Refining Trade Union Strategies

Why in news?

- Ten central trade unions (CTUs) had called for a nation-wide strike to condemn what they consider to be the anti-people and anti-labour economic policies of the government.
- This follows strikes in the coal and defence sectors protesting privatisation and the corporatisation policies of the government.

Click here to read on labour codes and here for state labour laws

What is the rationale for changes in labour laws?

- With the 1991 economic reforms, employers and the global financial institutions have been demanding labour market and structural reforms.
- The reform processes gained momentum since 2015 and the central government has enacted four Labour Codes in the last 2 years.
- The Codes are based on the premise that labour laws and inspection system are obstacles in attracting investment.
- Hence, the government is inclined to promote a cheaper and flexible labour market.

What is the contention now?

- The Codes do extend some labour rights such as -
    i. universal minimum wage
    ii. statutory recognition of trade unions
    iii. formalisation of employment contracts
    iv. social security to gig and platform economy workers
- However, they also afford substantial flexibility to the employers.
    - This comes in terms of easy hire and fire, freedom to hire contract labour and unregulated fixed-term-employment, etc.
- The Codes have also considerably redefined the concept and practice of labour inspection system by diluting it.

What is the post-COVID scenario?

- Many factors have created tremendous insecurity among workers including -
    i. the labour Codes

    ii. reduction of expenditure by the state in the industrial sector and fiscal conservatism, especially in the context of higher levels of unemployment
    iii. stubborn inflation
- Migrant and informal workers underwent woeful experiences during the COVID-19 period.
- The central government and several State governments had seen this as an opportune time to enact labour law reforms.
- But these have far-reaching adverse consequences for labour rights and structural reforms.
- The Farm Bills and the three Labour Codes during the COVID-19 period were passed with Parliament not witnessing "healthy discussions".
- Trade unions contend that many of their suggestions have not been incorporated in the Codes and the COVID-19 relief measures.

What is the way forward for the trade unions?

- The Codes are set to rule the industrial relations system for long unless the government changes.
- In the present context, trade unions have six options to confront or soften the government measures that concern them.
    - These are social dialogue, political lobbying, political confrontation through Opposition parties, legal action by approaching the judiciary, seek the International Labour Organization's intervention, and direct industrial action.
- **Industrial action** - Trade unions are now left with the option of demonstrative "industrial action" followed by sustained protest actions.
- It is in this context that the central trade unions (except the BMS and its allies) have the following demands:
    1. direct cash transfer of Rs. 7,500 per month for all non-income tax-paying families
    2. 10 kg free ration per person per month to all the needy
    3. expansion of MGNREGA to provide 200 days of work in a year in rural areas at enhanced wages
    4. extension of employment guarantee to urban areas
    5. withdrawal of all anti-farmer laws and anti-worker labour codes
    6. a halt to privatisation
    7. protection of government employment
    8. restoration of old pension schemes, etc
- Beyond strikes, the Trade unions must explore other avenues such as seeking the ILO's intervention, judicial action and social dialogue.
- **Judiciary** - The judiciary could be a source of hope for addressing the issue.
- The Supreme Court of India did not respond quickly to provide relief to

migrant workers.

- Nevertheless, it has struck down the Gujarat government's amendment of the Factories Act.
- Unions must shed their judicio-phobia and approach it provided they have strong legal grounds to challenge the reforms introduced.
- **ILO** - Trade unions, out of their patriotic mindset, do not use extensively the complaints mechanism created by the International Labour Organization.
- But they did seek ILO intervention recently.
- However, the ILO's intervention in May 2020 only provided a temporary respite to trade unions as the government did what it has been doing.
- **Social Dialogue** - All the parties in the industrial relations system must make effective use of social dialogue, which is a better alternative in a pluralistic democracy.
- Suitable amendments to the Codes should aid both ease of doing business and promote labour rights.

Source: The Hindu

