

The Suno India Show

Why Trade Unions are opposing Labor Law Reforms

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The covid pandemic and the subsequent lockdown imposed by the Indian government has unleashed unprecedented economic hardship on the most vulnerable sections of the country. It has also put the unorganised labor force and migrant workers in peril, with many thousands walking to their hometowns, with many hundred dying before they reach their destination. Amidst this humanitarian crisis, some BJP ruled state governments have significantly reformed the labour laws. On May 6th, the UP government announced the suspension of 35 out of the total 38 labour laws in the state for the next 3 years. Central laws like the Minimum Wages Act, Payment of bonus Act and the Payment of Wages Act will not be applicable in Uttar Pradesh. However, Section 5 of the Payment of Wages Act, the Building and other Construction Workers Act 1996, the Workmen Compensation Act 1923 and the Bonded Labour System (Abolition) Act 1976 have been exempted from the ordinance.

The Chief Minister of Madhya Pradesh, Shivraj Singh Chouhan also made an announcement to exempt the employers from their substantive obligations under various labour laws like Factories Act, Madhya Pradesh Industrial Relations Act and Industrial Disputes Act, Contract Labour Act etc through appropriate amendments by executive order or Ordinance for a period of 1000 days, i.e., three years empowering the employers to hire and fire workers “at their convenience”; and there will be no labour department’s intervention in the establishments during the said period. Not only that, the employers were also exempted from payment of Rs 80/- per labourer to Madhya Pradesh Labour Welfare Board.

In order to revive the economic condition, many state governments including Himachal Pradesh, Punjab and Rajasthan have extended the daily working hours from 8 hours to 12 hours for a time period of 2-3 months in the factories. As per the labour department of Rajasthan, the additional working hours will help to restore full supply of essential goods while ensuring minimal presence of people in manufacturing and distribution. The Karnataka government is also considering relaxing laws governing minimum wages, increasing current overtime working hours and easing compliance with key labour legislations.

Hi, I am Kunika Balhotra and for this episode of The Suno India Show, I reached out to Gautam Mody, General Secretary of the New Trade Union Initiative to understand more about the reformed labour laws and how these changes would affect the workers and the employers. The new trade union initiative is a Countrywide trade union center that represents workers across just about every state and every sector in this country.

Kunika (Host): Madhya Pradesh government has proposed changes to the labor laws in the state. So what consequences of this decision will be on the workers?

Gautam Mody (Guest): Several state governments have proposed changes like Himachal Pradesh, Madhya Pradesh and Uttar Pradesh. That's the situation right now. We don't know if others will step in. The Madhya Pradesh government is effectively proposing to offer employers a complete break from the factories act, which would include both having no regulation of working hours, but also not providing very basic things like toilets, rest areas, and of course, no health and safety norms. Uttar Pradesh government of course, is doing very much more than that. It's saying a complete freeze on all labor law for three years, moratorium on all labor law for three years with the exception of the workmen's compensation act, which would take care of compensation in the case of death or accident. For some strange reason, the building and construction workers act and the possibly because they say loosely in that cabinet note laws relating to children and women, we presume the child labor act and the maternity benefit act. What we're looking at is effectively, no right to trade unions, no right to minimum wage, no right to collective bargaining and of course not even right to health and safety. So we're going to see many Bhopals across the country, We're also going to see a complete crushing of working people, lowering of labor standards, the reduction of the wage and people being worked to death. The Prime Minister yesterday expressed anguish over the death of the 16 workers who made a railway track their bed by night. Prime minister does not understand what the source of his anguish is. The BJP government has created this crisis. It's thrown workers overboard. It's thrown the entire working class off the edge. It's fostered it into hunger and destitution and now, it wants to use the opportunity of the pandemic lockdown to take away basic labor rights enshrined, not just as an international law but protected by our constitution.

Host: The government has also said that this ordinance is for a period of 1,000 days i.e. three years and employers would have the power to hire and fire the workers as per their convenience and there would be no intervention of the labor department for these three years. So on what basis was this decision made and what redressal mechanisms will be available to workers?

Guest: On what basis? Three years? I have no idea what they expect to achieve in three years. What have they achieved in six years? It took the economy down. I mean, they took the economy apart, the lockdown has killed it and what they're saying is if you squeeze wages and labor rights, they'll actually revive the economy. Let me for a moment, I mean I am a trade union and obviously I'm most of all concerned about the lives of the working class, but let me set aside the lives of the working class for a moment. How are we going to get out of the economic mess and the catastrophic situation that the lockdown has pushed us into unless working equally have better wages, and can consume better. What was the source of economic crisis before the lockdown? Everybody recognizes the source of the economic crisis was a lack of demand. Lack of demand, of whom? By whom? Lack of a

demand by people who consumed roads, rices, and private jets. No. There was a peer expression by economists, irrespective of ideology that the lack of demand was broad-based. Lack of demand by the working class. Very low wages which needed to be raised. What did Mr Modi's government do? What did the BJP government do? It lowered corporate tax and its actual legislature to which code, which effectively creates a floor wage that is lower than the minimum wage. So it's been an ideological effort of the BJP to constantly undermine the working class, most significantly lower the wage and to and to really do away with trade union drive. What the BJP wants is a dehumanized working class because they do not see what you eat as human beings. They really see them as a factor of production. So how they've come to three years, what they will achieve in three years. The question I'm afraid you'll have to ask them is this country is in the need of more labor law, a much higher minimum wage, a much more stringent regulation of health and safety. And of course all of that, nowhere in the world has come without strong union rights.

Host: Also they have already increased the working hours from eight hours per day to 12 hours per day for three months. Like without lawful compensation to the laborers. As for the factories act. So how will this help the economy if there are plans to decrease the minimum wage? Will not increase the differences between the haves and we have not.

Guest: Yes, but what they are saying, I mean look at the 8 hour struggle, it's a century old struggle more than a century ago. What the BJP government is trying to do is actually take us back a century and a half. If you get into the history of the fight for working hours, it began in Western Europe in the early 19th century. In our country, it began in the 1870s we achieved our first factories act in 1881. What this means for the wage, what it means for the economy and what it means for society is genuinely alarming. I mean these are draconian and inhuman laws that existed in the 19th century

Host: Also is it really legal for the States to do this? Can the courts reverse this decision?

Guest: It's not just about the courts, it's actually for the president of India when there is a law legislated by national parliament on the concurrent list state governments are required to, which is what they have announced it will do, is to seek presidential assent. Now, the understanding of state power to legislate to the concurrent list is that States must offer more, that state legislation that must be a better legislation. So in a way, central legislation sets the benchmark and if there are States that are in a position to do better for working people in the case of labor law, they must do so. Now the president is going to be presumably looking at these requests or applications or whatever they are before him or this weekend. I hope he looks at them with a lot of care or he believes that his job is just to sign on anything that comes from a BJP government, be it at the center or the states. So the first step is presidentially sent. We would hope the president would apply his mind. I think the entire working class of this country is at this moment looking at the president applying his mind. Obviously somebody will take it to the courts as they should. It's too early to tell at this stage but to have faith in the judiciary at this point is as difficult as having faith in this

government. This is a battle for the working class for the Indian working class. It's a battle that has to be fought out on the street, city squares, villages, and that's where this government's draconian measures are going to be cancer. I think the task is for the progressive end of the trade union movement to fight this fight, to provide leadership to this fight. It's for an enormous amount of unity. It falls for an enormous amount of capacity to unite across political thoughts and organizations? That's where the real fight will be fought. When that fight is fought and we do expect it. All of us will join in a large number of our organisations met early this morning to discuss these. We spoke briefly, got connected. We were, we've been discussing, since this has been happening, you know, being doing what we can, but we need to do a lot more.

Host: Also, there are many who claim that the existing labor laws are not conducive for ease of business and of calling the scrapping of these laws. A good move. So what do you think about this?

Guest: No Labor law is ever good for capital and for business. Any law that gives workers rights is always something that businesses ideologically oppose. But who's ever stopped businessmen from doing business in this country who's ever stopped industrialists from being competitive, workers and one industrialist point out how they will not, how they're not globally competitive because of workers or trade unions. This is ideological hogwash. Apart from ideological hogwash, it's institutionalized agendas of capital to lower wages and to undermine worker rights. Various labor laws were undermined over the last six years. Various BJP state governments at that time, Maharashtra & of course Rajasthan the known famously as the Rajasthan model, had investment boards into those States. There's in fact, just, just, just come out a study by the government. The ministry of labor is VV Giri national labor Institute. I just saw that report a couple of days ago, which says that there's, there's not made any, there has been no significant increase in investment or productivity because of the reduction. All of that because of the lowering of labor standards in these States. I think -- contracts were introduced in you know, the whole country two years ago. But if my memory serves me right in what was introduced in the garment and textile sector four years ago has ease of, has this helped India become more competitive? Has it created more jobs, have India's exports and government gone up. The answer to all of these questions is no. China, which is actually more expensive in terms of labor costs and India, it's government exports go up, you're on your return rate faster than India. I'm not talking and going into the countries and in other parts of this continent, in Southeast Asia when we have a cost a lot better of course, yes, a garment exports rise, but India is India's capital is inefficient. India's businessmen want things on the platter. And a part of the platform is to give them the working class on the platter and the BJP government under the leadership of mr Narendra Modi is doing just that and using the pandemic to leverage that.

Host: Sir what does scrapping of these Industrial Dispute Acts mean for the workers?

Guest: What does the industry dispute act do? Industrial dispute act sets of framework in which the rights of workers and employers are protected in an ongoing establishment and are subject to certain levels of regulation. When there is an alternation of that establishment. Well, closure. Suspending the industrial disputes act, makes it free for all employers to do what they want when they want, how they want. It affects workers very badly because you can actually be removed from employment without, without provisions. Of Chapter five A and five B of the industrial disputes you can actually be pushed around under the shop floor. And very importantly, a lot of these provisions are actually provisions to protect not just against exploitation but also against victimisation. You do not unfairly treat someone who is a union member that would amount to an unfair labor practice victimisation. We're already seeing it happening as the economy is slowly coming back to work in many workplaces where on the grounds of social distancing, it shouldn't have been called social distancing ,shouldn't it be called physical distance. Why should we socially distance ourselves? Employers are calling back a smaller number of what the full complement of, they're deliberately not calling those who are union members, active union members, union activists, union leaders. This amounts to an unfair labor practice, which should be a dispute or a dispute under the industrial disputes act. Have you, what actually repealed industrial disputes at the, what provision do you actually file a complaint? So in fact as the lockdown unfolds many employers will do their best to actually ensure that where there was a union, there is no union by keeping union members out, by dividing the workforce in factories or whatever that establishment is.

Host: Also now that these labour laws have been reformed, so what is the plan of action of the trade unions now?

Guest: Well, we have to fight. We have no choice where we're locked in place. Many, many trade unionists have been denied transit passes. There are even instances where trade unions have been locked down by, by forcing them into, into, into government quarantine locations to keep them from doing what we do. What, cause the unions are going to resist they will resist in large numbers. I think we're, you know, seeing resistance in various forms. Mr Modi may not be able to see beyond whatever those kinds of lights or diyas, or thalies that he calls on home. But what does have through the last several days in their alleys, by the windows, on the streets as far as they can go in ones, two ,tens, fifteens maintaining physical distance, wearing face masks, holding up posters for their rights, holding up the black cards for that. Right. That resistance is on. It never went away and it actually never went away from the street. It's just a question of numbers. That's just a matter of time.

Host: You talked a bit about the migrant crisis and death of the migrants from the railway tracks yesterday. Could you tell us more about it? Like, what do you think about these crises and during this lockdown?

Guest: All workers are the same. No, doubt. Some workers are more affected than others. Obviously the best paid workers or government employees are better off. They have

government provided houses. They don't face that. That extremity of crisis. It goes in. The private sector will have the most secure jobs. We've taken a hit but are still being able to face it to some extent. No, those are workers who I'm from the countryside into cities for some parts of the stay for lengths of period of time, years and end. At some point. They have less secure employment. They have low levels of income, wage payment, they have poor quality of accommodation. What have they said? All they're seeking is their right to go home and here is a heartless government, which is saying, no, you stay here. Then finally under pressure, who says there's no resistance in a world where, where, where, where Where the mainstream media is controlled by corporations who were beholden to the government. There's no reporting with which states are the largest protests. The protests have taken place in the state of gujarat, protests have taken place in the city of Surat. Nobody in the mainstream press has reported that. The government finally under pressure started trains. Then, under pressure, they were forced to say those trains would be for free because they thought they could actually make a little bit of money out. No, this is a government that has the mind of a petty businessman. And then suddenly the government of Karnataka woke up and found that if all these workers go away, who's going to show up at the construction sites? We're still, the workers who are present may demand more wages. So stop the train. This is the case of a truly heartless government led by a truly heartless party. That is exactly what I, what I said when I began, the BJP and its government do not believe workers are human beings. If they believe that human beings then they for sure believe that the working class is a lesser being that has no rights to human feelings, no right to emotion, no right to desire, no right to family, no right to do very much else. Apart from the right to freedom of speech, the right to freedom of eating what we want, wearing one, this is a crisis that they created and they continue to create it every stage because they actually do not believe that the working class are the same level or the same level of human being as mr Modi, his industrialist friends and their cohort. We have no doubt in a very grave public health crisis. And I think we need to recognize that the public health crisis has been aggravated and accentuated by a lockdown that was ill-timed, had no planning and has no agenda and has and has and has, is led by our rudderless government that's constantly trying to play the, pay the blame, put the blame on people at large, put the blame on state governments led by other parties other than the BJP constantly passing the buck. I think what a pandemic of this scale is teaching us is that it's the public purpose above all that brings us together as a society. It's the common good. And finally, it's not the CEO's and the CFO's who drive this world when necessary for us survival, but it's the most exploited work of the contract workers, the workers who come from the countryside to the city to make the city workable on the body worker, the Asha worker, sanitation worker, the janitor, the ward boy, the nurse, all of whom are amongst the most exploited workers in this country. The girls and boys working in grocery shops in the transport sector. It's who makes our world happen to make our lives happen. And it's common purpose that will stop where their exploitation will end, is where we will be a livable, just fair, equitable, and democratic society.

Host: As of the time of recording this episode, 7 states have amended or proposed amendments to labor laws through ordinances. Responding to these drastic dilution of labor laws, The International Labor Organisation said that the amendments to labour laws should be done only after a consultation between the government, workers' organisations and employers' organisations. The ILO further said that India should also "strengthen the social dialogue, collective bargaining and labour relation institutions and processes for implementing solutions".

Closer home the RSS affiliated Bharatiya Mazdoor Sangh has decided upon a three-phase protest from 16th - 31st May, In the first phase, the state units of BMS will send letters to district authorities on local issues of non-payment of wages, job losses, relief measures to unregistered workers, migrant workers. In the second phase, the BMS workers will hold district level protests, and in industrial estates, while conforming to social distancing while in the last phase, the BMS will organise sectoral level conventions on the issue of changes in labour laws, and demand their withdrawal.

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