

Introduction

We are living today in desperate times. The economic crisis of the world capitalist system is still clearly with us. All indicators show that the rate of profit has been falling since a long time and the fall is even more severe since the last crisis of 2008. Unemployment is on the rise world over and the figures are significantly greater than the pre-crisis 2007 figures. According to the ILO's World Employment and Social Outlook – Trends 2016, unemployment stood at 197.1 million in 2015, 27 million higher than in 2007. This grew by 2.3 million in 2016 to 199.4 million and was expected to rise a further 1.1 million in 2017. This does not take into consideration the massive rise all over the world in what is called “vulnerable employment” corresponding to our informal sector. The informal sector accounts for over 50% of all non-agricultural employment in more than half of the developing countries. In one third of such countries, it exceeds 65%. In India, the National Sample Survey of 2010 has set the informal sector at around 94% of the non-agricultural employment.

In this period of crisis, the only method known to the world capitalist system to alleviate the crisis is to push the burden on the shoulders of the working class and other toiling classes. This can be done in various ways. They can reduce the real wages of the workers and toilers and they can change the tax structure so that the workers and toilers bear more of the tax burden. Real wages are the wages actually received corrected for inflation. Another measure of the workers real wage is the share that the workers get in the total produce of society. To reduce the real wages of the workers, they use various methods – to ensure that the wages and returns of the workers and toilers do not rise at the same rate as prices, to reduce the jobs in the formal sector and to transfer jobs to the informal sector where the wages are much lower, to ensure that lesser and lesser numbers of workers come under the protection provided by the existing labour laws, etc. But however much the ruling classes might try to use trickery and economic sleight of hand, like GST or demonetisation, when the burden of the crisis starts to pinch the workers and the toilers, they will be prone to rise up and fight for their lives and livelihood. This is a basic law of economics. To forestall such a struggle, the ruling classes uses divisive philosophies like racism, religious fundamentalism, (Hindutva, Brahminism, male chauvinism, regionalism,

etc in India) in overt and covert forms. To keep the workers divided on different levels, these divisive ideologies are pushed to the fore and become the most important questions in society – restricting what we can eat, what we can speak, what we can wear, whom we can cheer, etc. The media too plays a role in encouraging such debates in society and in making them antagonistic and acrimonious. These are all clearly stilted attempts to sidetrack the real economic problems facing society.

This world situation is clearly reflected in India as well – only more so. Being fed up with years of Congress and UPA rule, the people – having no other alternative – voted the NDA into power. It is clear that the NDA is made up of the most vile of hypocrites. Ram Vilas Paswan, who walked out of the Vajpayee government in protest against the Gujarat riots of 2002 is unequivocal in his praise of Narendra Modi. Nitish Kumar has never explained when Narendra Modi whom he had severely criticised became the continuing “aparajito”. The AIADMK is playing both sides against the middle. The leadership of the NDA is clearly in the hand of the Sangh Parivar which betrayed India's freedom struggle and which seeks to build a “Ram Rajya” based on the religious fundamentalism of “Hindutva” and an “Akhand Bharat” at the expense of our neighbours and in contradiction to the wishes of the people in places like the North East and Kashmir. At the same time, both the UPA and the NDA have been following the same economic policy – that of neo-liberalism. The only difference is that while the Congress was dithering and content to do it at a slow pace, the NDA is forcing the pace and wants to prove to world imperialist powers that it can implement the policies at a break-neck speed. All the policies such as demonetisation, GST, changes in labour laws were also mooted by the UPA but it was voted out of power before they could be finally implemented.

These economic policies involve allowing imperialist capital from all over the world, and their local allies, to exploit Indian natural and human resources without hindrance. For this, all laws restricting free migration of capital into the country, must be scrapped. For this laws have been changed to allow FDI in various sectors like Automobiles, Defence, Airlines, Airports, Banking, Finance, Railways, Construction, Retail,

Pharmaceuticals, Petroleum exploration and refining, Agriculture, Mining, Media, Education, etc. Secondly, all restrictions on repatriation of the profit have to be removed. For this many new concepts like LLP (limited liability partnership) where the foreign investor can freely repatriate his profits have been introduced, first in 2008 and further developed by the NDA. Now that capital can freely come into and go out of India, it must also be allowed to freely exploit the natural and human resources of India. For natural resources, the laws governing the environment have been greatly liberalised to allow for much greater exploitation. The new Environmental Law Amendment Bill of 2015 will further allow wanton use of the environmental resources and will reduce the powers of the National Green Tribunal.

Still the main change that the neo-liberal dispensation seeks is the freedom to fully exploit human resources – labour. For this, there are many attempts in India to change the labour laws and use other means to be able to more effectively exploit the labour in our country. Labour laws are being changed, clearly to remove the protections given to labour. Such basic labour laws like the Factories Act, the Industrial Disputes Act, the Contract Labour (Abolition and Regulation) Act, the Minimum Wages Act, etc are all sought to be changed. In some cases, these changes are clearly against the workers. The law today requires any establishment having more than 100 workers to take Government permission before retrenching or closing. This figure is being revised to 300 and this has already been done in many BJP ruled states. Sometimes the changes in labour laws are more covert. The Factories Act is sought to be changed by allowing night work for women. This is being done under the name of promoting equality for women. Such equality could also have been achieved by disallowing night work for all except in essential services.

Another method being used to further exploit workers is to drive down the level of wages. Whereas the real wages of workers have remained stagnant for the past 30 years, the productivity of the Indian worker has increased by an average of around 7% per annum. In this situation, the need to fix a decent standard of wages for the Indian worker has become more

imperative than ever. Wage levels in India are closely linked to the tenure of employment. Permanent workers are paid better than temporary workers, who are paid better than casual workers, who, in turn are paid better than contract workers, etc. Such a wage differential is not permissible by law. However, it is the reality. Another method therefore, being used by the capitalist class to drive down the wages is to reduce the number of permanent jobs and push the work into the informal sector. This is usually achieved by giving jobs out under the contract labour system, which, most often, is a mere sham and a mask to keep the workers from getting the wages and benefits due to permanent workers. Many other methods are being used to maximise the exploitation of labour. Social security like Provident Fund and Pension is being reduced. The facilities under schemes like ESI are left to rot. All in all, the lot of the Indian workers is becoming more unbearable by the day.

The main problem is the weakening of the unions in India. Whereas at one time, unions played a decisive role in society, today they are, more or less, a spent force. No doubt, every once in a while, they hold a token one day strike. No doubt also, that due to the sheer size of population in India, such strikes tend to become “the largest in the world”. At the same time, one can clearly see that the trade union movement is rudderless. There is no direction. There is no sustained movement in any particular direction. For many years there has been no sustained movement in the country towards any general demand – for instance, the right to a decent pension. The number of militant actions like strikes are coming down all over the country. The zeal of the earlier unions towards building a new society – more just and more humane – is missing. The trade union movement is no more a force to reckon with in our country.

When one talks of the trade union movement, one is forced to clarify further. It is not as if the workers of today are any less militant or any less capable of sacrifice than the workers of the past. What is lacking is leadership. Workers all over the country are ready to fight. This can be seen clearly in the number of major struggles that one witnesses of independent unions all over the country. Take for instance the struggle of the Maruti workers or of the

Munnar tea plantation workers or the safai mazdoors of mumbai. The point is also that most of such struggles are not in unions led by the big established Central Trade Unions but in smaller independent unions. It is in such unions that the greatest struggles are taking place. At the same time, such struggles by such independent unions can only be restricted to a particular factory or unit or to some closely connected factories or units. Such unions, by themselves are not capable of taking on the struggle against the policies of the government. This, as we have seen above, is the real need.

It is in this background that we have identified the need for a new unity among the working class. What is needed is for all genuine unions that are willing to fight against the neo-liberal policies of the government, without making unprincipled compromises, to come together. We therefore gave such a call and have started the process of building such a unity. We identified the main issues which are facing the working class today. We reached the decision that the issues of wage fixation, of contract labour and of the changes in labour laws are the main issues. We also came to the understanding that all these issues need to be looked at in the context of the growing forces of Hindutva and casteism in India. We were also aware that this is the year of the centenary of the Great October Revolution when the working class took state power in a country for the first time. In that context we started with a convention in Delhi in August 2016 and decided, in due course to hold conventions in all parts of the country. As such, we cooperated to develop three documents which will put forward our stand on the three issues we have pinpointed.

In this booklet, we prepared the write up on three topics, namely – the anti-workers labour law reforms, the question of minimum wage and the issues of contract and unorganized workers, to help build larger struggles of working class with particular emphasis on these three issues. But, those documents were prepared few months back and the printing process got delayed. However, new policies of Government and enactment of a series of new anti-worker labour law reforms have meanwhile worsened the situation in terms of further reduction in job security, informalization of work and depression of real wages. For example, incorporation of the

provision of 'Fixed Term Employees' in Model Standing Order is another attack on the rightful claim of workers for permanent job in permanent nature of work. The provision of employing trainee workers under National Employability Enhancement Mission (NEEM) Scheme below minimum wage and without any recognition and legal right of 'worker' has appeared as another serious issue. Many such changes are on the way. It has not been possible to update the documents with these changes.

We have tried to put our thoughts on these issues before the workers in clear terms which can reach a wide section of the workers. At the same time, we have attempted to see that there is no over simplification of any issue. Workers must and will understand the real issues for themselves to be able to reach a solution. It is with this in mind that we have prepared this booklet. We hope that it will prove to be useful to the working class and will help in organising a fight back by the working class. It is only the working class that can save the toiling masses from the utterly miserable existence into which the ruling classes all over the world are seeking to thrust the toiling masses.

Minimum Wages

25,000 Minimum Wages, WHY?

What is Wage?

Minimum wage, as a concept is fairly recent. According to the Marxist analysis, wages are the cost of labour power expended by the worker. Therefore the wage must be around the cost of regenerating the same labour power, i.e. the necessary cost of the workers living, eating, etc. Some basic principles arise out of this :

1. Wage is also a payment from owner, Just as the owner pays the same for electricity whether he makes a profit or a loss, so also he has to pay the cost of the workers labour power irrespective of whether he makes a profit or a loss;
2. Wages are linked very intimately to the cost of living in any society. They will have to rise with the rise in prices of food, cloth, housing, medication, etc;
3. Wages have to cover even reproduction of the workers labour power and must therefore cover the cost of having a family and giving necessary living conditions for the family;

What is “necessary” for the worker, to daily reproduce his labour power is not a static concept since the worker is a social being. As society advances, the necessities required by the worker will also keep increasing. For example, in the 1980s a mobile phone was not a necessity but today it is. No doubt, in capitalism, the owner of capital, tries to obtain “ownership” even of knowledge and thus obtain the full advantage of technology only for herself or himself. Still, to make a profit out of technology, s/he must make the technology useful for society. This itself enables the workers to use the same technology for their own lives and even to organise

There is a constant struggle under the present capitalist system. The capitalist tries the utmost to reduce the wages while the worker tries to increase them. However, in this the capitalist is helped by unemployment. As long as there is unemployment, there will always be a downward pressure on wages. If one worker is not willing to work for a certain wage,

one of the unemployed can always be used to replace him. That is why, if there were no regulation, the tendency for wages would be to fall continuously. However, it was long recognised, as part of the regulation of capitalism, that such a continuous fall would be disastrous. This is why, to regulate the market on labour, the concept of minimum wage was accepted.

The History of Minimum Wage

The first law for regulating wage was not to fix the minimum wage but to fix the *maximum* wage. In 1349 King Edward III enacted the Ordinance for Labourers which set the maximum wage that could be paid to labourers with penal consequences to those who paid higher. In 1348 the Great Plague had decimated the population of England and therefore the labourers were in a position to ask for extremely high wages. It was in this background that the said law was enacted. By the end of the 1890s laws for fixing wages were being enacted in New Zealand and Australia. By 1909 the first law for fixing the minimum wage was enacted in UK (though it applied only to 4 trades). By 1928 the International Labour Organisation had put forward Convention No. 026 which stipulated that all ratifying members must enact a law to provide for a machinery to fix minimum wages (India ratified this convention in 1955). The Royal Commission on labour, chaired by John Henry Whitley was charged with finding out the conditions of labour in India and suggesting remedies in May 1929. This was in direct response to the Communist led workers struggles of 1928 and the early part of 1929. This was during the time of the “Great Depression” all over the world and massive workers movements. This must have been the first time in India that a machinery for fixing the minimum wage in India was postulated.

In 1937, there was a massive growth in the labour movement. The trade union membership went up by 50% in 1938 as compared to 1937. Many major strikes took place in this period including the general strike of the Jute Mill Workers in Bengal, the strike of the Digboi Oil refineries in Assam and many textile strikes in Mumbai, Ahmedabad, Amritsar and Madras. This was at the time of the famous strike of the textile mills in 1939 when the Red

Flag union demanded a 40% wage hike due to dearness and inflation. The Board of Conciliation appointed only granted 10% wage hike (and fair price shops which they estimated to provide another 3% relief) by majority. This led to a major strike of 6 months.

In India, during the II World War the Government appointed the Standing Labour Committee and started to hold periodic conferences known as the Indian Labour Conference. In 1943 in the 5th session of the ILC, a Labour Inquiry Committee was appointed to look into the conditions of labour in terms of their wages, housing, social conditions and employment. The SLC and the 6th and 7th sessions of the ILC in 1944 and 1945 recommended the statutory fixation of minimum wages and the establishment of a machinery for this in certain industries. As a result a Bill was introduced in the Central Legislature in 1946 which was finally enacted into the Minimum Wages Act in 1948.

Under the Act the Central Government appointed a Central Advisory Board and this board constituted the Committee on Fair Wages. It is this CFW that submitted its report that there are three levels of wages – minimum wage, fair wage and living wage. This committee provided broad definitions of concepts in wage fixation which are in use till now. In 1950, the Constitution of India was adopted by the Constituent Assembly. Article 43 of the Constitution states that the state shall endeavour to secure, by legislation or other means that all workers will have a living wage. This was known to be the highest level of wage.

In 1957, the 15th session of the ILC adopted principles for the fixation of minimum wages. These were:

(i) In calculating the minimum wage, the standard working-class family should be taken to comprise three consumption units for one earner, the earnings of women, children and adolescents being disregarded.

(ii) Minimum food requirements should be calculated on the basis of a net in

take of 2700 calories, as recommended by Dr. Akroyd for an average Indian adult of moderate activity.

(iii) Clothing requirements should be estimated on the basis of a per capita consumption of 18 yards per annum, which would give for the average worker's family of four a total of 72 yards.

(iv) In respect of housing, the rent corresponding to the minimum area provided for under the Government's Industrial Housing Scheme should be taken into consideration in fixing the minimum wage; and

(v) Fuel, lighting and other miscellaneous items of expenditure should constitute 20 per cent of the total minimum wage.”

The Resolution further laid down that wherever the minimum wage fixed was below the norms recommended above, it would be incumbent on the authorities concerned to justify the circumstances which prevented them from adherence to the aforesaid norms.

Till 1991 even the Supreme Court of India followed these norms for evaluating the minimum wage as in the case of Standard Vacuum Refining Company.

In 1991, the Supreme Court, in the case of the workers of Raptakos Brett said that the above norms were also not enough. They decreed that a further point needs to be added, namely :

“(vi) children's education, medical requirement, minimum recreation including festivals / ceremonies and provision for old age marriages etc should further constitute 25% of the total minimum wage”

The 7th Pay Commission has, more or less, started off by accepting these norms. It has calculated food and clothing based on the figures worked out by the 15th ILC. However, here they have diverged. They have only granted 25% of the total of food and clothing for fuel, electricity and water whereas the 15th ILC formula required it to give 25% of food, clothing and housing. Further, they should have given 33% of the new total (or 25% of the grand total) for children's education, medical expenses, festivals, etc. However, it

has only allotted 15% of the grand total for festivals, etc under the plea that education and medical expenses will be covered by separate allowances. It has then given a 25% additional amount for skill (since class III and class IV are to be merged). Finally, it has only kept 3% (of Rs. 500 per month) for housing! Even so, it has reached a figure of Rs. 18000 for a new entrant in the lowest grade as of January 2016 and of Rs. 18500 as of July 2016.

If, we apply the same figures as worked out by the 7th pay commission for food and clothing and just keep a minimum of Rs. 4000 per month for housing and then follow the formula of the 15th ILC scrupulously we will get the following chart.

1	Amount fixed by 7th Pay Commission for 3 Consumption Units for 2700 Calories (All India Prices) as on January 2016 and clothing (at 5.5 metres per month) (see page 65 of the report)	9218.00
2.	House rent	4000.00
3	Total of 1 +2	13218.00
4	For Electricity, fuel and water	3304.50
5.	Total of 3 + 4 (3 divided by 0.8)	16522.50
6.	For education, medical expenses, old age, festivals, etc, as per the Raptakos judgement	5507.50
7.	Grand Total (5 divided by 0.75)	22030.00

We can be forgiven for assuming that housing for a worker and his family will not be available anywhere in the country for less than Rs. 4000 per month. Probably in cities like Mumbai and Delhi it will be much more. Since January 2016 till September 2018 the consumer price index for industrial workers has gone up from 269 to 301.

Accordingly, the minimum wage must now be revised minimum to 25000

Since the late 70s and the 80s and especially after the adoption of the “new economic policy” in 1991, an opposite trend can be seen. Under the sway of neo-liberal policies and “supply-side” economics, there is a clear trend to push down the wages and give relief to the employers. The way in which minimum wages are being fixed for various industries by various governments on the basis of reports of sundry sub-committees is scandalous. They do not at all follow the norms fixed. In many cases we find the “Special Allowance” or “Dearness Allowance” being fixed at such a low rate so as to provide only 60% neutralisation of the rise in prices. This means that as prices rise, the DA rise will only provide for 60% of the burden and the worker will have to shoulder 40% of the burden of price rise by reducing his consumption. It is odd that workers are supposed to further reduce a consumption that is already a “minimum”. Such fixation of minimum wage is not only unfair and illegal, it is clearly criminal.

It can be argued that if we take five consumption units (since the Indian worker often has to look after his parents and often has more than two children), then the reality dictates that an even higher minimum wage will have to be fixed. This is a real problem which must be studied by appointing a proper inquiry committee. In many countries the expectation is that the worker will have to provide for five units by ten years of his working life. In Indian conditions it may be in an even lesser time.

Our understanding of the rate of minimum wage will, perforce, also have to pervade our understanding of pension. After all, the worker is expected to continue living even after retirement. His food may reduce marginally but his expenses on medicines will certainly increase. Also, the whole of the minimum wage concept does not provide for saving sufficient to buy one's own house even after 30 years of service. If this is factored in, it may well be that the minimum wage should be around Rs. 50000 per month at a guess.

We can compare with other countries in the world. For ease of calculation let us take the USA. It is by no means the country with the highest minimum

wage in the world. In fact, in the recent elections, one of the main concerns of Bernie Sanders was to increase the minimum wage which even Hillary Clinton has agreed for.

The US has presently a minimum wage of \$ 7.25 per hour. This works out to over Rs. 1 lakh per month. But to compare minimum wages in such a manner would be faulty since exchange rates do not express the full reality. The capitalist would point out that a cup of coffee in India costs Rs. 25 whereas a cup of coffee in the USA would cost \$ 2 or Rs. 135. This is not comparable. There is another method called the Purchasing Power Parity (PPP) method. This compares the Rupee and the Dollar not at the rate of exchange but in terms of their purchasing power. By this method, Rs. 17 is accepted as having equal purchasing power as one Dollar. Even by this method, \$ 7.25 has the same purchasing power as Rs. 123.25. So we can take the minimum wage of the US as having a purchasing power of Rs. 123.25 per hour or Rs. 986 per day or Rs. 29580 per month. This means that at the minimum wage in the US the worker can purchase the same as what around Rs. 30000 can purchase in India. There are many countries which have a minimum wage much higher than the US, especially in terms of PPP. Australia has a minimum wage of over \$ 10 (International US Dollars at PPP) which will be over Rs. 40000 per month of purchasing power. Even Ireland and Argentina have minimum wage with a higher purchasing power than in the US.

It can also be argued that the minimum wage formula was last adjusted in 1991 (by the Supreme Court in the Raptakos Brett judgement). The time from the original formula to the adjustment (1957 to 1991) was 34 years. A further 25 years have now passed. Necessities have grown many fold. Computers and mobile phones were not necessities in 1991 but are clearly so now. Many more features can now be added to the cost of regenerating a worker life. If we revise this realistically, then the minimum wage required would be even more.

Even so, we have pegged our demand at Rs. 25000 as per January 2016 formula of the 15th ILC and using the figures of the 7th pay commission. We have not made this demand in the nature of one-upmanship but are

merely striving for a scientific basis for fixing the minimum wage. We therefore ask all workers to come forward and support this demand. We have, of course, to develop this further and make a more realistic minimum wage for the future. Let us begin the fight now.

**Some
preliminary
thinking on the
issue of
contract and
unorganized
workers**

Today, the largest, most insecure and most crisis-ridden part of Indian working class is in the form of contract/unorganized workers. 93% of workers of India are unorganized workers. Even in organized sector, the overwhelming majority is now contract/temporary workers. They are hardly able to live a life with an income of near minimum wage. They are mostly out of the protection of labour laws. Any crisis in economy and the assault of inflation hit them first and most intensely. They live and work under the fear of being thrown out of work anytime. And, their minimal and weak presence in the mainstream trade union politics puts a lot of hurdles in front of them to raise their voice and raise economic and other demands. In this situation, the issue of contract and unorganized workers becomes a most important question in workers movement, in the struggle of working class against capitalist hegemony.

To get an understanding of this condition, let us pay a brief attention to the history of class struggles. In the first half of twentieth century, the economic crisis (the great depression) in capitalism and emergence a socio-economic structure as an alternative to capitalism after Russian revolution forced capitalism to put forward the structure of 'welfare state'. Under the pressure of economic and political struggle of workers, the capitalist class was forced to accept some social and economic demands of working class. The working class in India too achieved many a demands by means of relentless struggle. The labour laws were made acknowledging labour rights to an extent. The workers had to be given regular employment, the right to get organized and legal and social protection. But, in last few decades, the economic and political struggle and organization of working class is in a weak condition vis-à-vis the attacks of the capitalist class, and the rights of workers are now being snatched away. Now when especially in developed capitalist countries, investment and profits are in great crisis, the capitalists require more

and more cheap and insecure labor to satisfy their lust for profits. For this, according to this international scheme of the imperialist powers to earn more and more profit in the name of “globalization”, in which the Indian capitalist class is also eagerly complicit, for the last two decades contractualization and informalisation are increasingly being implemented in the country following the dictates of “neo-liberal” policies. The contract system is being imposed in most new employment opportunities that is created due to setting up of more industries in the country so that the real wages of the workers can be reduced, the right to form unions can be curtailed and the right to hire or fire workers at will can be gained.

The “Contract Labour (Regulation and Abolition) Act, 1970” was made to in the context of the employment of contract workers in the country. On the one hand, despite all its positive provisions, the Contract Law of 1970 puts constraints for the contract workers and builds chasms between the permanent and contract workers and on the other hand, it relieves the principle employer of all responsibilities. Most laws pertaining to labour does not recognize contract workers as the employee of the company and even contract labour laws are silent on this. At the same time, despite the ban on employing contract workers in permanent nature of jobs in the contract labour law and the all the amendments under this law, employers have a free hand to indiscriminately employ contract workers. Moreover, even the workers employed directly by the company are employed illegally under sham contracts. Despite consistently being made to provide efficient and highly skilled work the contract labour is projected as unskilled workers and are deprived of the real minimum wage. The high-handedness in terms of their working hours and overtime has become common practice. In this order of things, the practice of piece-rate work exists as an even more

precarious form. Today, in the face of these attacks, the advanced workers (permanent or contract) are aware that that the big and established trade unions (BMS, INTUC, HMS, CITU, AITUC etc.) are actually not with the workers.

Today, it is sufficient to focus only on the contract workers of organized sector. The large working population of the country is being divided under various categories like apprentice, casual, substitute, daily wage labour, piece-rate, fixed term, skill development etc workers and unorganized and informal workers.

The agrarian crisis in our country, the joblessness in organized manufacturing sector and increasing unemployment have pushed a huge population to unorganized manufacturing and service sectors in rural and urban areas. Along with agricultural labourers, the construction workers, safai workers, hawkers, MNREGA workers, brick cline workers, domestic workers, anganwari-asha-mid day meal workers etc are such a huge section of working class, for whom there is almost no safety provisions, job security, social security and rights for collective bargaining. Sometimes the basics rights with recognition as 'workers' are denied (say, domestic workers). A large section is female workers, who often are paid less and have to carry social burden along with burden of work.

Thus, the importance of bringing these “unprotected labour” into the organized labour movement is increasing day by day. Here are some important demands of the contract workers and others unorganized / unprotected workers in the present conditions:

1. Regularization of all workers engaged in permanent nature of job.
2. Abolish contract system in permanent nature of job. Provisions should be made for registration of criminal case against the capitalists who break labour laws. “Contract Labour (Regulation and Abolition)

Act, 1970” must include the provisions to regularize contract workers who are employed illegally under decisions of the labour court, tribunal or the advisory committee of the Central / State Government. If the work is of permanent/regular nature, then once the contract is abolished the contract workers working there must be appointed in the establishment of the principle employer. Necessary amendments must be made in the “Contract Labour (Regulation and Abolition) Act” according to the judgments of the Supreme Court in Gujarat Electricity Board Thermal Power Station vs Hind Mazdoor Sabha (1995) and Air India Statutory Corporation vs United Labour Union & Others (1996) on these issues.

3. All workers including contract / casual / daily wage workers must be paid equal wages as the permanent workers for 'similar nature of work'.

4. It must be mandatory (for the employer) to make provisions for paid weekly holidays for all non-permanent workers including contract / casual / daily wage temporary workers.

5. The contract workers must be included in the definition of 'worker' in the “Industrial Disputes Act, 1947”, and “Industrial Employment (Standing Orders) Act, 1946” The basic laws and prohibitions regarding the removal of any contract worker must be clearly settled.

6. There should be a provision in the law that the worker engaged in the job for 240 days in a year (190 days for mines) must be conferred permanent status involuntarily by the owner / government labor department.

7. Forced overtime by any kind of worker including the contract / casual / daily wage laborers should be prohibited. It should be mandatory to pay overtime at double the wage per hour for the overtime work done willingly by the worker.

8. There should be explicit legislation for piece-rate workers (minimum wage rate, safety, other benefits).

9. There should be necessary laws to issue identity cards, job cards, payment slips, etc for all contract / casual / daily wage workers.

10. All the constrains (of legal nature and from government office) prohibiting a single union for both permanent and contract workers must be removed.

11. There should be laws to decide the special responsibilities of the government office for the housing for migrant workers from other state, their job security, etc.

12. Any contract worker (who has a personal ESI and PF account) should be guaranteed work for 240 days a year through the Employment Exchange. In the absence of work, the central and state governments must give wage for the days of unemployment at the rate of minimum wages. This kind of 'employment scheme' must be made anew under the law .

13. The Social Security Act should be broadened and made universal, and all unorganized workers including agrarian workers, domestic workers, Anganwari workers, Asha workers, Mid day meal workers etc.

14. ESI and PF provisions should be made universal for all workers.

Finally, along with these immediate demands, we also demand–abolition of any form of contractualizationof labour in all kinds of industries, offices and in farming sector.

The labor movements of the last decade shows that in industry-based labor movements where the permanent and contract workers showed strong solidarity, the labor movements became a challenge for the

capitalists. Our emphasis will be to organize them together. However, despite the fact that both do the same work, the difference in wages, job security and other social benefits between the permanent and contract workers became a roadblock in taking the joint labour struggle forward. It is imperative to decide the demands for the contract workers, the nature of their movement and organization and its course of development. There is need to have joint propaganda campaign on the question of security and rights of contract workers in the country to sensitize more and more permanent workers' unions countrywide. There should be a more voices calling for the unity of permanent and contract workers inside and outside the factories. There are cases where the growing job insecurity for permanent workers and the worsening working condition and workload are creating common ground of struggle. Yet in the present scenario, there is a need to create separate organization of contract workers. In addition to the like registered trade unions and other forms of society organizations. There is no lack of willingness among the contract workers to join the struggles. Many different struggles across the country waged by the contract workers for over a decade are testimony to this fact. But the need for a strong central force of all struggling and experienced labor unions / organizations today to move the struggle into its next phase is being felt.

'Mazdoor Adhikar Sangharsh Abhiyan' resolves to take steps in this direction.

**Brutal attacks
on working
class in form of
changes in
labor law**

Since the coming to power of Narendra Modi-led BJP at the Centre, the working class is under constant attack in the guise of changing labour laws. The changes in the Factories Act 1948 have already been proposed as per the demands of the corporates. Besides this, the Modi Government with the ready help of the Congress party and the indifferent attitude of the other parties, has managed to get severely anti-worker amendments in the Apprentices Act, 1961 and Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988 passed in both the Lok Sabha and Rajya Sabha with great ease. Along with this, the The Child Labour (Prohibition and Regulation) Act of 1986 too has been dangerously amended by the Amendment act passed in July 2016.

Factories Act, 1948

The amendments proposed in the Factories Act, 1948, by the central government changes the definition of the factories altogether. In the original Act, a power-driven enterprise employing 10 workers and an enterprise that was manually-driven employing 20 workers was recognized as a factory. After the amendments, only those electricity-driven enterprises that employ 20 workers and manually-driven enterprise that employ 40 workers will be considered a factory. Enterprises employing less than these number of workers are now classified as small-scale industry and it will cease to be subject to the Factories Act. In a time when even enterprises employing over 50 workers show only 10 workers in their records, the situation that will ensue after the implementation of the new changes in the Act can be gauged easily. When the Amendment Act was referred to the Standing Committee of Parliament, the standing committees report has stated that this will exclude 70% of factory workers.

Under the Factories Act, enterprises cannot make women work between 7 pm and 6 am (Though state governments can make rules to vary these limits provided that no women work from 10 pm to 5 am). They are also protected from working in extremely dangerous conditions (in cotton openers). The new amendments now, however, lets corporates make women work at all hours and in hazardous conditions (like prime mover). The shameless government is doing all this while mouthing platitudes in the name of

women empowerment.

Another proposed change under the Factories Act is to increase the work day or spread over from 10 and half hours to 12 hours. Previously, the owner could hold a worker in the factory for 12 hours only in exceptional circumstances with the permission of the chief factory inspector. But now the increase up to 12 hours can be done by a general exemption given by the State Government to a worker or a factory or a class or workers or class of factories.. There is also a proposal to increase the quarterly overtime from 75 hours to 115 hours. (Moreover, it is proposed that the owner will have the right to fix the weekly off of the workers depending on the availability of electricity in a particular belt). These proposed changes are crooked attempts in a legal framework to increase the quantity of the time that a worker will have to work and to stop them from forming unions.

Child Labour (Prohibition and Regulation) Act

The Manmohan Singh government at the Centre proposed amendments in the Child Labour (Prohibition and Regulation) Act, 1986, in 2012. It remained hanging in the standing committee formed by the Rajya Sabha.

It was finally handed over to the ministerial group after Modi formed government at the center in May 2014 and it was passed in the Rajya Sabha. These amendments give unchecked opportunity to the capitalist to exploit children as cheap labour. For example, while amending the Act, the government has proposed that children employed in home-based and small-scale enterprises functioning as a family unit will not fall under the purview of the act and the children below the age of 14 may also be employed in such enterprises. (Similarly, the new Act also provides that adolescents between the ages of 14-18 may not be employed in industries like mining, or those using flammable and explosives, and other hazardous procedures. This in turns means that other enterprises besides the ones mentioned above may employ adolescents between 14 and 18 years of age). It is prudent to note here that the Government has shrunk the previous classification of 83 hazardous enterprises in the three broad categories mentioned above.

Apprentices Act, 1961

The amendments to the Apprentices Act, 1961, have provisions to deliver skilled workers in the guise of unskilled workers to the capitalist. The law earlier allowed the employer to have apprentices in engineering and technical work, the words “and non-engineering” have been added after the words “engineering”. Whereas the amendments to the Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988, expands the definition of small-small enterprises to 39 workers from 19, the same accords the capitalist leeway in filing returns and maintaining records.

Dismantling Labour Law Mechanisms

This is just the tip of the iceberg. The Modi government plans to push the workers towards (complete disenfranchisement)(even lesser protection) by dismantling the labour law mechanisms. For this the government has ready scheme to amalgamate 44 central labour laws into 4 codes. Just how deadly these four codes pertaining to industrial relations, wage, social security and welfare, and, safety and working conditions are for the workers may be understood from the provisions for strike in the code for the industrial relations. (The manual makes it mandatory for the workers to give notice for a strike not 14 days in advance as it stands now, but 42 days in advance or the strike will be deemed illegal. To further terrorize the workers, the manual says that the workers who participate in these “illegal” strikes will be fined Rs 50,000 with imprisonment for a month and even those who support such “illegal” strikes will be meted out the same punishment.)

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The above provisions of the manual are a clear conspiracy to make the formation of a union as difficult as possible, and to deprive the workers of their ideological-political leadership and legal advisors.

Moreover, the manual proposes measures ranging from a fine to cancellation of the union registration at the slightest instance of any delay, inaccuracy or error in the election process, filing returns, and its records and

accounting.

Today, in the age of liberalization, the capitalist class wants unbridled exploitation of labour to keep its profits soaring high; and, because, a union is a hurdle in this, the capitalist class wants to dismantle it or to keep it domesticated. The provisions in the manual are a reflection of such desires of the capitalist class.

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Additionally, in accordance to the long pending demand of the bourgeois class, the proposed amendment to Industrial Disputes Act will allow companies employing up to 300 workers to fire or hire employees, and lockout the factory without seeking any government permission. This was limited to factories with less than 100 workers earlier.

The code manual, progressively recommending anti-labour policies, finally reaches a stage where it provides to end any possibility of negotiations and labour courts, and constitute such tribunals at various stages whose decisions in certain cases cannot be challenged in any higher court in the country.

Actions by BJP-run state governments

The BJP-run state governments are further ahead than the Modi-led central government in its attack on the labour laws. For example, the amendments that are only now being proposed in the Factories Act by the central government have already been passed into law after the Bill was passed by the legislative assemblies in Rajasthan, Maharashtra and Haryana.

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The mood of the BJP-ruled state governments of Madhya Pradesh, Gujarat and Maharashtra is no different from Rajasthan and Haryana states. Although, the Congress-ruled state governments are also trying hard to win over the corporates. In the Congress-ruled Tamil Nadu, the automobile industry has also been included under “public utility” and in Uttarakhand, the corporates have been granted total freedom to self-certification in terms

of labour laws implementation. Similarly, the amendment in the Contract Labour (Regulation and Abolition) Act, 1970, that increases the number of contract workers from 20 to 50 for registration requirement, has been implemented in the BJP-ruled states while it is still in discussion at the centre.

These attacks by the Modi-led central government and the governments of the BJP-ruled state governments on labour legislation are being mounted in the guise of the recommendations of the Second National Commission on Labour Report. The Second National Commission on Labour was constituted in 1998 under the Vajpayee government and it presented its report in 2002. () Due to electoral concerns, neither the Vajpayee government nor the later Manmohan Singh government dared to implement its recommendations even though small amendments were carried out surreptitiously in their time. Now the right-wing Narendra Modi government is fulfilling this long-standing demand of the corporate class to implement the commission's recommendations. The corporate class has spent thousands of crores of money to institute Narendra Modi at the helm of the country's affairs and now Prime Minister Modi is repaying his debt to the corporates by bringing in anti-labour policies. If the corporate class succeeds in its desire to render the labour laws ineffective by completely dismantling it then the working class will be pushed back to its hundred years old state of rightlessness. This very conspiracy of the corporate class against the workers is the Labour alone triumphs project of the Modi government.

Unorganized Sector

()While it is true that 94% of the workers are today not even given the protection of the existing labour laws, this only emphasises the need to strengthen the labour laws, not, as same try to argue, that labour laws are inconsequential.

'Make in India'

What the corporate class calls labour reforms is actually a strategy to rob the

workers of their existing labour rights. These labor reforms are a part of the process of the pro-capital policies of liberalization-privatization-globalization or economic reforms set in motion since 1991. Today, when the whole world is in the throes of economic depression and the Indian domestic economy is not unscathed by it, the capitalist class wants to ensure its profits by pursuing these anti-people policies at any cost.

The rapidly widening gap between the rich and poor in the country, extant illegal practice of contract labour, and undoing and suicide of farmers... all these are the effects of the pro-capital policies of liberalization. This is what “development” as it exists in the capitalist imagination means for the workers and toiling masses. These “developments” are the central agenda of the federal government in the present time, which it is achieving with great efficiency by keeping the people entangled in communal clashes. Today, whether it is the foreign trips of the flamboyant Prime Minister to attract Foreign Direct Investment (FDI) or the opening of doors wide for FDI in banking, insurance, defence, aviation, etc sectors or easing of environmental laws to make the mines and minerals openly accessible to the national and international loot, all this is happening under the same rhetoric of development. This is the 'Make in India' programme of the Modi government for the development of the corporate class.

Summary

Friends,

The legal rights gained by the workers in the 20th century have been the result of immense sacrifice and struggle of the working class on the national and international levels. The establishment of socialism in the Soviet Union socialism post 1917 Russian Bolshevik revolution provided an unprecedented momentum to the workers movements and the struggles for national liberation throughout the world. The fear of reverberating revolutions breaking out forced the imperialist-capitalist rulers of the rest of the world to give many legal rights to the workers. In India too, due to the pressure of the international situation and growing momentum of the labour movements on the national front, many labour laws like the Workmen's

Compensation Act 1923, the Trade Unions Act, 1926, the Payment of Wages Act, 1936, the Industrial Employment (Standing Orders) Act 1946, the Industrial Disputes Act, 1947, the Factories Act, 1948, the Employees' State Insurance Act, 1948 were established. The First National Commission on Labour formed in 1966 retained these rights of the workers because these were established in the backdrop of the growing labour movement in the country.

The reinstatement of capitalism first in the Soviet Union in 1956 and again in 1976 in China changed the power equations in the world. As a result of this change in the balance of power, imperialism found an opportunity to re-launch its attack. The Indian capitalist class in the 1980s started arriving at the conclusion that the Nehruvian model is now hampering its development. This led to the implementation of the policies of globalization, liberalization and privatization in the country. The Second National Commission on Labour set up in 1998 is an inevitable result of the same policies of liberalization and privatization-globalization. The Modi government wants to implement the gross anti-worker recommendations of the Second Commission proactively to seize the gains of the labour movements in the 20th century. The Second National Commission on Labour's capitalist character is because it has come at a time when the labour movements in the country are weak and scattered. It is without doubt that the labour laws in the country denote the balance of power between the corporate class and working class. This is also seen in the attempt to amend the labour laws against the workers in the name of consolidating the laws into four main labour codes. We will comment further on these labour codes in the near future.

The degenerate, and class collaborationist leadership of the trade union movements that emerged in the latter half of the 20th century is powerless against the attack by the corporate class. In the present scenario, the revolutionary forces must resist the attack on the labour laws through broadening their unity. They must expose the pro-corporate recommendations of the Second National Commission on Labour among the workers accurately and target the anti-labor policies of liberalization-privatization-globalization in their struggles.