

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

