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PART IV

Acts of Gujarat Legislature and Ordinances promulgated and Regulations made by the Governor.

LABOUR AND EMPLOYMENT DEPARTMENT

Sachivalaya, Gandhinagar. Dated the 20th July, 2020.

GUJARAT ORDINANCE NO. 7 OF 2020.

AN ORDINANCE

further to amend the Contract Labour (Regulation and Abolition) Act, 1970 in its application to the State of Gujarat.

WHEREAS the Legislative Assembly of the State of Gujarat is not in session;

37of 1970.

AND WHEREAS the Governor of Gujarat is satisfied that circumstances exist which render it necessary for him to take immediate action to amend the Contract Labour (Regulation and Abolition) Act, 1970 in its application to the State of Gujarat;

AND WHEREAS instructions of the President under the proviso to clause (1) of article 213 of the Constitution of India have been obtained;

NOW, THEREFORE, in exercise of the powers conferred on him by clause (1) of article 213 of the Constitution of India, the Governor of Gujarat is hereby pleased to make and promulgate the following Ordinance, namely:-

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- **1.** *Short title and commencement.* (1) This Ordinance may be called the Contract Labour (Regulation and Abolition) (Gujarat Amendment) Ordinance, 2020.
- (2) It shall come into force at once.
- 2. 37 of 1970 to be temporarily amended.- During the period of operation of this Ordinance, the Contract Labour (Regulation and Abolition) Act, 1970 (hereinafter referred to as "the principal Act"), in its application to the State of Gujarat, shall have effect subject to the amendments specified in section 3.
 - **3.** Amendment of section 1 of 37 of 1970.-- In the principal Act, in section 1, in sub-section (4),-
 - (i) in clause (a), for the word "twenty", the word "fifty" shall be substituted;
 - (ii) in clause (b), for the word "twenty", the word "fifty" shall be substituted:
 - (ii) in the proviso, for the word "twenty", the word "fifty" shall be substituted.

STATEMENT

The Contract Labour (Regulation and Abolition) Act, 1970 has been enacted by the Government of India as a means of regulating and ensuring the conditions of service and the payments to the labour employed by the industries.

During the present situation prevailing due to the COVID - 19, it is necessary to boost the economic activity and by way of offering an economic revival package in the State, it is felt that the establishments and contractors which employ more 50 people or more (previously 20) may be covered under the Act. It is also felt that because of the existing threshold limit, principal employers while hiring personnel or procuring commodities find it difficult to execute contracts, as the small units face hardship in ensuring formalities under the Act. It has been observed that the lower limit either encourages noncompliance or restricts the engagement of required labour as per demand. It is therefore, proposed that the existing threshold limit needs upward revision so as to provide more opportunity of employment and facilitate business in small units.

As the Legislative Assembly of the State of Gujarat is not in session, the Contract Labour (Regulation and Abolition) (Gujarat Amendment) Ordinance, 2020, in its application to the State of Gujarat, is promulgated to amend the said Central Act to achieve the aforesaid objects.

Gandhinagar. Dated the 17th July, 2020.

ACHARYA DEVVRAT,

Governor of Gujarat.

By order and in the name of the Governor of Gujarat,

VIPUL MITTRA,

Additional Chief Secretary to Government.
