

Module 4: Engagement of Labour and Construction-Related Laws

1. Role of Labour in Civil Engineering

- Labour is foundational to successful project execution in civil engineering—whether in the construction of buildings, roads, bridges, or large infrastructure.
- Skilled and unskilled workers handle tasks from earthwork to finishing works, setting project pace, cost, and quality.
- Productive engagement, fair treatment, and well-defined responsibilities boost morale, safety, and output.

2. Methods of Engaging Labour

a. On Rolls (Direct Employment)

- Workers are employed directly by the contractor/company.
- Receive wages, statutory benefits, and are covered by company policies (e.g., insurance, provident fund).
- Offers more control and accountability to the employer.

b. Labour Sub-Contract

- Labour recruitment and management outsourced to a sub-contractor.
- The main contractor remains responsible to ensure compliance with labour laws.
- Suitable for large, diverse, or short-term workforce requirements.

c. Piece Rate Work

- Payment is based on the quantity of work completed rather than time spent.
- Encourages productivity; common in bricklaying, plastering, or repetitive tasks.

3. Key Labour and Construction-Related Laws

A. Industrial Disputes Act, 1947

- Governs investigation and settlement of industrial disputes.
- Provides mechanisms for conciliation, arbitration, and adjudication, aiming to maintain industrial peace.
- Regulates strikes, lockouts, layoffs, retrenchments, and closure of establishments^[1].
- Mandates compensation for layoffs and retrenchments and outlines unfair labour practices.

B. Collective Bargaining

- Process where workers (via trade unions) negotiate with employers for better wages and working conditions.
- Recognized under the Industrial Disputes Act, enabling disputes to be settled by negotiation or through statutory processes if negotiation fails^[2] ^[3] ^[4].
- Promotes industrial harmony and worker rights.

C. Industrial Employment (Standing Orders) Act, 1946

- Requires employers (with 100+ workmen; some states reduced to 50) to formally define and certify conditions of employment (standing orders).
- Covers working hours, leave policies, discipline, termination procedures, and classification of roles^[5] ^[6].
- Ensures clarity and consistency in the employment relationship.

D. Workmen's Compensation Act, 1923

- Provides for compensation to workers for injuries, disability, or death arising during employment.
- Covers all workers—including temporary and those engaged through contractors—except armed forces or those under alternative schemes.
- Compensation aims to meet medical, rehabilitation, and financial needs after workplace accidents^[7] ^[8].

E. Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 & Rules, 1998

- Regulates conditions of employment of building and construction workers—applies to establishments with 10+ workers.
- Mandates registration of workers, welfare boards (for social security, pensions, safety), fair wages, work hours, health, safety, and welfare measures (first aid, canteens)^[9] ^[10].
- Aims to reduce vulnerability, accidents, and exploitation in construction.

F. RERA Act 2017 (Real Estate Regulation and Development Act)

- Regulates the real estate sector to promote transparency, accountability, and consumer protection.
- Requires project and agent registration, disclosure of project details, deposit of funds in escrow accounts, and adherence to approved plans and timelines [\[11\]](#) [\[12\]](#).
- Protects the rights of allottees and mandates strict adherence to contractual and legal obligations by promoters and builders.

G. NBC 2017 (National Building Code)

- Provides comprehensive regulations for building construction, safety, fire protection, and design.
- Stipulates requirements for worker safety, health, and welfare facilities at sites (e.g., sanitation, ventilation, elevators, emergency exits) [\[13\]](#).
- Adherence to NBC is essential for legal compliance, project approvals, and safeguarding labour interests.

4. Summary Table: Laws & Engagement Methods

Law / Method	Purpose/Key Feature	Applicability
On Rolls, Labour Sub-contract, Piece Work	Modes of engaging and remunerating workforce	All construction and engineering projects
Industrial Disputes Act, 1947	Resolves industrial disputes, regulates strikes/lockouts/layoffs	All industrial establishments
Collective Bargaining	Negotiated settlement of worker-employer disputes	Unionized workplaces
Standing Orders Act, 1946	Codifies terms/conditions of service	Industrial units with 100+ (or 50+) workers
Workmen's Compensation Act, 1923	Compensation for work-related injuries/death	All employees in hazardous occupations
BOCW Act, 1996 & Rules, 1998	Welfare and safety for construction workers	Construction establishments with 10+ workers
RERA Act, 2017	Regulates real estate, ensures transparency, consumer rights	All real estate projects/builders
NBC 2017	Building design/construction/safety standards	All building construction in India

5. Key Takeaways

- Proper engagement and legal protection of labour are essential for ethical, safe, and efficient civil engineering projects.
- Compliance with statutory laws and standards ensures not only the welfare of workers but also timely and cost-effective project completion.

- Legal requirements go beyond wages to include safety, health, social security, grievance redressal, and contractual fairness for all parties involved.

These frameworks collectively create a safe, fair, and sustainable environment for labour in civil engineering and construction sectors [\[1\]](#) [\[2\]](#) [\[5\]](#) [\[7\]](#) [\[10\]](#) [\[12\]](#) [\[13\]](#) [\[6\]](#) [\[8\]](#) [\[9\]](#) [\[11\]](#) [\[3\]](#) [\[4\]](#).

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1. https://en.wikipedia.org/wiki/Industrial_Disputes_Act,_1947
2. <https://legalsuvidha.com/blog/collective-bargaining-in-india/>
3. <https://blog.ipleaders.in/all-about-collective-bargaining/>
4. <https://www.criminallawjournal.org/article/131/5-1-34-412.pdf>
5. <https://labour.gov.in/sites/default/files/Industrial-Employment-Standing-Orders-Act-1946.pdf>
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7. <https://lawbhoomi.com/features-of-workmens-compensation-act-1923/>
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10. <https://www.indiacode.nic.in/bitstream/123456789/7682/1/building-and-other-construction-workers-act-1996.pdf>
11. <https://www.bajajfinserv.in/insights/know-all-about-rera-act>
12. <https://www.slideshare.net/slideshow/real-estate-regulation-and-development-act-2017/77206632>
13. <https://www.bis.gov.in/standards/technical-department/national-building-code/>