

CODE RED FOR LABOUR

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The Centre's proposal to replace 44 labour laws with four codes saw the light of day after Finance Minister Nirmala Sitharaman announced it in her Budget speech. The question not being asked is: aren't these codes antithetical to the very idea of statutory protection of labour and dignified standard of living for workers? It needs to be stated here that the original labour laws, enacted after decades of struggle, were meant to ensure certain dignity to the working-class people.

The most glaring instance of the government's failure to support labour standards is the Ministry of Labour's proposal to fix the national minimum floor wage at 178, without any defined criteria or method of estimation. This could lead to a dangerous race to the bottom by individual States, in a bid to attract capital and investments. This is rightly being called 'starvation wage', especially given that the Ministry's own committee recommended 375 as the minimum. Another concerning issue is that the four codes exclude over 95% of the workforce employed in informal units and small enterprises, who in fact are in greater need of legal safeguards.

Above all, there is a deliberate ambiguity maintained on wording and definitions. There is no clarity on who constitutes an 'employer', an 'employee' or an 'enterprise', giving the owner greater discretion to interpret the provisions while making it more difficult for the worker to draw any benefits from them.

To minimise wage bills and compliance requirements, it is proposed that 'apprentices' be no longer considered employees, at a time when evidence indicates that apprentices are made to do jobs of contractual as well as permanent employees. The code even has a provision on "employees below fifteen years of age", which can be construed as legalisation of child labour. The code on wages legitimises and promotes further contractualisation of labour, instead of abolishing it, by insulating the principal employer from liabilities and accountability in the case of irregularities on the part of the contractors.

And if all this were not enough, the wage code also brings back the draconian provision of "recoverable advances", a system that the Supreme Court clearly linked to coercive and bonded labour, wherein distressed and vulnerable migrant labourers could be bonded to work through advance payments. This is akin to modern forms of slavery, also encountered in rural labour markets.

Similarly, the eight-hour workday shift has been done away with, and multiple provisions of increased overtime have been inserted. The code also gives ample alibis to employers to evade bonus payments.

Further, seeking justice against unfair practices of employers has become even more difficult now as non-payment of wages will now not be a criminal offence and penalties in case of non-compliance have been reduced. The government wants to provide a "facilitative" rather than a regulatory and punitive environment for the owners, with "facilitators-cum-inspectors" replacing the "inspectors" who used to ensure implementation of various labour laws to aid employees.

Finally, the code on industrial relations too is replete with restrictions, on forming or registering unions, calling a strike (which would entail prior permissions and notices) and seeking legal redressal for workers.

To sum it up, it won't be a fallacy to assert that the proposed laws, as they stand, resemble 'employer codes' rather than 'labour laws'.

Akriti Bhatia is a Ph.D. scholar at the Delhi School of Economics; Chandan Kumar works with the Working Peoples' Charter collective

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