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246. Does the Industrial Relations Code, 2020, make any provision for setting up an Employee Re-skilling Fund?

Yes, the Industrial Relations Code, 2020, makes a provision for setting up a **Worker Re-skilling Fund**, not an **Employee Re-skilling Fund**. This distinction is crucial because, under the Code, not all employees are classified as workers.

Definitions under the Industrial Relations Code, 2020

The Code defines "employee" and "worker" separately:

1. Employee (Section 2(l))

- Covers persons employed in an industrial establishment for skilled, semi-skilled, unskilled, manual, operational, supervisory, managerial, administrative, technical, or clerical work.
- Excludes apprentices under the Apprentices Act, 1961, and members of the Armed Forces.

2. Worker (Section 2(zr))

- Covers individuals employed in an industry for manual, skilled, unskilled, technical, operational, clerical, or supervisory work.
- Includes working journalists and sales promotion employees.
- Excludes individuals employed in managerial, administrative, or high-salaried supervisory roles (above ₹18,000 per month or as notified by the government).

Since "workers" have a distinct legal definition, the Worker Re-skilling Fund applies only to them and not to all employees.

Provision for Worker Re-skilling Fund (Section 83)

The Code mandates the establishment of a **Worker Re-skilling Fund**, which will:

1. **Be established by the appropriate government** through notification.
2. **Consist of the following contributions:**

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Shekhar Ganagaluru, MSW, LLB, Dip. T&D

HR & IR Specialist | Published Author | Storyteller | Mentor | Trainer | Community Outreach Coordinator | Workplace Safety & Motivation Strategist
begreatseries@gmail.com or follow on LinkedIn | Mobile: 96327 11228

- **Employer's contribution:** Equal to **15 days' wages** last drawn by the worker before retrenchment (or as notified by the Central Government).
- **Other sources:** As prescribed by the government.

3. Utilization of the fund:

- The retrenchment compensation (15 days' wages) must be credited to the worker's account within 45 days of retrenchment.

Key Takeaways

- The fund is only for workers who have been retrenched.
- It is not applicable to all employees, especially those in managerial, administrative, or high-salaried supervisory roles.
- The objective is to provide financial assistance to retrenched workers to support their re-skilling and re-employment.
- Thus, while the Industrial Relations Code, 2020, provides a **Worker Re-skilling Fund**, it does **not** establish an **Employee Re-skilling Fund** that would cover all categories of employees.

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Shekhar Ganagaluru
 MSW, LLB, Dip. T&D
 HR & IR Leader, Author,
 Storyteller, Mentor, Trainer,
 Safety & Motivation Strategist

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