

Workers' Rights in the Mining Sector Amidst Environmental Challenges

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Abstract: *The mining industry in India constitutes a vital component of the national economy, providing employment to a substantial workforce. However, the sector remains fraught with challenges, particularly concerning wage regulation and compliance with environmental sustainability mandates. This paper critically examines the labour law framework governing wage regulation in the mining sector, with a particular focus on the legal complexities arising from environmental constraints. The analysis commences with an overview of the legal and regulatory landscape applicable to wages and working conditions in the mining industry, examining the implementation of key labour statutes and their intersection with environmental laws. The paper then explores the jurisprudential and statutory challenges associated with wage regulation, assessing the impact of environmental degradation; such as pollution, land depletion, and occupational hazards on employment security, workplace safety and health, and the financial security of workers. In light of the aforementioned issues, this paper evaluates the efficacy of existing legislative frameworks, highlighting areas where legal reform is imperative to ensure the protection of labour rights while balancing environmental compliance. The study concludes with policy recommendations aimed at achieving equitable and sustainable wage practices within the Indian mining sector, ensuring a just balance between economic development, environmental responsibility, and workers' rights.*

Keywords: Environmental Challenges, Labour Law, Mining Industry, Wage Regulation, Workers' Rights

Article History: Received: 01 July- 2025; Accepted: 15 July- 2025; Published/Available Online: 30 July- 2025

1. Introduction

Industries today form a significant portion of the aggregate economic output of the world, not just India as a separate globally contributing entity. This stems from the fact that every good, service and commodity has some factor of productive labour involved, which may be human or capital in nature. With an increase in technological advancements, producing more output became easier, and the world was able to branch out into previously uncharted territory for economic gain, such as mines and mineral-rich areas that were inaccessible by humans. This process, in a relatively modern context, can be traced to the early industrial revolution fueled by coal. It is common knowledge that coal, being a natural resource, is found deep within the cracks and crevices of the earth, in deep pockets that cannot be readily accessed. The necessity of coal led to the emergence of several mines to harness it. Mines were run by wealthy overseers and employed a rather large workforce of labour, with little to no social security measures. India's colonization carried forward with it this very exploitative practice, not just from a labour-intensive lens, but also from that of a more ecological perspective.

India's coal mining industry, which began in 1774, witnessed sluggish growth until the introduction of steam locomotives in 1853, eventually leading to its expansion and nationalization in two phases, namely the Coking Coal Mines (Nationalisation) Act, 1972, and the Coal Mines (Nationalisation) Act, 1973 to address labour exploitation, unscientific mining practices, and the lack of private sector investment, thereby placing coal resources under government control for systematic regulation and development. The mining and quarrying sector, contributing close to 2% of India's Gross Value Added (GVA), remains a vital economic pillar; however, its dependence on small operational mines raises critical labour law concerns, particularly in wage regulation, social security, and occupational safety, necessitating stronger legal enforcement under statutes. Coal is simply one of many minerals that have been exploited and mined indiscriminately.

With the advent of the 21st century came a heightened sense of global environmental consciousness. The exhaustive and scarce nature of irreplaceable natural resources alongside precarious conditions of work and a slew of violations that mine workers found themselves facing; amounted to a concerted and collective call for action to curb mining on the whole as an industrial process. This, in addition to human rights violations, also compromised job security and their right to work. The right to work is not fulfilled merely by engaging in any form of economic activity. It includes "the right of everyone to the opportunity to gain his living by work which he freely chooses or accepts." What makes a job secure, essentially consists of a physical and

mental component; in the sense that it must offer a safe working environment as well as sustainable long-term employment with a proportionate career trajectory to the years and degree of service, including adequate coverage, relief, benefit and pension as the case may be. This is evident from the inclusion of coverage and wage requirements under the umbrella of fundamental human rights. Such security is not only striven for on an international scale but also on a more national one, as seen in part IV of the Constitution of India. Articles 39(d) and 43 discuss minimum and equal wage requirements, having materialized in the form of the Code on Wages, 2019 and the Code on Social Security, 2020. The Occupational Safety, Health and Working Conditions Code, 2020 and the Industrial Relations Code, 2020; on the other hand, are tangible manifestations of Articles 41 and 42 creating a responsibility on the state to provide safe conditions of work, employment to all and case specific benefits, plus coverage wherever applicable.

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However, despite these legal safeguards, the implementation and enforcement of labour laws in the mining sector remain fragmented, often resulting in poor working conditions, inadequate compensation, and job insecurity. The lack of effective regulatory oversight, coupled with the increasing push for environmental compliance, has created a legal paradox wherein workers' rights and employment stability are often compromised in the name of ecological conservation and resource sustainability. Mine closures, stringent environmental regulations, and the transition towards greener energy alternatives have disproportionately impacted mine workers, many of whom rely on these jobs for their livelihood but are left without adequate social security protections or alternative employment opportunities.

At an international level, the International Labour Organization (ILO) Conventions, particularly Convention No. 131 on Minimum Wage Fixing and Convention No. 155 on Occupational Safety and Health, establish global standards for fair remuneration, workplace safety, and employment security, underscoring the need for states to ensure that labour protections are not eroded under the guise of environmental sustainability. Similarly, the Universal Declaration of Human Rights (UDHR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR) recognize the right to work under just and favourable conditions, reinforcing the obligation of states to strike a balance between economic development, environmental responsibility, and workers' rights. In this context, India's mining labour laws must evolve to better harmonize employment security with environmental sustainability, ensuring that the transition to greener industries does not come at the cost of labour rights and fair compensation.

This paper argues that while India's wage regulation and labour law provisions provide statutory protections for workers in mines, the enforcement mechanisms remain inadequate, particularly in the wake of environmental compliance mandates that indirectly affect wages and employment security. The intersection of labour law and environmental governance in mining has created a legal vacuum, wherein mine workers often bear the economic and social costs of environmental regulations without corresponding protections in wage policies and social security entitlements. Through a critical analysis of domestic laws, case law, and international legal standards, this paper contends that India's mining labour laws require urgent reform to balance economic sustainability, environmental responsibility, and labour protections. The study concludes that a more robust legal framework is imperative to ensure that workers' rights are not compromised under the pretext of environmental compliance, and recommends specific legal and policy reforms to achieve a more equitable regulatory balance.

2. Methodology

This study adopts a doctrinal approach, primarily relying on the analysis of statutory provisions, case law, and international legal frameworks governing wage regulation and workers' rights in the mining sector. The research examines primary legal sources, including the *Code on Wages, 2019*, which amalgamates laws on minimum wages and payment structures; the *Occupational Safety, Health and Working Conditions Code, 2020*, which governs employment conditions in hazardous industries; and the *Social Security Code, 2020*, which establishes entitlements such as provident funds and workers' compensation. Additionally, relevant constitutional provisions, such as *Article 21 (Right to Life)*, *Article 23 (Prohibition of Forced Labour)*, and *Article 43 (Living Wage Principle)*, are analyzed to assess the broader legal protections afforded to mine workers. The study also incorporates judicial precedents from the Supreme Court of India and High Courts, interpreting wage rights, occupational safety, and employer liability in the mining sector.

In addition to domestic legal sources, the research engages with international labour standards, particularly *ILO Convention No. 131 (Minimum Wage Fixing)* and *ILO Convention No. 155 (Occupational Safety and*

Health), to evaluate India's compliance with global best practices. Secondary sources, including scholarly articles, reports from the Ministry of Labour and Employment, trade union publications, and policy analyses, are utilized to provide a contextual understanding of the practical challenges in implementing wage regulation amid environmental compliance mandates. Comparative legal analysis is also undertaken, examining wage regulation mechanisms in mining sectors in jurisdictions such as South Africa and Australia to identify potential legislative and policy improvements in India. The research is guided by key questions, including how labour laws regulate wage structures in the mining industry, the legal impact of environmental regulations on wage protection, and the role of judicial interpretation in shaping labour rights enforcement. Through this multifaceted legal analysis, the study aims to assess the effectiveness of India's wage regulation framework in ensuring fair and sustainable labour protections while addressing the economic consequences of environmental regulations.

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3. The Legal Framework Governing Wage Regulation and Labour Rights in Mining

Mining, being a labour-intensive industry, requires adequate statutory, legal and social protection from commercial and humanitarian exploitation. In India, this is achieved through three measures, namely, constitutional provisions, legislation and judicial pronouncements extending the scope of protection offered. The Indian Constitution enshrines labour rights, wage regulation, and employment security within its framework, particularly through Fundamental Rights and Directive Principles of State Policy (DPSP). These provisions lay the foundation for ensuring just, humane, and equitable working conditions, especially in hazardous industries like mining, where workers are often victims of exploitation, low wages, and precarious employment conditions.

The right to life and personal liberty under Article 21 of the Constitution of India has been expansively interpreted by the Supreme Court of India to include the right to livelihood, humane working conditions, and fair wages. In *Olga Tellis v. Bombay Municipal Corporation*, the Court held that depriving an individual of their means of livelihood is tantamount to violating their right to life. The mining industry, characterized by inherent occupational hazards, unsafe conditions, and wage insecurities, must therefore be regulated in a manner that upholds the dignity and well-being of workers.

Additionally, Article 23 prohibits forced labour and human exploitation, which is especially relevant in the mining sector, where instances of bonded labour and exploitative contractual employment have historically been prevalent. The *Bandhua Mukti Morcha v. Union of India* case reaffirmed that forced labour is unconstitutional, and the state has a duty to protect workers from exploitative conditions. Despite these constitutional protections, wage suppression, contract-based employment, and inadequate legal enforcement continue to undermine labour rights in mining.

The DPSP, though non-justiciable, mandates the State to secure economic justice and promote the welfare of workers. Article 39(d) emphasizes equal pay for equal work, ensuring that workers engaged in the mining industry receive fair compensation irrespective of gender or employment status. Moreover, Article 43 directs the State to secure living wages and decent conditions of work, emphasizing the necessity of statutory wage regulation in industries with hazardous employment conditions.

These constitutional mandates have materialized in labour legislation such as the Code on Wages, 2019, which aims to consolidate wage laws, establish a floor wage, and prevent exploitation. However, gaps in enforcement and compliance remain significant challenges, particularly in the informal and contract-driven segments of the mining workforce. As such, labour reforms must be strengthened to align constitutional wage protections with robust legal enforcement mechanisms.

The Indian labour law framework provides a structured regulatory mechanism aimed at ensuring fair wages, occupational safety, and social security protections for workers engaged in the mining sector. Given the inherent risks and precarious working conditions associated with mining, specific legislation has been enacted to safeguard workers' rights, wage entitlements, and employment conditions. These laws establish minimum wage structures, workplace safety protocols, and social security benefits, forming the cornerstone of labour protections in the mining industry. The *Code on Wages, 2019*, which consolidates and rationalizes existing wage-related legislation, establishes comprehensive wage protection measures applicable to all workers, including those in the mining sector. The legislation mandates minimum wage fixation, ensuring that mine workers receive fair remuneration in line with economic realities and industry-specific conditions.

Additionally, the Code prescribes floor wages, i.e., a benchmark below which wages cannot fall aimed at preventing exploitation in low-wage sectors such as mining. Employers are further obligated to ensure timely wage disbursement and compliance with statutory payment norms, thereby addressing delayed wage payments and arbitrary deductions which are issues commonly faced by mine workers.

The mining industry, due to its high-risk working environment, necessitates stringent occupational safety standards and regulatory oversight. The *Occupational Safety, Health, and Working Conditions Code, 2020 (OSH Code)* integrates and updates existing workplace safety laws, providing a unified legal framework for ensuring hazard-free working conditions in mines. The legislation prescribes maximum working hours, adequate rest intervals, and emergency preparedness measures, acknowledging the physical strain and hazardous nature of mining operations. Furthermore, it mandates protective equipment, ventilation requirements, and healthcare facilities, ensuring that mine workers are safeguarded against occupational diseases, cave-ins, and other industrial accidents. However, compliance remains a challenge, as several small and unregulated mining operations fail to meet prescribed safety standards, leading to workplace fatalities and chronic health conditions among workers.

The *Social Security Code, 2020*, consolidates multiple labour welfare legislation to extend social security protections, financial assistance, and post-retirement benefits to workers across industries, including mining. Given the temporary and often informal nature of employment in the mining sector, the legislation seeks to bridge social security gaps by ensuring compulsory provident fund contributions, employment injury compensation, and medical insurance coverage for workers. Additionally, the Code mandates gratuity payments for mine workers who have completed a minimum period of continuous service, ensuring long-term financial stability. However, implementation issues persist, particularly in the unorganised mining sector, where workers remain outside the purview of formal social security schemes.

The *Mines Act, 1952*, one of the earliest regulatory statutes for the mining industry, continues to play a crucial role in prescribing safety norms and employment measures. The Act provides detailed regulations on wage structures, working hours, and occupational safety requirements in mines, ensuring that workers are not subjected to excessive working hours or exploitative conditions. It also mandates safety inspections, accident reporting procedures, and welfare facilities, placing a legal obligation on employers to ensure the well-being of mine workers. However, enforcement loopholes and the increasing shift toward contractual labour models have undermined the effectiveness of these protections, necessitating stronger regulatory oversight and stricter compliance mechanisms.

The legislative framework governing wage regulation and labour protections in the mining sector demonstrates a clear intent to protect workers' rights, eradicate exploitation, and promote safety. However, the gap between statutory provisions and on-ground enforcement remains a pressing issue, particularly in unregulated and informal mining operations. While laws such as the Code on Wages, the OSH Code, the Social Security Code, and the Mines Act lay down progressive protections, effective implementation, employer accountability, and proactive regulatory oversight are essential to realizing their intended impact in ensuring just and equitable working conditions for mine workers.

Judicial pronouncements have played a pivotal role in shaping minimum wage enforcement, worker compensation, and labour rights in India, particularly in industries such as mining, where wage suppression and hazardous working conditions remain prevalent. The Supreme Court of India and High Courts have repeatedly reinforced the constitutional and statutory protections for workers, emphasizing the need for just wages, safe workplaces, and effective compensation mechanisms.

The enforcement of minimum wage laws has been a subject of extensive judicial scrutiny, particularly under Article 39(d) of the Constitution and the Code on Wages, 2019. In *Workmen v. Management of Raptakos Brett & Co.*, the Court emphasized that minimum wages must account for social security, housing, and other basic necessities, ensuring a living wage standard rather than mere subsistence wages.

Worker compensation in the mining industry has been addressed in judicial precedents interpreting the Employees' Compensation Act, 1923, and the Occupational Safety, Health and Working Conditions Code, 2020. In *National Insurance Co. Ltd. v. Mubasir Ahmed*, the Supreme Court reinforced that employers are mandatorily liable for compensation in cases of workplace accidents, regardless of contributory negligence by the worker. Moreover, in *Kishore Lal v. Chairman, Employees' State Insurance Corporation*, the Court

underscored the welfare-centric interpretation of worker compensation laws, holding that social security legislation must be construed liberally in favor of workers.

The issue of contractual employment in hazardous industries has also been examined in various judgments. In *Steel Authority of India Ltd. v. National Union Water Front Workers*, the Court clarified that contract workers engaged in core mining operations must be regularized and granted equal pay and benefits as permanent employees, emphasizing equal wage principles under Article 14 of the Constitution.

These judicial pronouncements demonstrate the Indian judiciary's commitment to protecting wage rights, ensuring fair compensation, and strengthening labour protections in mining. However, challenges in enforcement and employer non-compliance continue to undermine these rights, necessitating stricter regulatory oversight and enhanced judicial intervention to uphold fair labour standards in hazardous industries.

4. Wage Regulation Challenges in the Mining Sector

Mining employment in India is characterized by high precarity, with a significant reliance on contract labour, informal workers, and even “gig” arrangements for ancillary tasks. Legally, the *Contract Labour (Regulation and Abolition) Act, 1970* (now subsumed under the Occupational Safety, Health and Working Conditions Code, 2020) was enacted to curb the exploitation of contract workers by empowering the government to prohibit their use in core activities. In the mining sector, the government has indeed issued notifications abolishing contract labour in certain mineral mines, as seen by steps upheld by the Supreme Court as necessary to prevent “exploitative labour practices in key industries”. Despite such measures, many mine owners continue to engage workers through contractors or on casual terms, creating a two-tier workforce where permanent miners receive negotiated wages and benefits, while contracted or informal miners often toil for lower pay and without job security. Indian law ostensibly provides wage protections to all categories of mining workers.

The Code on Wages, 2019 extends to “all employees” including those in mines, and it *mandates* that no employer shall pay any worker less than the applicable minimum wage. In practice, however, minimum wage violations are rampant in informal mining operations, ranging from small stone quarries to privately operated coal mines due to poor enforcement. The Supreme Court has treated the non-payment of statutory minimum wages as a form of *forced labour*, forbidden by Article 23 of the Constitution. In *People's Union for Democratic Rights v. Union of India* (1982), the Court famously held that any worker paid below the minimum wage is effectively being coerced to work under “economic compulsion” and such exploitative labour amounts to forced labour in violation of Article 23. Likewise, in *Sanjit Roy v. State of Rajasthan* (1983), it was affirmed that the state cannot deny minimum wages even under relief work schemes without offending fundamental rights. These constitutional doctrines underscore that denial of minimum wages in mining is not merely a statutory infraction but a fundamental rights violation, obligating authorities to prosecute defaulting employers. Yet on the ground, contract and casual miners often have little recourse to assert these rights.

The precarious status of gig and informal workers who may not be recognized as “employees” in the traditional sense further complicates enforcement. For instance, a trucker or equipment operator engaged on a per-trip “gig” basis at a mine might fall through the cracks of labour protections, since labour inspectors focus on formal employment relationships. The result is a persistently low wage floor for many mining workers, undermining the very purpose of the *Code on Wages, 2019*. In short, while Indian law formally prohibits sub-minimum wages and unfair contracting in mining, the prevalence of casualisation and outsourcing in the sector presents a serious challenge to wage regulation. Ensuring the “minimum living wage” envisioned by the Code on Wages for all miners requires closing the gap between law and reality through stricter implementation of the labour codes and holding principal employers accountable for abuses by their contractors.

The mining industry's compliance with environmental and safety regulations has had complex legal repercussions for labour and wages. In recent years, courts and tribunals enforcing environmental laws have ordered the closure of numerous mines found violating pollution norms or operating without proper clearances. These environmental compliance actions, while aimed at protecting the public interest, have often led to mass layoffs of mine workers. For example, a series of Supreme Court judgments in the iron ore

and coal mining sectors (notably in Goa and Karnataka) resulted in an outright ban or suspension of mining activities, causing an estimated loss of over 1.28 million jobs in those regions. The Federation of Indian Mineral Industries has argued that sweeping court-ordered mine closures to curb illegal mining and environmental damage have had dire consequences on employment. From a legal standpoint, however, the rights of workers affected by such closures remain tenuous. Neither the environmental statutes (such as the Environment (Protection) Act, 1986 and the Mines and Minerals Act) nor labour laws provide a clear mechanism to compensate or rehabilitate workers laid off due to environmental enforcement. This regulatory gap means that even when mining companies face penalties or operational restrictions for “non-compliance with environmental standards”, the brunt is often borne by workers in the form of lost wages and jobs. Employers, in defending environmental PILs, have highlighted this social cost; but courts have generally prioritized ecological protection over short-term economic harms, leaving it to the State to devise relief measures for displaced labour if any. Legally, some state governments have announced financial packages or alternative employment for workers hit by mine closures, but these are policy responses rather than enforceable rights. The tension between environmental compliance and labour welfare in mining thus poses a unique challenge: how to reconcile the State’s duty to protect the environment (as mandated by Article 48A of the Constitution and various green laws) with its obligation to safeguard the livelihood of workers (as enjoined by the Directive Principles on worker welfare).

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Environmental compliance costs short of closure also impact wage regulation in less direct ways. Mining companies now must invest in pollution control, land rehabilitation, and pay hefty fines for environmental violations (for example, the Supreme Court in *Common Cause v. Union of India* (2017) imposed 100% penalties on illegal iron ore extraction, running into thousands of crores). These added costs can squeeze companies’ wage budgets, especially in smaller mining firms. Although wages have a priority claim under the Code on Wages and cannot be dipped below the statutory minimum, there is evidence that companies respond to compliance pressure by curbing bonus payouts, overtime hours, or future wage hikes for miners, all of which affects workers’ overall earnings. In a legal sense, one could argue that frequent regulatory fines and forced suspensions might push an employer into financial distress, potentially leading to proceedings under the Industrial Disputes Act, 1947 (now the Industrial Relations Code, 2020) for retrenchment or closure where workers may only get minimal severance. Thus, robust environmental enforcement without parallel safeguards for labour can indirectly undermine the spirit of labour laws that seek to guarantee fair wages and continuous employment.

A related facet is occupational disease and employer liability which are effectively an interface of environmental conditions and labour rights. Mining is associated with severe occupational health hazards, the most notorious being silicosis, coal workers’ pneumoconiosis (black lung), and other lung diseases from prolonged dust exposure. Laws like the Mines Act, 1952 (now replaced by chapters in the OSH Code 2020) and the Employees’ Compensation Act, 1923 (now part of the Social Security Code, 2020) recognize these diseases as compensable occupational illnesses. For instance, silicosis is listed in Part C of Schedule III of the 1923 Act, legally entitling a mine worker (or their dependents) to compensation from the employer if the disease is contracted in the course of employment. In practice, however, many miners suffering from occupational diseases have struggled to receive timely compensation and medical care, revealing an enforcement deficit in occupational health regulation.

In a landmark judgment, *Peoples’ Rights and Social Research Centre (PRASAR) v. Union of India* (2024), the Supreme Court castigated the government for its inadequate response to silicosis among mine and factory workers, issuing sweeping directives: mandating “*stringent... safety standards in industries prone to silica dust*,” periodic health screenings, and creation of a fund for “timely compensation and rehabilitation” of affected workers. This judgment underlines that occupational health is squarely a legal responsibility, not merely a welfare concern and non-compliance can attract constitutional remedies. For mining companies, it means that neglecting workers’ health (e.g. not providing protective gear or failing to conduct mandatory medical examinations as required by law) can lead to legal liability far beyond the statutory compensation which includes damages for fundamental rights breaches. From the perspective of wage regulation, serious occupational risks bolster the case for a “hazard pay” component or higher minimum wage in mining to account for the health costs borne by workers. The Code on Wages, 2019 allows different minimum wage rates based on the difficulty or hazardous nature of work, which would lawfully permit higher wage floors for mining work. However, whether state authorities actually fix a higher minimum wage for miners (as

some states do for certain dangerous employment) is inconsistent. In sum, environmental compliance in mining, while indispensable, has a dual impact on wage regulation: enforcement actions can jeopardize employment and wages in the short term, and strict health standards call for internalizing the cost of worker safety into the wage structure. The law is gradually evolving to address this tension; for instance, recent directives suggest a move towards compelling employers or the state to establish compensation funds for workers affected by mine closures or pollution but a coherent statutory scheme is still lacking.

Mining, often categorized as a "public utility service," mandates advance strike notices and prohibits strikes during conciliation proceedings. These restrictions have weakened the leverage of mineworkers' unions, leading them to explore alternative advocacy mechanisms, such as litigation and policy engagement. Additionally, legal frameworks have failed to mandate compulsory collective bargaining, allowing employers to avoid wage negotiations. The OSHWC Code, 2020 has introduced safety committees, granting unions oversight in workplace safety. However, enforcement gaps persist, particularly in unorganized mining operations where union presence is minimal. Despite judicial interventions, such as the Zenith case, which upheld regularization of contract workers in perennial mining operations, the erosion of union rights post-2020 has tilted the legal framework in favor of employers. To ensure just wage regulation, India's mining laws must harmonize environmental and economic policies with stronger collective bargaining protections.

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5. Mining Wage Regulation in India vs. Global Standards

International benchmarks set by the ILO and the UNO inform India's legal framework on mining wages and safety. ILO Convention No. 155 (Occupational Safety and Health, 1981) prescribes that ratifying states adopt a coherent national policy on workplace safety and health across all industries. It obligates employers "so far as is reasonably practicable" to ensure that mines, machinery and processes under their control are safe and without health risks. Although India has not ratified C155, its principles influence Indian law such as the act concerning mines and regulations under it, which echo these duties by mandating safety measures, inspections, and accident reporting. In practice, however, the impact of C155's standards in India has been limited by weak enforcement. India's mining sector continues to see frequent accidents and occupational diseases, indicating that merely having OSH provisions "on paper" (even if C155-aligned) is insufficient without robust implementation. Notably, in 2022, the ILO added the right to a safe and healthy work environment to its Fundamental Principles, elevating conventions like C155's importance. This puts additional moral pressure on India to strengthen mine safety regimes consistent with international norms.

ILO Convention No. 131 on Minimum Wage Fixing, is another key instrument aimed at wage protection. It requires each member state to "establish a system of minimum wages" with legal force, covering all groups of wage earners, and to set rates considering workers' needs (cost of living, family size, social security) and economic factors (productivity, employment levels). India has not ratified C131, historically due to concerns that domestic law was not fully in conformity. Nonetheless, India's laws have progressively moved toward the Convention's objectives. The Minimum Wages Act 1948 (predecessor to today's Code on Wages 2019) allowed the government to fix minimum wage rates for scheduled employment (including mining), but many categories of workers remained uncovered. Responding to the broad coverage principle of C131, the Code on Wages now extends minimum wage provisions to all sectors and workers, organised or unorganised. This universalization is a significant step toward ILO standards, theoretically ensuring even contract and casual mine workers are entitled to at least a statutory floor wage.

Beyond the ILO, the United Nations Guiding Principles on Business and Human Rights (UNGPs) serve as a global standard relevant to mining. The UNGPs (endorsed by the UN in 2011) impose a state duty to safeguard human rights and a corporate-social responsibility to respect human rights in business operations. In the context of mining wages, this means the Indian government is expected to enforce laws that prevent labour abuse (like underpayment or unsafe conditions), and mining companies are expected to proactively pay just wages and ensure safe workplaces as part of their human rights due diligence. The UN Guiding Principles specifically call on businesses to provide remediation if rights are violated. India has shown receptiveness to these guidelines; for instance, it has drafted a National Action Plan on Business and Human Rights aligning with the UNGP framework.

South Africa's mining industry has a long history of labour activism and legal disputes over wages. The country's legal framework (rooted in a constitutional right to fair labour practices and statutes like the Labour Relations Act) protects the right to unionize and strike, which has empowered mine workers to push

forcefully for better pay. A salient example was the 2014 platinum belt strike, one of the biggest industrial actions in mining history. About 70,000 mine workers stopped work, demanding a “living wage” of R12,500 per month which is roughly a 150% wage increase for the lowest-paid miners. The strike lasted five months, shutting down major platinum producers, and was marred by violence and police action. It concluded with an agreement that, while falling short of the initial demand, secured a significant pay raise with a path to reach R12,500 over three years.

Australia represents a jurisdiction with both stringent labour protections and rigorous environmental regulation in the mining sector. Mining workers in Australia enjoy comparatively high wages, underpinned by a strong legal framework. The Fair Work Act 2009 establishes a National Minimum Wage and a system of “modern awards” and collective agreements that often set even higher industry-specific wage standards. In practice, a combination of skilled labour demand and union influence has made Australian miners some of the best-paid in the world.

Despite extensive legislation, India’s mining sector faces persistent gaps in wage regulation and worker protection. A notable portion of India’s mining workforce is informal: employed through contractors or working in small-scale and artisanal mines where legal oversight is weak. These workers often receive far less than the statutory minimum wage and lack basic labour benefits. India’s enforcement mechanisms have not kept pace with the expanding legal framework. The regulatory architecture is fragmented, leading to poor oversight. Unlike in South Africa, where a recognized union can bring an entire sector to a halt to demand compliance, or Australia, where regulators rigorously police environmental and labour conditions, in India, legal violations in remote mining areas frequently go unnoticed until a disaster occurs.

6. Policy Recommendations and Legal Reforms

To strengthen mining wage regulation in India, a comprehensive approach is required, addressing legal gaps and enforcement challenges while balancing economic and environmental considerations. The following policy recommendations and legal reforms aim to bolster wage protection and labour rights in the mining sector, in line with global best practices and India’s own developmental goals. Additionally, to enhance compliance with wage regulations, India should introduce a digital wage monitoring system for the mining sector. This could involve mandatory electronic wage payments through bank transfers or government-linked wage payment portals, ensuring transparency and accountability. Countries like Australia and South Africa already mandate digital tracking of wage payments to prevent wage theft and non-payment issues. The Code on Wages, 2019 provides the legal basis for such a system in India, allowing digital payment mandates through subordinate legislation.

Counterbalancing the social and economic costs of mining in ecologically fragile areas means the government should introduce a special living wage requirement for mining workers in regions affected by large-scale environmental degradation. A “living wage” considers actual costs of sustenance, rather than just economic minimums. ILO Convention No. 131 suggests that wages should be periodically reviewed and adjusted in accordance with the cost of living. India’s Constitution also supports the concept of a “living wage” in Article 43, mandating the state to ensure a fair wage for all workers. Aligning national legislation with international standards will help ensure that miners working in ecologically sensitive areas are adequately compensated.

Despite comprehensive legislative frameworks, enforcement remains weak in India’s mining sector. A National Mining Safety Authority should be established, integrating existing oversight bodies like the Directorate General of Mines Safety (DGMS) and State labour Departments to improve inter-agency coordination. Additionally, India should consider ratifying ILO Convention No. 176 (Safety and Health in Mines, 1995), which mandates robust worker participation in safety oversight and direct accountability for employers. Several trade unions and legal experts have recommended that India adopt these standards to mitigate the high fatality rate in Indian mines.

The Code on Social Security, 2020 provides a framework for extending benefits such as health insurance, provident fund contributions, and retirement schemes to unorganised workers. However, implementation has been slow. The government should allocate a specific portion of District Mineral Foundation (DMF) funds, established under the MMDR Act, 1957 to finance social security schemes for informal mining workers.

This would align with best practices in countries like South Africa, where mining companies contribute to social security funds for miners as part of corporate responsibility measures.

One of the primary concerns for mining companies is that stringent wage regulations and safety requirements may increase operational costs. To balance economic viability with labour rights, the government should introduce targeted subsidies for mining companies that adhere to both environmental sustainability norms and fair wage practices. For instance, Australia's Resource Sector Sustainability Policy offers tax incentives to companies that meet sustainability and labour protection benchmarks. A similar policy in India could encourage ethical mining practices without suppressing wages.

Environmental regulations often result in mine closures, leaving thousands of workers unemployed. India should establish an Environmental Rehabilitation and labour Transition Fund, financed through levies on mining royalties, penalties for environmental violations, and public funds. Internationally, Germany and Spain have adopted similar approaches during coal phase-outs, ensuring that displaced miners receive financial compensation and reskilling opportunities. The MMDR Act can be amended to include provisions mandating that a portion of mining revenues be reserved for worker rehabilitation in the event of environmental shutdowns.

By integrating these reforms, India can create a sustainable mining framework that prioritizes fair wages, labour rights, and environmental protection without compromising economic growth. A balanced legal framework will ensure that India's mining industry remains globally competitive while adhering to international best practices in wage regulation and labour protections.

7. Conclusion

The mining sector remains one of the most critical yet legally complex industries in India, playing a pivotal role in economic development while simultaneously raising significant concerns regarding wage regulation, labour rights, and environmental compliance. This paper has sought to examine the intersection between labour law and environmental governance in the mining industry, exposing the legal gaps that continue to undermine fair wage practices and employment security. While statutory protections for mine workers exist through legislation such as the *Code on Wages, 2019*; the *Occupational Safety, Health and Working Conditions Code, 2020*; and the *Social Security Code, 2020*, enforcement remains inconsistent, leaving workers vulnerable to exploitation, wage suppression, and precarious employment conditions.

This study highlights the significant impact of environmental compliance on wage regulation and job security in India's mining sector. While essential for ecological protection, mine closures and penalties have often resulted in job losses and wage cuts, with little legal compensation or safeguards for workers. Although constitutional and statutory protections exist, and have been reinforced by key Supreme Court judgments, weak enforcement and widespread informal employment limit their effectiveness. Compared to international standards, India's framework remains only partially aligned, especially in regulating contract labour and ensuring occupational safety. To address these gaps, the paper recommends introducing a digital wage monitoring system, implementing a living wage policy in ecologically fragile areas, establishing a National Mining Safety Authority, and creating a fund to support workers displaced by environmental actions.

Ultimately, mining workers cannot be treated as collateral damage in the pursuit of environmental conservation, nor can ecological concerns be disregarded in the name of economic growth. Instead, India must adopt a holistic approach that prioritizes both worker protections and sustainable mining practices, ensuring that environmental compliance does not translate into wage suppression or job losses. The evolution of India's mining labour laws must therefore focus on bridging the gap between legal protections and practical enforcement, reinforcing a legal system where workers' rights, environmental responsibility, and economic development can coexist without conflict. Only through comprehensive legal reforms, stricter enforcement mechanisms, and alignment with global best practices can India achieve a mining sector that is not only economically viable but also socially equitable and environmentally sustainable.

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Conflict of Interest: The author declares “No conflict of interest”.