

THE CONTRACT LABOUR (Regulations and And Abolition) ACT, 1970

- I. **OBJECT:** To regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances and for matters connected therewith.
- II. **APPLICABILITY:** It extends to the whole of India and applies to :
- a. every establishment in which twenty or more persons are employed or were employed on any day of the preceding twelve months as contract labour
 - b. to every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen.
- The appropriate govt. can extend the provisions of the Act to any establishments or contractor employing less than the number specified above, by notification.
- It shall not apply to establishments in which work is of intermittent or casual nature.
- III. **WORKMEN:** Any person employed in or in connection with the work of any establishment to do any skilled or semi-skilled or unskilled, manual, supervisory, technical or clerical work for hire or reward whether the terms of the employment be expressed or implied but does not include:
- a. Persons employed mainly in a managerial or administrative capacity
 - b. Persons being employed in a supervisory capacity draws wages exceeding Rs.500/ per month.
 - c. An out worker.[Section 2 (i)]
- III **ADVISORY BOARDS:** The central govt. and the state govt. have constituted a Central Advisory Board and a State Advisory Contract Labour Board respectively to advise the govts. On such matters arising out of the administration of the Act. (Section 3 & 4 read with rule 3 to 16 of the Kerala Contract Labour (Regulation and Abolition) Rule 1974.

- IV **REGISTRATION OF ESTABLISHMENT:** Every principal employer of an establishment shall make an application for registration in triplicate in Form No.I to the registering officer of the area along with a treasury receipt showing payment of the prescribed fee.
- If the application for registration is complete in all respects, the registering officer shall register the establishment subject to rule 17 to 20 and issue a registration certificate in Form-II (Section 7 to 9 read with rule 17 to 20)
- V **PROHIBITION OF EMPLOYMENT OF CONTRACT LABOUR:** The appropriate govt. is empowered to prohibit employment of contract labour in any process of operation or other work in any establishment after consultation with the Advisory Board. (Section-10)
- VI **LICENSING OF CONTRACTORS :** No contractor shall undertake or excite any work through contract labour except under and in accordance with a licence issued by the licensing officer (Section-12)
- VII **GRANT OF LICENCES:** Every contractor shall make an application for the grant of a licence in triplicate in Form No.IV along with a treasury receipt showing the prescribed fee to the licensing officer. The application shall also be accompanied by a certificate by the principle employer in Form-V. The licensing officer, after making necessary investigations subject to the provisions, grant a license in Form VI (Section 13. read with rule 21 to 27)
- VII **SECURITY:** The contractor shall deposit a security amount at the rate of Rs.20 for each of the workman to be employed as a contract labour at the time of making application for license. (Rule 24)
- IX **RENEWAL OF LICENCE:** Every contractor shall make an application for the renewal of licence in Form VII in triplicate alongwith the required fee not less than thirty days before the expiry date. If the renewal application is not submitted within the time specified the contractor shall be liable to pay a fee of 25% in excess of the fee ordinary Payable. A duplicate ertificate shall be issued on payment of Rs. 5/- (Section 13, 14 read with Rule 21 to 32)

- X **REGISTRATION FEE:** Number of workmen proposed to be employed on contract on any day. (SRO. No. 973/98 dated 7.11.98)

		Rs.
a.	Up to 50	- 1000
b.	51 to 100	- 2000
c.	01 to 200	- 3000
d.	201 to 300	- 4000
e.	301 to 500	- 6000
f	exceeds	- 10,000

- XI **LICENSING FEE/RENEWAL FEE :**

Number of workmen employed by the contractor on any day.

a.	20 to 50	- 750
b.	51 to 100	- 1500
c.	101 to 200	- 2500
d.	201 to 300	- 4000
e.	301 to 500	- 6000
f.	exceeds 500	- 10,000

APPEAL: Any persons aggrieved by an order of the registering officer/Licensing officer may within 30 days from the date of communication of the order prefer an appeal to the appellate officer. (Section-15 read with Rule 33 to 39)

- XII **WELFARE AND HEALTH:** Every contractor shall provide the welfare and health amenities such as canteens, rest rooms, drinking water, latrines and urinals, first-aid etc. to the contract workers employed, in accordance with Section-16 to 19 read with Rule 40 to 62.

- XIII **LIABILITY OF PRINICPAL EMPLOYER:** If any contractor does not provide the amenities prescribed above within 7 days from the commencement of the employment, the principle employer shall make providions to provide it within 7 days. (Section 20 read with Rule 40)

XIV PAYMENT OF WAGES: The contractor shall be responsible for the payment of wages. The payment shall be made direct or to an authorised person on a working day at the work premise in the presence of an authorised representative of the principle employer. The principle employer shall ensure the presence of his authorised representative at the place and disbursement of wages. (Section - 21 read with Rules 63 to 73)

XV REGISTERS AND RECORDS: Every Principal employer shall maintain:

- a. A register of contractors in Form No.12
Every contractor shall maintain:
- a. a register of contract labours in Form No. 13
- b. a muster-roll in Form-16.
- c. A register of wages in Form 17
- d. A register of deductions, fines etc. in Form 20
- e. a register of fines in Form 21
- f. a register of advances in Form 22
- g. a register of overtime in Form 23

Every contractor shall issue an employment card and is wages slip in Form 19 at least a day prior to the disbursement of wages in Form 14 to each worker within 3 days of the employment of the worker and issue a service certificate in Form 15 on termination of his employment.

In respect of the establishments which are governed by Payment of Wages Act, 1948, the register and records maintained by the contractor as employer under those Acts, and Rules shall be deemed to be registers maintained under this Acts, and Rules.

XVI ANNUAL RETURNS: Contractor shall send half yearly return in Form 24 in duplicate to the licensing officer not less than thirty days from the close of the half year. Principal employer shall send Annual Return in Form 25 in duplicate to the registering officer not later than the 15th February of the succeeding year.

XVII PENALITY: The offences relating to the obstruction to the inspector and refuses to produce the register and records etc. shall be punishable with imprisonment for a term which may extend to three months or with fine which may extend to Rs. 500/- or with both. Contraventions of provisions regarding employment of contract labour shall be punishable with imprisonment for a term which may extend to three months or with fine which may extend to Rs. 1,00/- for every day. Contraventions of the provisions of the Act or Rules in which no other penalties elsewhere provided, shall be punishable with imprisonment for a term which may extend to three months or with fine which may extend to Rs. 1,000/- or with both.

XVIII COGNIZANCE OF OFFENCE: The complaint shall be filed by the Inspector or any person with previous sanction of the Inspector, in writing, to a court not inferior to that of a Presiding Magistrate or the First Class. The complaint shall be filed within three months from the date on which the alleged commission of the offence came to the knowledge of an Inspector.

XIX AUTHORITIES APPOINTED UNDER THE ACT:

1. **a. Labour Commissioner**
 - b. Additional Labour Commissioner (IR and E)
 - c. Additional Labour Commissioner, Kozhikode
 - d. Joint Labour Commissioner (P)
 - e. Deputy Labour Commissioner (HQ)
 - f. Regional Joint Labour Commissioners
 - g. Secretary, State Advisory Contract Labour Board.
 - h. District Labour Officers (E)
 - i. Asst. Labour Officers-Grade 201
2. **REGISTERING OFFICERS (under Section-6)**
District Labour Officers (E)
3. **Licensing Officer (under Sec.II)**
District Labour Officers (E)
4. **APPELATE AUTHORITY**
(under Section-12 (2-a))
 - a. Additional Labour Commissioner, Kozhikode
 - b. Regional Joint Labour Commissioners