

24x7 law may boost retail jobs by 50%

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MUMBAI: Job creation is set to get a boost with the approval of the Model Shops and Establishment (regulation of employment and condition of services) Bill, which allows

Women could be employed on night shift soon



Highlights

- As per new law, shops, malls and other commercial establishments will be able to operate 24x7 throughout the year
- Women may be employed on night shift but security and other necessary arrangements must be ensured

NEW DELHI: Shops, malls, cinema halls and other commercial establishments will be able to operate 24x7 throughout the year as the Union Cabinet on Wednesday cleared a model law which allows such workplaces to stay open round the clock

While malls already operate on all days, the hours can be further expanded, while smaller establishments employing 10 or more staffers will also be able to stay open longer provided respective states agree to implement the model law. The law

specifies measures to ensure safety of women working till late at night. The proposed change in work conditions for women is intended to end "protective discrimination" that reduced employment opportunities for women employees, finance minister Arun Jaitley said.

Better working conditions is a key focus area of the law, which will cover establishments employing 10 or more workers, except manufacturing units.

The bill provides for women to be employed on night shifts with adequate security, provision of rest rooms and transportation while also listing working conditions such as drinking water, canteens, first aid, lavatory and a creche.

There is also a provision to exempt highly-skilled workers like those in IT and bio-technology from a daily 9-hour work-day and weekly 48 working hours. However, it will be subject to maximum 125 over-time hours in a quarter.

The Model Shops and Establishment (Regulation of Establishment (Regulation of Employment and Condition of Services) Bill 2016, proposed by the labour ministry, will not require Parliament's approval and can be adopted by states in totality or modified as per their requirements. This means the bill is only an advisory and its implementation depends on states.

An official said the law will help in generating more jobs as shops and establishments will have freedom to operate for longer hours round the year. In a pro-worker move, the bill has made a provision for five paid festival holidays in addition to national holidays.

Prime Minister Narendra Modi has said that if big malls can run 365 days, the restriction on small shops is unfair. The model bill will bring about uniformity in the legislative provisions, making it easier for states to adopt it and thereby ensure uniform working conditions across the country and facilitate the ease of doing business and generate employment opportunities.

As per the bill, the government will have powers to make rules regarding adequate measures to be taken by the employers for the safety and health of workers.

Times View

This is a piece of legislation the states would do well to adopt.

Specifying time limits for eateries, malls and cinema halls has no place in today's world. Global cities never go to sleep and there's no reason ours should be different. It also makes no sense to prohibit women from working late hours. Yes, their safety is a matter of concern, but the answer is not to shut them indoors. It is to let them stay out while taking safeguards to ensure they are secure. The more working women we see in public spaces through all hours of the day and night, the more secure women will feel. Shutting them in only adds to their feeling of being unsafe.

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shops to remain open 24x7. Hiring experts said the bill, if adopted by states, could lead to a 10% growth in jobs in the short term across retail, IT and services sector. It will also make it easier for employers to have women working in night shifts, giving a leg-up to gender diversity as well.

"Retail and hospitality are the key sectors that will benefit from this kind of flexibility directly and immediately," said Moorthy K Uppaluri, MD & CEO, Randstad India.

BIGGER BITE OF PIE

STOCKS OF RESTAURANTS, COFFEE CHAINS, MALLS		
Stocks	Brands	% Gain
Westlife Development	McDonald's	6.8
Aditya Birla Fashion	Pantaloons	5.6
Speciality Restaurants	Oh! Calcutta, Mainland China	5.3
Shoppers Stop	Shoppers Stop	5.2
Jubilant Foods	Domino's Pizza, Dunkin Donuts	3.8
Tata Global Beverages	Starbucks	1.5
Trent	Westside	1.1
Coffee Day Ent	Café Coffee Day	0.7



Kumar Rajagopalan, CEO, Retailers Association of India, said the total number of people employed by the retail industry could go up by 50 per cent to 6 crore by 2020. At present, the retail industry employs 4 crore people. The new model bill, if adopted along with a comprehensive retail policy, would also provide opportunities for women to partake in the growth story of retail, where 92 per cent of industry comprises traditional retail. The gender diversity of the Indian retail sector is currently at 20-23 per cent, which is way below the global average of 50%.

Vikram Shroff, head-HR Law, Nishith Desai Associates, a legal and tax counselling firm, said: "Once implemented by the respective states, it will enable employers having offices in different states to maintain uniform HR and leave policies, rather than be subjected to different provisions. It will also bring some consistency in terms of labour law compliances although, at the same time, the fines for non-compliances have been significantly increased."

The move will also be a business enabler for the majority of IT companies who cater to international customers and have to operate in shifts running well beyond 8 pm or 9 pm or 24 hours. Sonal Arora, assistant VP, TeamLease Services, who expects a 10 per cent growth in jobs in the short term, said: "While currently also they can continue their operations beyond the regular 9 am to 8 pm/9 pm working hours, but it requires special approval and permission on annual basis, which is not a business enabling provision."

Shroff, however, was surprised to note that the employment termination provisions as contained in the existing Shops and Establishments Act have been excluded from the model law.