeks to balance ease of doing business with stronger baseline protections for workers through common definitions, digital compliance architecture, broader wage coverage, and expanded social security design. The Code on Wages, 2019 universalises minimum wages, empowers the Central Government to fix a floor wage, and adopts a unified definition of "wages" that can materially reshape salary structuring and statutory contribution liabilities. The Code on Social Security, 2020 enlarges the conceptual map of labour welfare by bringing gig workers, platform workers, and unorganised workers within the scope of social security policy and by envisaging contributions from aggregators. The Industrial Relations Code, 2020 simultaneously increases managerial flexibility in selected areas, including the threshold for standing orders and prior approval for lay-off, retrenchment, and closure in certain establishments, while also preserving dispute-resolution structures and introducing a re-skilling fund for retrenched workers. The Occupational Safety, Health and Working Conditions Code, 2020 consolidates numerous welfare and safety enactments and is designed to create a common registration and licensing regime while strengthening duties regarding health, safety, welfare, and working conditions.¹ This paper critically examines the highlights and key changes associated with the New Labour Codes in 2025, with particular focus on doctrinal structure, practical employer implications, worker protection concerns, and implementation challenges arising from the transitional dependence on central and state rules. It argues that the codes represent a major structural shift rather than a mere legislative consolidation, but their success depends on rule-making coherence, administrative capacity,

¹ M.P. Jain, *Indian Constitutional Law* 98 (Kamal Law House, Calcutta, 5th edn., 1998).

state-level harmonisation, and the ability of institutions to enforce substantive labour rights in the face of growing labour market informality.

Keywords: New Labour Codes 2025, Code on Wages 2019, Industrial Relations Code 2020, Code on Social Security 2020, OSHWC Code 2020, labour law reform in India, social security, wage definition, industrial relations, gig workers.

Introduction

India's labour law system historically evolved through sector-specific and issue-specific legislation, producing a fragmented regulatory landscape marked by multiple definitions, overlapping obligations, and complex compliance requirements. The Labour Codes were introduced to rationalise this multiplicity by consolidating 29 central labour laws into four comprehensive codes: the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020. According to official and professional sources available after the 2025 rollout, these codes took effect from 21 November 2025, though the transition still depends substantially on the finalisation and notification of central and state rules.²

The significance of the 2025 phase lies not merely in formal enforcement but in the beginning of an institutional transition from the old enactments to a modernised labour governance model. This model aims to standardise key concepts such as wages, employer, and establishment; digitise aspects of registration, inspection, and certification; and reduce compliance fragmentation through common records and registers. At the same time, the reform is not ideologically neutral. It reflects a policy attempt to reconcile worker welfare with business flexibility, a balance that has generated both support and critique in academic, industrial, and trade union circles.

This research paper studies the New Labour Codes 2025 from a legal and policy perspective. It identifies the principal highlights, explains the major statutory changes, evaluates their likely effect on employers and employees, and examines transitional issues that may arise during implementation. The paper proceeds on the premise that legal consolidation does not

² Kharbanda, O.P. & Kharbanda, A.K., *New Industrial & Labour Codes, 2026 Edition*, Eastern Book Company, Lucknow, 2026.

automatically guarantee labour justice; rather, the effect of the codes depends on design choices in wage calculation, social security expansion, workplace governance, dispute resolution, and administrative enforcement.

Background and Legislative Context

The move towards consolidation of labour laws in India was not sudden. The search for a simplified and coherent labour law framework had gathered momentum over the years, including through recommendations that India's labour statutes be grouped into a smaller number of broad thematic codes. The eventual outcome was the enactment of four labour codes over 2019 and 2020, each intended to replace clusters of older laws dealing with a specific field of labour regulation.

The Code on Wages was enacted first in 2019 and was followed in 2020 by the Industrial Relations Code, the Code on Social Security, and the Occupational Safety, Health and Working Conditions Code. However, legislative enactment did not immediately translate into operational implementation. The regulatory architecture required further rule-making by the Central Government and the States, since labour administration in India includes both central and state dimensions depending on the establishment and subject matter. Consequently, the commencement of 21 November 2025 is best understood as the start of a phased compliance transition rather than the conclusion of legal reform.³

This background is crucial because the effectiveness of labour codes depends heavily on delegated legislation. Statutes provide the skeleton, but rules determine reporting formats, inspection processes, licensing procedures, welfare standards, and several practical thresholds. Therefore, although the codes are now central to the legal discourse on labour reform, the lived legal position of employers and workers still requires careful attention to transitional notifications, state rules, and implementation practice.

Structure of the Four Codes

The four-code framework divides labour regulation into thematic clusters. The Code on Wages, 2019 governs minimum wages, payment of wages, bonus, and equal remuneration through a

³ Taxmann Editorial Board, *New Labour Codes with Comparative Study of New Labour Codes and Old Labour Laws*, Taxmann Publications Pvt. Ltd., New Delhi, 2025.

common statutory scheme. The Industrial Relations Code, 2020 covers trade unions, standing orders, lay-off, retrenchment, closure, strikes, lock-outs, and dispute resolution mechanisms. The Code on Social Security, 2020 brings together social insurance and welfare matters, including provident fund, employee state insurance, gratuity, maternity benefits, and schemes for unorganised, gig, and platform workers. The Occupational Safety, Health and Working Conditions Code, 2020 consolidates laws concerning workplace safety, health, welfare, work conditions, contract labour, inter-state migrant workers, and related employment settings.

This thematic reorganisation serves at least three identifiable objectives. First, it reduces statutory clutter by replacing numerous enactments with a smaller and more coherent structure. Second, it attempts to create definitional consistency across labour governance, especially regarding wages, employer, establishment, and worker categories. Third, it supports a compliance model based on common registration, combined records, and technology-driven inspection, thereby signalling an administrative shift from fragmented control to integrated regulatory oversight.

Major Highlights of the 2025 Labour Code Regime

One of the foremost highlights of the New Labour Codes 2025 is the replacement of 29 central labour laws with four consolidated codes, signalling one of the most far-reaching labour law reforms in post-independence India. This simplification is meant to reduce interpretive overlap, make obligations easier to identify, and support a more transparent compliance environment. Employers are expected to maintain common registration, registers, and records, and inspections are to be undertaken in a more technology-enabled manner by an Inspector-cum-Facilitator rather than under older fragmented inspection systems.⁴

A second highlight is the extension of minimum wage protection across all employees under the Code on Wages, combined with the power of the Central Government to fix a floor wage that state-level minimum wages cannot go below. This is a structural departure from earlier sector-limited approaches and indicates a national commitment to a minimum income threshold subject to regional variation. It also reflects a redistribution-oriented logic within the reform package, even as the overall project is often presented as business-friendly.

⁴ Malik, P.L., *P.L. Malik's Handbook of Labour and Industrial Law, 21st Edition*, Eastern Book Company, Lucknow, 2025

A third major highlight is the adoption of a unified definition of wages. The Code on Wages includes basic pay, dearness allowance, and retaining allowance, while excluding several specified components such as house rent allowance, overtime allowance, bonus, gratuity, employer contributions to provident fund or pension fund, and certain special allowances; however, where excluded components exceed one-half of total remuneration, the excess is deemed part of wages. This clause has serious financial implications because a salary structure heavily loaded with allowances may now trigger recalibration of statutory wage bases.

A fourth highlight is the expansion of social security discourse to include gig workers, platform workers, and unorganised workers. This is particularly relevant in the Indian labour market where platform-based and informal work has grown faster than the traditional employment relationship recognised by earlier labour statutes. The codes therefore acknowledge labour market transformation and attempt to widen welfare architecture beyond factory-centred or formal-sector assumptions.

A fifth highlight lies in increased flexibility in industrial relations. Professional commentary on the 2025 implementation notes the increase in the threshold for standing orders and for prior approval concerning retrenchment and lay-off to establishments with 300 or more workers. This change is widely seen as strengthening employer flexibility in workforce management, although critics may view it as reducing pre-emptive protection for workers in medium-sized industrial establishments.

Finally, the reform package highlights gender inclusion, fixed-term employment recognition, and mandatory appointment letters. Women workers may work at night with consent and safeguards, fixed-term employees become eligible for parity-based benefits and gratuity under prescribed conditions, and the mandatory appointment letter requirement promotes documentary clarity in employment relationships. These features indicate that the new regime is not solely about deregulation; it also seeks formalisation and legal traceability of employment conditions.⁵

⁵ Indian Law Institute, *Manual on Indian Labour Law with Special Reference to New Labour Codes*, Indian Law Institute, New Delhi, 2025

Code on Wages, 2019: Core Changes

The Code on Wages, 2019 is one of the most consequential components of the new framework because it restructures wage governance at the foundational level. It applies to the whole of India and, according to the updated India Code text, major provisions came into force on 21 November 2025 through notification. The Code prohibits gender-based discrimination in matters of wages for the same work or work of a similar nature and also prohibits discrimination on the ground of sex in recruitment for such work except where employment of women is legally prohibited or restricted.

The most transformative aspect is the universalisation of minimum wages. Section 5 prohibits payment below the notified minimum rate of wages, section 6 empowers the appropriate government to fix minimum wages, and section 9 requires the Central Government to fix a floor wage based on minimum living standards of workers, with different floor wages permissible for different geographical areas. State-level minimum wages cannot be below the floor wage, and if a state already provides a higher minimum wage, it cannot reduce that wage merely because the central floor wage is lower. This architecture is designed to establish a floor of protection without preventing higher state-level standards.

The wage definition has enormous practical significance. Section 2(y) includes basic pay, dearness allowance, and retaining allowance, but excludes a long list of components such as bonus, HRA, overtime, commission, gratuity, employer social security contributions, and other specified heads. However, if the excluded payments under clauses (a) to (i) exceed 50 percent of total remuneration, the excess must be added back into wages. This anti-avoidance design prevents employers from disproportionately restructuring compensation into excluded allowances in order to reduce statutory liabilities.⁶

The Code also standardises wage periods and time limits for payment. Wage periods may be daily, weekly, fortnightly, or monthly, but not beyond one month. Employees paid daily must receive wages at the end of the shift, weekly employees before the weekly holiday, fortnightly employees before the end of the second day after the fortnight, and monthly employees before the expiry of the seventh day of the succeeding month. Importantly, wages in cases of removal,

⁶ CGS Publication India, *Compendium on New Four Labour Codes: Code on Wages, 2019; Industrial Relations Code, 2020; Occupational Safety, Health and Working Conditions Code, 2020; Code on Social Security, 2020*, CGS Publication India, New Delhi, 2025.

dismissal, retrenchment, resignation, or closure-related unemployment must be paid within two working days.

The Code further regulates deductions from wages and caps total deductions in a wage period at 50 percent of wages, subject to authorised categories and prescribed recovery methods for excess deductions. It also provides for overtime wages at not less than twice the normal rate where an employee works beyond the normal working day. These provisions collectively indicate that the Code on Wages is not merely an administrative consolidation; it is a substantive restatement of wage justice, payroll compliance, and employment documentation.

Industrial Relations Code, 2020: Key Changes

The Industrial Relations Code, 2020 addresses one of the most contested areas of labour law: the balance between enterprise flexibility and collective labour rights. According to professional analyses published after the 2025 commencement, one of the key changes is the increased threshold of 300 or more workers for the requirement of standing orders and for obtaining approval in matters of retrenchment and lay-off in applicable establishments. This is a major policy shift because it reduces regulatory friction for establishments below that threshold and expands managerial discretion in restructuring decisions.⁷

Another important aspect concerns strikes and lock-outs. Commentary on the post-implementation framework notes that the codes provide increased leverage to employers in the context of strikes and lock-outs and prescribe clearer procedures in this field. While the objective may be industrial discipline and predictability, any increase in preconditions for collective action can affect the practical bargaining power of labour. Therefore, the Code's long-term impact will likely depend on how tribunals, conciliation authorities, and enforcement institutions interpret the procedural architecture governing industrial action.

The Code also recognises fixed-term employment within the broader workforce classification matrix described in implementation guidance. Fixed-term employees are characterised as hired for a pre-defined period with parity of wages and benefits vis-à-vis permanent workers performing similar work. This is significant because it formally accommodates labour market flexibility while attempting to preserve a baseline of equal treatment.

⁷ Ministry of Labour and Employment, Government of India, *Compliance Handbook for Employers Under the Four Labour Codes*, Ministry of Labour and Employment, New Delhi, 2026.

The Worker Re-Skilling Fund is another notable feature highlighted in implementation material. This fund is linked to retrenchment and signals an effort to temper the harsher effects of workforce downsizing by connecting labour displacement with employability support. Although the existence of such a fund is normatively welcome, its real significance depends on accessibility, funding sufficiency, and the institutional design of re-skilling delivery.

Overall, the Industrial Relations Code appears to shift the centre of gravity from strict procedural control towards calibrated flexibility with retained dispute-resolution mechanisms. Whether this model creates industrial harmony or weakens labour's bargaining power remains a central question for future legal scholarship and judicial review.⁸

Code on Social Security, 2020: Expansion of Welfare Coverage

The Code on Social Security, 2020 may be the most socially ambitious of the four codes because it seeks to reorganise welfare entitlements within a single legislative framework. Professional and official summaries of the 2025 regime emphasise social security expansion as a defining highlight, particularly the inclusion of gig workers, platform workers, and unorganised workers in the legal imagination of labour welfare. This shift is especially important in India, where a large part of the workforce operates outside standard employer-employee arrangements and where the growth of digital platform work has exposed the limits of traditional social insurance categories.

Implementation guidance further notes that aggregators are expected to contribute in relation to gig and platform workers. This marks a conceptual departure from orthodox labour law, which typically ties social security liability to a clear bilateral employment relationship. By creating contribution obligations linked to platform intermediation, the new framework experiments with a hybrid welfare model better suited to digital labour markets.

The code also has implications for employer cost structures. Professional analysis identifies increased social security cost, employer contributions, and gratuity-related exposure as core impact areas for organisations under the new regime. Once the wage definition becomes more uniform and inclusive for statutory purposes, provident fund, gratuity, and related benefit liabilities may rise, particularly in organisations whose salary structures previously relied

⁸ Taxmann's Editorial Board, *New Labour Codes with Comparative Study of New Labour Codes & Old Labour Laws* 112-150 (Taxmann Publications, New Delhi, 2026).

heavily on allowances. Thus, the Social Security Code cannot be read in isolation; its economic effect is interlinked with the Code on Wages.

Another policy significance of the Social Security Code lies in the possibility of better worker registration and benefit traceability. Official and industry summaries refer to the larger objective of a social security fund for unorganised workers and wider coverage mechanisms under the new system. If implemented properly, such measures could reduce invisibility in the labour market and improve access to welfare for workers traditionally excluded from formal labour regulation. Yet, success will depend on digital inclusion, Aadhaar-linked access systems where applicable, and inter-governmental coordination.⁹

Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 consolidates a large set of enactments related to workplace safety, welfare, and employment conditions. According to official summaries, it subsumes 13 laws and is intended to create a more coherent framework for health, safety, and welfare obligations across establishments. This consolidation matters because workplace regulation in India was previously dispersed across enactments dealing separately with factories, contract labour, migrant workers, construction workers, and similar categories.

Implementation guidance highlights several practical changes under this code and adjacent compliance reforms. These include common registration, common records, use of technology in inspection and certification, inspector-cum-facilitator mechanisms, common crèche facilities, and a single licence applicable for multiple states in relation to contract labour compliance. The validity of licence is also stated to increase to five years, and the threshold relating to contract labour registration is described as 50 or more contract workmen in the implementation material. Such measures aim to reduce transaction costs while retaining regulatory supervision over working conditions.

The code also widens the reach of worker-protective norms by recognising broader categories such as inter-state migrant workers and by emphasising welfare facilities and workplace

⁹ Ministry of Labour and Employment, Government of India, *Guidance Note on the Four Labour Codes: Implementation and Compliance Framework w.e.f. 21 November 2025*, Ministry of Labour and Employment, New Delhi, 2025.

responsibilities of principal employers. Larger coverage for inter-state migrant workers is specifically identified as an employee benefit under the new framework. This is significant in a country where migrant labour often experiences weak contractual documentation, uncertain social security access, and poor living or transport conditions.

Women workers are another important focus area. Implementation analysis states that women may be permitted to work at night with consent and subject to safeguards. This change aligns the code with a more equality-oriented conception of labour participation while recognising that actual equality requires transportation, security, and workplace safety measures rather than simple formal permission.¹⁰

Compliance Simplification and Digital Governance

A recurring justification for the Labour Codes is compliance simplification. Employers are expected to deal with common registration, common records, and a more standardised regulatory interface rather than navigating separate compliance structures under numerous enactments. The Inspector-cum-Facilitator model also symbolically changes the state's role from purely punitive inspectorate oversight to a blended approach of compliance monitoring and advisory support.

Technology-enabled inspection and certification form a central part of this compliance philosophy. In principle, digitisation can reduce arbitrariness, create audit trails, and improve transparency in enforcement. It may also lower transaction costs for employers operating in multiple states or under multi-site structures, especially when combined with standardised registers and single licences in some areas.

However, simplification is not automatically synonymous with deregulation, nor does digitalisation eliminate compliance burdens. The codes also introduce new responsibilities such as payroll restructuring, policy revision, appointment letters, social security classification, health check-up requirements in certain contexts, and revised compliance documentation. For many organisations, especially those that relied on legacy practices or fragmented contractor models, transition under the new regime may initially increase rather than decrease compliance costs.

¹⁰ Kharbanda, O.P. & Kharbanda, A.K., *New Industrial & Labour Codes, 2026 Edition*, Eastern Book Company, Lucknow, 2026.

Moreover, digital governance raises questions of implementation equity. Small establishments, workers in informal sectors, and those in digitally weaker jurisdictions may face access barriers if compliance and benefit delivery become heavily technology-dependent. Thus, administrative simplification for large employers must be balanced against accessibility and accountability for vulnerable workers.

Impact on Employers

For employers, the Labour Codes bring both simplification and substantive cost implications. Professional implementation analysis identifies several impact areas: social security cost, employer contribution burdens, workforce classification, contractual workforce arrangements, transition planning for registrations and periodic filings, and HR policy revision. This indicates that the reform is not limited to legal documentation; it requires operational redesign in payroll, contracting, record-keeping, and workforce strategy.

The unified wage definition may have the most immediate financial consequences. If allowances and excluded components exceed the statutory ceiling, the excess is added back into wages, potentially increasing the base for provident fund, gratuity, and other statutory payouts. This may reduce take-home pay for some employees while increasing long-term social security benefits, and it certainly requires careful recalibration of salary structures by employers.¹¹

Employer obligations regarding employment formalisation also become more pronounced. Mandatory appointment letters, revised classifications for employees, workers, fixed-term employees, gig workers, and platform workers, and adjustments to HR policies all require institutional attention. In establishments using contract labour extensively, employers must reassess contractor arrangements, principal employer obligations, and compliance responsibilities under the new licensing and welfare framework.

The larger industrial relations architecture may also benefit employers by increasing flexibility in relation to standing orders, retrenchment thresholds, and management responses to strikes or lock-outs. Yet this flexibility carries reputational and relational consequences. Enterprises that approach the codes merely as deregulatory tools may encounter workforce distrust,

¹¹ Malik, P.L., *P.L. Malik's Handbook of Labour and Industrial Law, 21st Edition*, Eastern Book Company, Lucknow, 2025

litigation, or conflict if they do not also invest in communication, fair process, and grievance redressal.

Impact on Employees and Workers

For employees and workers, the New Labour Codes offer a mixed picture of expanded rights, formal recognition, and possible implementation risks. Universal minimum wage protection, central floor wage architecture, and prohibition of gender-based discrimination in wages are clear normative gains under the Code on Wages. Timely payment of wages and the requirement that terminal wage dues be paid within two working days in cases such as dismissal, retrenchment, or resignation also strengthen financial security at moments of labour vulnerability.

The mandatory appointment letter is another important worker-facing reform because it promotes documentary certainty in employment relationships. In sectors where informal hiring has historically obscured wage terms, leave rules, and service conditions, a mandatory written appointment instrument may improve the enforceability of rights and reduce evidentiary ambiguity in disputes. Likewise, the recognition of fixed-term employees with parity principles can prevent some forms of arbitrary inferior treatment.

The Social Security Code's inclusion of gig workers, platform workers, and unorganised workers is potentially transformative. It signals that labour welfare should not be limited to standard contracts of employment and opens the door to a more inclusive social security architecture suited to contemporary labour markets. However, recognition on paper will not automatically ensure effective benefit access unless schemes are adequately funded, registration systems are accessible, and enforcement agencies can handle non-traditional work arrangements.

At the same time, workers may face vulnerabilities under the industrial relations framework if increased employer flexibility is not matched by strong adjudicatory and conciliatory institutions. Raising thresholds for standing orders and prior approval in retrenchment-related situations may reduce procedural safeguards for workers in some establishments. The overall worker impact, therefore, will depend not only on statutory text but on how the reform is implemented, contested, and interpreted in practice.

Gender, Informality, and New Forms of Work

The Labour Codes 2025 also deserve attention from the perspective of gender justice and labour market transformation. The Code on Wages explicitly prohibits discrimination on the ground of gender in matters relating to wages for the same work or work of a similar nature and restricts discrimination in recruitment on the ground of sex, subject to lawful restrictions. This provision continues and rearticulates the equality norm previously associated with equal remuneration legislation.

The post-2025 implementation material further notes that women may work at night with consent and safeguards. This is legally meaningful because it moves beyond older protective restrictions that often had the effect of limiting women's economic participation. Yet, genuine gender inclusion requires more than permission; it requires secure transport, anti-harassment systems, sanitation, welfare amenities, and a non-discriminatory work culture.¹²

The codes are also notable for their recognition of gig workers and platform workers, categories absent or marginal in the older labour law model. This reflects an important shift from industrial-era employment assumptions to a legal recognition of fragmented, task-based, digitally mediated work. In this sense, the new codes attempt to respond to informality not only as a legacy problem but as a contemporary feature of platform capitalism and labour market restructuring.

Challenges and Criticisms

Despite their scale and ambition, the Labour Codes face serious implementation challenges. A central difficulty is the dependence on central and state rules. Even after the 21 November 2025 commencement, professional analysis notes that the labour codes await central and state rule notifications and that existing regulations continue during the transition. This creates uncertainty because employers and workers may know the broad statutory direction but remain unsure about procedural specifics.

Another challenge concerns federal diversity. Labour governance in India has strong state-level dimensions, and the quality of implementation may vary significantly depending on

¹² Indian Law Institute, *Manual on Indian Labour Law with Special Reference to New Labour Codes*, Indian Law Institute, New Delhi, 2025

administrative capacity, political priorities, and regional labour market conditions. A code that appears uniform in central text may operate unevenly across states if rule-making, inspection systems, or wage notifications are delayed or inconsistent.

A further criticism lies in the possibility that simplification may privilege formal compliance over substantive justice. Digital registers and common licences can reduce paperwork, but they do not by themselves guarantee living wages, occupational safety, or meaningful social security access. In fact, where enforcement is weak, a simplified regime might make non-compliance less visible unless data systems and inspections are robust.

Critics also question whether the increased threshold of 300 workers in industrial relations matters unduly favours employers by loosening protections against retrenchment and related workforce actions in many establishments. Supporters counter that this flexibility is necessary for economic growth and ease of doing business. The normative dispute here is not merely technical; it concerns the constitutional and policy balance between labour welfare, industrial peace, and economic competitiveness.¹³

Critical Evaluation

From a doctrinal standpoint, the Labour Codes are best understood as a structural reform rather than a routine legislative revision. They redefine key terms, alter compliance architecture, extend labour law into new sectors, and adjust the allocation of risk between capital and labour. The unified wage definition alone demonstrates how a single conceptual reform can affect several dimensions of employment law, from wage payment to gratuity and social security contribution.

The reform's normative character is hybrid. On one hand, it strengthens baseline protections through universal minimum wages, anti-discrimination rules, timely payment obligations, social security expansion, and mandatory appointment letters. On the other hand, it increases employer flexibility in areas such as standing orders, retrenchment thresholds, and aspects of industrial action governance. Rather than classifying the reform as wholly pro-labour or pro-employer, it is more accurate to see it as a managed reconfiguration of labour governance with asymmetric effects across sectors and worker categories.

¹³ Ministry of Labour and Employment, Government of India, *Compliance Handbook for Employers Under the Four Labour Codes*, Ministry of Labour and Employment, New Delhi, 2026.

Its long-term success will depend on at least four conditions. First, there must be timely and coherent rule-making at both central and state levels. Second, inspection, registration, and compliance systems must be technologically functional yet accessible to smaller actors and vulnerable workers. Third, adjudicatory and conciliatory institutions must remain capable of resolving disputes quickly and fairly. Fourth, the promise of extending protection to gig, platform, and unorganised workers must be backed by workable funding and registration frameworks.

Conclusion

The New Labour Codes 2025 mark a decisive turning point in Indian labour jurisprudence and labour administration. By consolidating 29 central labour laws into four codes and bringing them into effect from 21 November 2025, the legal system has moved toward a more integrated framework governing wages, industrial relations, social security, and occupational safety. The most important changes include universal minimum wage protection, central floor wage architecture, a unified definition of wages, expanded social security for gig and platform workers, mandatory appointment letters, recognition of fixed-term employment, digitised compliance structures, and revised industrial relations thresholds. Yet the codes should not be judged only by legislative ambition. Their real constitutional and social value will be determined by rule-making, implementation, enforcement, and access to remedies. If the transition is managed carefully, the labour codes may improve legal clarity, expand welfare coverage, and modernise compliance in a way that benefits both workers and enterprises. If implementation remains fragmented or enforcement weak, the promise of simplification may outpace the delivery of justice.