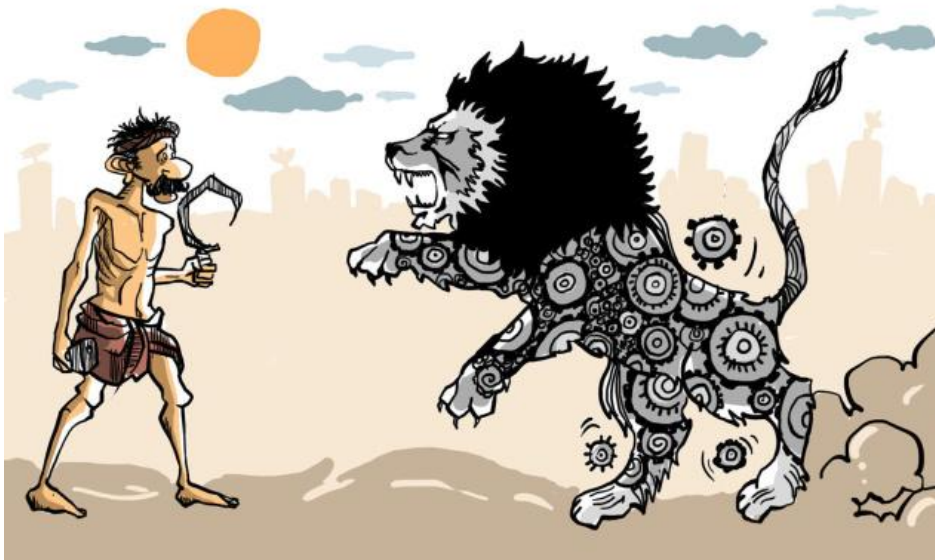


Labour in the twenty-first century



• [G. Sampath](#)



As the NDA government leans towards industrialists by scripting reforms that would legalise and expand contract labour, the big question is: do India's trade unions have it in them to resist this imminent legislative blitz?

On February 24, the RSS-affiliated central trade union Bharatiya Mazdoor Sangh (BMS) will hold a nationwide protest against the NDA government's labour law reforms. On March 10, all the 11 central trade union organisations (CTUOs), including the BMS, will observe a national protest day. And in end-March, they are planning a mass convention on labour policies to mobilise workers. All this comes in the wake of a 15-point pre-Budget memorandum of demands that the CTUOs had submitted to the Union Finance Minister in January.

India's 'labour problem'

Ask any top executive from India Inc. and he would tell you that India has a labour problem. And the International Labour Organisation (ILO) would agree. So here's a quick but unconventional overview of India's 'labour problem'.

There are eight core ILO Conventions against forced labour (also known, in less euphemistic times, as slavery). India refuses to ratify four of those: C87 (Freedom of Association and Protection of the Right to Organise Convention); C98 (the Right to Organise and Collective Bargaining Convention); C138 (Minimum Age Convention), and C182 (Worst Forms of Child Labour Convention). India also refuses to ratify another major convention, C131, or the Minimum Wage Fixing Convention. These refusals in themselves present a succinct picture of the status of, as well as the state's attitude to, labour welfare in India.

The Annual Global Rights Index, published by the International Trade Union Confederation (ITUC), rates 141 countries on 97 indicators derived from ILO standards. The rating is on a scale of 1 to 5-plus, based on the degree of respect accorded to workers' rights. In 2015, India had a rating of 5, the second-worst category. It denotes "no guarantee of rights". Despite being a constitutional democracy, on the matter of worker rights, India is in the same club as Saudi Arabia, UAE and Qatar, all dictatorships.

So yes, India certainly has a labour problem. And a reform of the present labour regime is a must. But what form should this reform take?

In 2014, the industry body FICCI (Federation of Indian Chambers of Commerce and Industry) and AIOE (All India Organisation of Employers) put out a paper titled "Suggested Labour Policy Reforms". It pointed out that "India's obsession with an archaic labour policy... is keeping investors away, hindering employment growth and making Indian enterprises uncompetitive". The paper goes on argue that it is the multiplicity (44 Central and 100-odd at the State-level) of labour laws that is pushing workers to the informal sector, as companies seek "to circumvent the rigorous labour policies".

According to the ILO, "labour market flexibility is as high as 93 per cent in India". This means that 93 per cent of India's workforce anyway do not enjoy the protection of India's 144 labour laws. But industry's solution to the labour problem is a dilution of these laws so that the mass of

informal workers can be employed formally, but without legal protections.

Contrary to the ILO-mandated norm of tripartite consultations between employers, the state, and the unions in formulation of labour legislations, the NDA government has been faithfully following the FICCI-AIOE script, brushing aside CTUO demands. Unless this policy direction is reversed, labour rights and trade unions will become history so far as India is concerned. So the big question is: do India's trade unions have it in them to lead the fight in the face of this legislative blitz?

The CTUOs offered a preliminary answer when they came together to pull off a massive general strike on September 2, 2015, which is estimated to have cost the national economy some Rs. 25,000 crore. Only the RSS-affiliated BMS pulled out at the last minute, so as not to embarrass the ruling NDA.

Many commentators, however, have dismissed this show of strength as mere tokenism. They point to the increasing irrelevance of trade unions in general, and the CTUOs in particular.

Firstly, the argument goes, in a globalised Indian economy, the centre of gravity has shifted from manufacturing to services. Secondly, even in manufacturing, the advent of global supply chains has meant a mass informalisation of employment as multinational enterprises break up the production process and sub-contract to suppliers in different parts of the world. This new norm of fragmented production signals a major victory for capital over labour.

To cite just one example, as reported by the NGO, the India Committee of the Netherlands, 80 per cent of the garment workers in Bengaluru toil in sweatshop conditions. They Make-in-India for reputed global brands such as Gap, H&M, Tommy Hilfiger and Zara — without ever being employees of Gap, H&M, Tommy Hilfiger or Zara. This kind of employment will become the legal norm for India's workers when the proposed amendments become law.

Such hyper-exploitative industrial zones have been around for a while — from Sriperumbudur in Chennai to Bengaluru to Manesar in the National Capital Region. But India's CTUOs have so far proved incapable of impeding this onslaught.

The fatal flaws

Given their failure to mobilise effectively around these adverse changes, the latest salvo of imminent labour reforms has turned the spotlight back on the CTUOs' traditional weaknesses, which could prove to be fatal flaws in the confrontation between labour and capital in the current economic scenario.

The first problem is their political party affiliation. Of the Big Five unions, with a combined claimed membership of over 79 million, the BMS (17.1 million members) owes allegiance to the ruling NDA; INTUC (Indian National Trade Union Congress), with a membership of 33.3 million, is affiliated to the Congress; CITU (Centre of Indian Trade Unions, 5.7 million) is an extension of the CPI(M); AITUC (All India Trade Union Congress, 14.2 million) is a wing of the CPI; and HMS (Hind Mazdoor Sabha, 9.1 million) used to be affiliated to the socialist parties but projects itself as an independent union today.

Party affiliations entail three things: one, a restriction of the CTUO's ability to expand, as it will put off those who do not like its parent party; two, party interests often trump union/labour interests; and three, disunity between the differently-affiliated unions.

For instance, the Congress-affiliated INTUC could not get the UPA to curb the rampant violation of labour laws during its 10 long years in power. Similarly, it is evident that the BMS has had no say in the drafting of the NDA's labour law amendments. While their political masters — the BJP and the Congress — are on the same page so far as labour reforms are concerned, the CTUOs have struggled to forge a united front.

Their second big weakness, according to Chennai-based activist V. Baskar, is the leadership, which he believes is marked by the “bureaucratic mentality” of a labour aristocracy. “Is it really workers who are heading the CTUOs?” he asks. “They may have been workers once but today they function more like bureaucrats. They prefer policy analysis to on-ground organising. They have failed to extend their reach to the growing mass of informal workers.”

The third weakness is less to do with the unions themselves than with the changing labour landscape. With the majority of the workforce outside the purview of unions, their power to intervene or disrupt has also shrunk proportionately.

The pushback on the anvil

But the central trade union leaders counter these criticisms. “It is true that we are more focussed on policy issues,” says Tapan Sen, general secretary of CITU. “But that is because it's an important battle right now. At the same time, we are also involved in struggles on the ground.”

One sector where the CTUOs do admit to some difficulty is the burgeoning IT services sector, which is marked by little union presence despite demanding work conditions. Says AITUC general secretary and CPI politician Gurudas Dasgupta, “Yes, we haven't made much headway in the IT sector. Here our biggest challenge has been the instant termination of workers involved in unionising activity. This has created tremendous fear in the minds of the workers.”

Confirming that this ‘fear factor’ created by managements is a major hurdle to expansion of union activity, INTUC president G. Sanjeeva Reddy says, “Right now industry is aiming for two things: to legalise and expand contract labour; and to develop in-house unions which will dance to the tunes of the management and stay away from CTUOs.”

Says Mr. Sen: “Till about a decade ago, our main challenge was in mobilising the workers in secret and somehow getting the documents to the labour department for registering the union. Once that was done, the trade union became a fait accompli. But today, the state has become such a shameless collaborator that the moment the union papers reach the labour department, a call goes to the employer. They obtain the names of the workers who had applied, and terminate all of them.”

Mr. Sen and Mr. Dasgupta both point out that another hurdle in organising IT workers is their mindset. “They get paid a little more, and just because they wear a tie, good shoes, and have a nice office, they don’t think of themselves as workers. When their exploitation becomes unbearable, their mindset will change. We will be ready for them when the crisis strikes, as it inevitably will,” says Mr. Sen.

Harbhajan Singh Sidhu, general secretary of HMS, points to a larger pattern: “On the one hand, workers anywhere who try to organise a union are immediately terminated — with the state looking the other way. And on the other, there is this constant chorus of voices singing the declining relevance of unions. Can you see what is happening?”

Mr. Sidhu also rejects the charge of disunity among the CTUOs. “All the unions are unanimous on two points: regularisation of contract workers engaged in perennial work; and equal pay for contract workers performing the same job as permanent workers.”

Even the BMS, known for striking out on its own, has been collaborating with CTUOs of ideologically opposite persuasions. Says B.N. Rai, president, BMS: “We are with the other unions in our opposition to three things: FDI, disinvestment and labour reforms. As for labour reforms, the government can reform all it wants provided three entitlements are not compromised: sufficient wages, job security, and worker security. Because the labour law amendments are a frontal attack on these, we will oppose them.”

Striking an ironic note, Mr. Dasgupta points out that much of the credit for uniting the CTUOs should go to the NDA administration: “The current government’s virulent attempt to crush the trade unions has actually helped build unprecedented unity among the different unions.”

Of course, the series of actions planned in March will be a test not only of the CTUO’s unity but also their strength. Mr. Dasgupta rubbishes claims that India’s CTUOs are a spent force rendered even more irrelevant by the absence of a base outside the organised sectors. “We may have limitations,” he says. “But the central trade unions are still very strong in the strategic sectors — oil, coal, banking, defence, insurance. And we will keep fighting the anti-worker programme of this government.”

All the union leaders emphasise that the might of the 11 CTUOs is more than the numerical addition of their individual memberships. “During our general strike last year, it wasn’t just the CTUO-affiliated unions but even independent unions and non-unionised workers who participated. All of them are against labour reforms and a united front of CTUOs will help mobilise the entire mass of workers in both the organised and unorganised sectors,” says Mr. Sidhu.

Summing up, Mr. Reddy strikes a note of conciliation that sounds more like a warning, “The CTUOs have always been open to discussions with the management and the state. We favour solutions that benefit everyone. But under the current government, the employers and the state are together trying to squash the trade union movement. If they do not listen to us, rest assured that our country is in for major turmoil due to labour unrest.”

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Printable version | Feb 22, 2016 9:33:01 AM | <http://www.thehindu.com/opinion/op-ed/labour-in-the-twentyfirst-century/article8258164.ece>

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