



**NTUI**

# UNION POWER

A monthly bulletin of the New Trade Union Initiative

May 2016

## Reclaim Rights of Workers - Reclaim Rights of All

We gather every year across the country today to salute the martyrs who gave up their lives in the struggle for an 8 hour workday over a hundred years ago and the countless women and men who have made and continue to make enormous sacrifice in the struggle to advance the rights of the working class. As we do so on this May Day, we also evaluate the challenges before us and our ability to address these.

### **Government's Agenda: Take from Workers – Give to Capital**

The BJP government when it came to power a year ago set itself the task to weaken laws that define workers rights, including trade union and collective bargaining rights and the laws that regulate the workplace, through amendment of existing laws or through new legislation. While these proposals remain on the table, the significant changes the BJP government had hoped to bring forward have not yet found their way through parliament. In some measure this is because of the united action of trade unions including through the successful country-wide general strike on 2 September last year. Yet the BJP governments in the states of Madhya Pradesh, Gujarat and most recently Maharashtra have followed the 'Rajasthan' model making substantive changes in laws that have undermined critical workers rights including on factory closure and on workplace health and safety.

This, of course, does not mean that the BJP led union government has given up its plans to lower the threshold of workers' rights. Having used the ordinance mechanism in the first year in government, the BJP has now turned to the mechanism of 'executive orders'. Legislatively guaranteed retirement (Employee Provident

Fund) and healthcare (Employee State Insurance) provisions have been changed through executive orders. Although in the case of the EPF the critical changes have been reversed, now for the third time, most notably through the remarkable protest led by garment workers in Bengaluru and elsewhere in Karnataka, the intent of the BJP government very clear.

It will seek every possible route, including unilateral actions, to undermine workers rights and it will do everything within its power to move workers out of legislatively guaranteed social security towards arrangements that are guided by market forces and bring profit to private sector. This is not just part of the ideological core of the BJP but the inability to deliver this would undermine the BJP government's capacity to move on its key proposals for liberalising markets further. Savings of wage workers and their healthcare expenditure constitute large volumes of money. So long as these remain within the domain of legislative guarantee and therefore within the public sector, the privatisation of the financial sector will remain incomplete. Hence the BJP government must force this shift if it is to succeed in accomplishing its task of opening up the mainstay of our economy.

The BJP government has not restricted itself to only PF and ESI. Through two successive union budgets, the government has in real terms forced wages down by effectively freezing wages of 'honorary workers' and restricting government expenditure on social security and social protection. In the last month, the promise of enhanced minimum wages notwithstanding, the BJP has caused to force down wages further by notifying wages under the NREGA at levels lower than the lowest (agricultural) minimum wage in many states.

For the BJP government, wages must be driven by market forces. Wages must indeed be kept down since the agricultural sector is in crisis and industrial production remains low. The most recent data shows that employment is on a decline: workers are not just losing permanent jobs, the number of available jobs on contract too is declining. Despite this and the drought situation in about half the country, the BJP government is still unwilling to address the question of livelihood and wages.

**Law is more than Intention**

For the BJP government, its intention is law and that is what it has signaled to the private sector. There is a willful violation of existing laws. There is perhaps no employer, public or private – multinational or Indian, in the country today that is not violating labour laws. And both the BJP government at the centre and state governments are now actively engaged in allowing these violations. All sections of the working class movement have effectively resisted this and have been faced with an even greater offensive.

If until now government assisted employers in violating the right to freedom of association, today government is at the forefront in violating the right to free speech and free assembly. If until now government broke trade union struggles through employing the police in making preventive arrests, today government is actively engaged in trumping up charges so as to employ criminal law to put away activists who use democratic means of dissent against government actions.

The BJP’s attack is however not restricted to workers and peasants. It seeks to change the very notion of what a nation is and what citizenship means.

In its first year in government the BJP enforced a ‘ban’ on beef. The government effectively told us what we can and cannot eat. In the past few months through its efforts to put down students, even pushing them to their death, if they ask for what is rightfully theirs or who express a views that may be at variance with the BJP, government is effectively telling us what we can say and what we cannot and what we allowed to think and what we must not think. This, the BJP must do because it not just seeks to ensure that wages are reduced to increase profits but it seeks to alter the rules of our society by taking away the rights of those who are underprivileged and hence discriminated by class, caste, religion, gender and region. This is the India that

the BJP seeks to make.

**Stop the Attack on Workers – Resist and Reclaim**

We have between us led many struggles in the past year. Some of them have been successful in bringing long awaited relief. We have seen an enormous resistance across the country in response to the BJP governments attack on democratic rights be they in economic, social or political life.

Across the world and in the region there is, today, a rise of conservative politics that promotes individual liberty over collective rights, private sector expansion, free markets and social and political values that artificially presupposes homogeneity amongst peoples negating the enormous diversity of peoples within societies and countries and a strong national defence. This comes with a sharpened attack on institutional social protection and security, on role of public sector and therefore on democratic rights. While in the Global North, this attack manifests itself against immigrants, against religious minorities, mostly muslims, in our own country the attack has manifest itself against migrant workers mostly dalits and adivasis and against muslims (who together constitute nearly 40% of our population) – all leading to widespread xenophobia.

Our resistance, therefore, in the coming days, has to be stronger and more united and more focused to ensure that every person irrespective of class or community enjoys the right to free speech, the right to free assembly and the right to form or join an association of their own choice. In whichever country we may be in, we join them in solidarity for it is together and together alone united in our strength and purpose, both at home and abroad, will we succeed in our resolve to:

<b>RECLAIM</b>
<p><b>Right to Free Speech</b></p> <p><b>Right to Freedom of Assembly</b></p> <p><b>Right to Freedom of Association</b></p>

## AFFILIATE NEWS

### **GATWU holds May Day rally at Freedom Park**

*Bengaluru, 1 May 2016:* The Garments and Textile Workers Union (GATWU) held demonstrations and May Day celebrations at Freedom Park demanding immediate release and withdrawal of all cases, including attempt to murder, against about 200 workers connected to the protests against the change in the EPF rules.

About 41 cases were registered for violence on 19 April, all of which included attempt to murder and 236 persons were arrested and are imprisoned at Parappana Agrahara Central Prison. Cases registered on 18 April however have been booked under rioting sections. The workers are unable to get bail as they have been booked for severe non-bailable offences.

The Chief Minister, Mr. Siddaramaiah, assured representatives of the garment workers that he will consult the police and initiate measures to withdraw cases booked against them.

GATWU is also demanding an increase in the minimum wage of garment workers to Rs. 18,000 as per the Seventh Pay Commission recommendation.

### **KVSS collects solidarity fund in support of the struggle of JNU students**

*Mumbai, 1 May 2016:* Members of Kachra Vahatuk Shramik Sangh collected Rs. 10,000 in solidarity with the continuing struggle of the students of JNU against 'sedition' and their hunger strike demanding withdrawal of the charges against the students.

In a meeting at JNU on 29 May, Com. Milind Ranade, General Secretary, KVSS and national secretary, NTUI, along with other members of KVSS handed over the monies to the JNUSU leadership.

### **AIUWFP leads struggle of contract workers at Hindalco**

*1 May 2016:* AIUWFP planned a May Day demonstration at Renukut in support of the struggle of the illegally terminated badli workers at the Hindalco plant. Two of the illegally terminated contract workers, who were the main organizers of the May Day programme at Renukut, were arrested on 29 April under various sections of the IPC but released later.

The badli workers were terminated at the Renukut plant of Hindalco without notice last year. These

workers went on an indefinite hunger strike. The DLC intervened and in a tripartite agreement directed the management to reinstate the terminated workers. The management agreed to do so but later violated the agreement and offered to reinstate the workers at Rs 10,000 per month, which is about 40% of their earlier wage.

The terminated workers did not join work and are continuing their struggle for reinstatement.

### **Protest in Gurgaon for Implementation of newly notified Minimum wage**

*28 April 2016:* The Garment and Allied Workers' Union (GAWU) joined a massive joint trade union demonstration in Gurgaon demanding the implementation of the latest minimum wages notification of the Government of Haryana in November 2015. Thousands of workers representing central trade unions such as the CITU, AITUC, INTUC, AICCTU, HMS marched with workers from Maruti Suzuki, Honda, Hero Motors and several other factories in the region.

### **Union Government forced to withdraw unilateral change in PF rules**

*Bengaluru, 20 April, 2016:* In early April, the Garment and Textile Workers Union (GATWU) started a campaign, amongst garment workers in and around Bangalore city, for the immediate and unconditional withdrawal of Gazette Notification of 10 February 2016 No.G.S.R.158(E) for amendment in Paragraph 68NN, 68 O and 69 and introduction of new paragraph 68 NNNN in the Employees Provident Fund Scheme 1952.

According to the revised EPF withdrawal rules, workers will be allowed to withdraw only their contribution to the EPF during the course of and at the loss of employment. The employer's contribution to PF could be withdrawn only when a worker reaches the age of 58, which has in effect been fixed as the age of retirement.

Reality is that a vast majority of workers, especially garment workers, do not have uninterrupted employment until the age of retirement. The majority of workers in industries receive intermittent employment typically for no more than 10 or 15 years. In the absence of any possibility of life-time employment or provision for an unemployment benefit, workers have no choice but to rely on their retirement funds to survive between

jobs and hence are forced to withdraw their PF monies.

Further, workers today are being increasingly victimised by employer for increased productivity and therefore growing intensity of work, for resisting harassment on the shopfloor, including sexual harassment, and for joining a trade union. PF monies come handy when workers are illegally terminated on alleged disciplinary grounds, and find it difficult to get another job in the industry or in the area.

The Bengaluru city police and the police in various districts of Karnataka turned their wrath against the tens of thousands of garment workers, mostly women, who peacefully demonstrated on 18-19 April against the unilateral changes made by the Government of India to the rules disallowing workers to withdrawing their earned monies from the Employees' Provident Fund.

The garment workers were demanding a continued right to withdraw their earned EPF monies in times of distress.

The workers' protest in Bangalore is an unambiguous reflection of the Government of India's inability to understand and recognise the condition of the country's working class and therefore their needs. Government, through its unilateral actions, is responsible for the disruption of industrial peace. The principal responsibility of maintaining industrial peace rests with the Government of India.

The change in the EPF rules for withdrawal is not for the benefit of workers. It comes on the back of rules being amended for EPF monies to be invested in the stock market. It comes at a time when government would like to offer workers the right to opt out of the only legislatively guaranteed retirement fund in favour of private pensions. It comes when government has left no stone unturned to advantage private pension funds.

This change also comes at a time when the country's rate of savings is at about its lowest point in a decade. In the absence of savings, the rate of investment will continue to remain low and hence not allow government to meet its promise of economic growth. In turn, the country will have to increase its dependence on foreign loans and foreign investment. While the BJP government is not concerned about foreign dependence, it recognises that investment from overseas will be insufficient to grow the economy. With no capacity to inspire confidence in the very private sector that it supports, the BJP government is seeking to secure at least half of the monies in the EPF over an

entire working life span of 35-40 years of workers to create a 'stable' resource base for the BJP government to place at the disposal of private capital.

### **Trade Unions Joint Action Committee-Maharashtra calls for statewide protests against anti-labour policies of government**

*Mumbai, 21 April 2016:* The Trade Unions Joint Action Committee (TUJAC) has called for state wide protest actions against the anti-labour policies of the state of Maharashtra and the central government.

In a convention on 24 February 24 in Gopal Shetty Hall, Parel, Mumbai representatives of the various trade unions passed a resolution against the decision of the Maharashtra government and the central government to amend existing labour laws to facilitate 'ease of business'.

It was decided at the convention that the unions will organise a dharna in Mumbai on 10 March and thereafter hold a protest rally on 20 April. The resolution amongst other things demanded:

- Contract system be abolished and workers engaged in contract system be treated as regular workers of the principal employers;
- Statutory minimum wage should not be less than Rs 18,000 per month; and
- Anganwadi, Asha, Mid Day Meal, Gram Sevak and other scheme workers be given government employee status and wages and other benefits applicable in government services.

Thousands of workers marched to Azad Maidan on 10 March under the joint banner of Trade Union Joint Action Committee. A memorandum of 12 demands was submitted to the Chief Minister and called for a Halla Bol Rally on 20 April.

### **Anganwadi workers to take out protest march in Delhi**

*New Delhi, 16 Feb 2016:* Thousands of Anganwadi workers from across the country joined a protest march to the Parliament on 15 February demanding the release of their pending salaries at the call of a Joint Action Committee comprising of unions affiliated to the AICCTU, AIUTUC, AITUC, CITU, HMS, INTUC and NTUI.

Hundreds of thousands of anganwadi workers in many states have not been paid their wages for over five months. In addition to salaries, funds to pay rent

of the anganwadi centres have also not been released. Consequently, many anganwadi centres had to be vacated and in cases where workers have resisted, they are facing harassment by owners.

Speaking at the public meeting Com. M A Patil condemned the steep cut in the central budget allocations for Integrated Child Development Services (ICDS) by the BJP government from Rs 18,108 crore in 2014-15 to Rs 8,245.77 crore in 2015-16. The sharp decline in funds is already affecting implementation of the scheme in states like Bihar, Punjab, UP. In the pretext of fund scarcity, government at the centre is trying to shift the operation of Anganwadi centres to corporates and NGOs.

### Yet another victory for garment workers in Minimum Wage battle in Chennai

In February 2015, the government of Tamil Nadu revised the minimum wages for the garment industry after a decade of struggle. The monthly wage of a cutting operator was increased from a monthly wage of Rs 4,605 to Rs 7,559 and that of a machine operator from Rs 4,514 to Rs 7,409, an over 60% increase.

The garment manufacturers association immediately went to court and obtained a stay order on the revised notification. This stay has once again been dismissed and the manufacturers have been advised to implement the new wage with immediate effect. The workers can now demand back wages from the date of the original notification.

In the meanwhile, after months of negotiations, the Tirupur Employers' Association entered a four-year new wage agreement with trade unions on 5 April 2016 for the period 1 April 2016 to 31 March 2020.

Under this new wage agreement, garments workers employed under categories such as cutting, tailoring, ironing, packing, fabrication, checking, label putting, hand folding, damage spotting and fabrication will get a wage increase of 18%, 5%, 5% and 5% respectively every year for the next four years. The existing wages, based on the category of work, ranges between Rs. 45 to Rs 158 a day. Thus the increased wage in the first year would range between Rs. 53 to Rs. 186.40 (without DA), while the lowest notified minimum wage is Rs. 202.15 and the highest is Rs. 222.65 (without DA). Thus the tripartite agreed wage is a gross violation of the notified minimum wage in the state.

Class or Classes of Employees/workers	Zone A (Wages in INR)			
	Basic Wage	VDA	Total Wage	Per day
Cutter-cum-Marker Gr.I	5789	2701	8490	326.54
Cutter -cum-Pattern Maker Gr. II	5639	2701	8340	320.77
Tailor/ Machine Operator Gr. I	5639	2701	8340	320.77
Tailor/Machine Operator Gr. II	5469	2701	8170	314.23
Trimmer	5256	2701	7957	306.04
Button & Khaja Operator	5256	2701	7957	306.04
Checker Gr. I	5789	2701	8490	326.54
Checker Gr. II	5639	2701	8340	320.77
Washing Helper	5256	2701	7957	306.04
Iron Man or Presser Gr. I	5362	2701	8063	310.12
Iron Man or Presser Gr. II	5256	2701	7957	306.04
Packer	5256	2701	7957	306.04
Layer (Helper)	5256	2701	7957	306.04
Helpers - (all kinds)	5256	2701	7957	306.04
Trainee - Apprentice	5256	2701	7957	306.04
Any other category not covered by other items	5256	2701	7957	306.04

### AIUFWP holds public hearing at Gosaba on Non-implementation of Forest Rights Act

*Sundarban, 31 January 2016:* Sundarban Jana Shramajibi Manch and the All India Union of Forest Working People (AIUFWP) held a Public Hearing at Gosaba in the Sundarbans on the non-implementation of the Forest Rights Act, 2006. The Forest Department and the State Government of West Bengal have ignored the rights guaranteed by the legislation and have violated these with impunity especially in light of protecting the tiger.

The Public hearing was attended by Medha Patkar, Adv. Sanjay Parikh (Supreme Court of India), Meher Engineer (Scientist), Prof. Nandini Sundar (Delhi University), Prof. Arupjyoti Saikia (IIT, Guwahati), Kamal Nayan Chaubey (Researcher on Forest Rights Issues), Jayanta Basu (Senior Journalist), Naba Dutta (Researcher) and Jaya Mitra (Author).

## Garment workers rally against Harassment at workplace

*Bengaluru, 29 January 2016:* Garments and Textile Workers Union (GATWU) held a rally on 31 January to the Town Hall in Bangalore protesting against low wages, unsustainable productivity demands and harassment at the workplace.

Wages of around Rs 7,000 per month compel families of garment workers to survive at a level where the expenditure on food is barely at the poverty line as determined by the Rangarajan Committee. Further, a large majority of workers suffer from chronic musculoskeletal and various kinds of gynecological problems. Workplace harassment, including sexual harassment, by supervisors and managers for ever increasing production targets has been identified as the main reason for the chronic health problems. Attempts by workers to collectively resist harassment and join unions are met with targeted attack against union members.

## PCSS signs agreement with Holcim after 25 years of struggle at ACC Jamul

*New Delhi, 25 January 2015:* The Pragatisheel Cement Shramik Sangh (PCSS) signed a settlement with Holcim on 22 January moving forward a quarter of a century long struggle for contract workers in the ACC Jamul Cement Works (owned by the global corporation Lafarge-Holcim).

In 2006, the PCSS had won an Industrial Court award for regularisation of 573 contract workers, which was partially upheld in 2011 by the High Court limiting the relief to about 120 workers still in service. The company not just refused to recognize the union and negotiate with it, it also violated the High Court order. The PCSS has also been pressing the implementation of the Cement Wage Board award of 1978 which take wages to as much as four times higher than the minimum wage.

In 2012, the PCSS filed a complaint against Holcim before the Swiss National Contact Point (NCP) of the OECD charging Holcim violation of OECD guidelines for Multinationals, Indian laws and court orders, including violation of the right to freedom of association, refusing to bargain in good faith with their union and also violating the rights of communities in the areas around the plant.

Meanwhile Holcim also began construction of a large, highly mechanized, state-of-the-art new plant in

Jamul with the plan of running the plant with about 90 highly skilled local workers. PCSS demanded re-employment and regularisation of contract workers in the new plant.

Following direction from the Swiss NCP, Lafarge Holcim began negotiations with the PCSS in 2014.

In the course of the negotiation the union and its membership was posed with a difficult choice between benefits of regularization and arrears to a small group of workers as directed by the High Court or (ii) minimizing the retrenchment that the company was proposing.

At this point the workers who had the High Court order in their name showed remarkable union spirit and sacrificed their individual gains and pushed for maximum absorption of existing workers in the new and the old plant with better working conditions and the maximum compensation package with alternative livelihood support to those who were to lose jobs.

The final settlement provides:

1. Out of 932 contract workers, 536 would be employed in the new and old plants.
2. Of the 536 workers, 212 would be employed at Cement Wage Board rates; 196 at 50% Cement Wage Board rates to be enhanced to full wage board rates in 2 years; and the remaining 128 at 25% above minimum wages - to be enhanced to 30% above minimum wages after a year.
3. These workers were selected through a skill assessment process by the management which the union tried to keep as fair and transparent as possible.
4. The 396 workers who stand terminated were awarded 3 months of wage for every year they worked as in addition to their gratuity and other statutory dues. About 200 of these workers have put in less than 5 years while around 75 workers are over 55 years of age.

For PCSS this marks the start of the next phase of its struggle to ensure the full implementation of the agreement and to take forward the lessons from the past 25 years to the rest of its membership and to the thousands of contract workers in the cement industry that remain outside the fold of any union.

## Safai contract workers demand PF and Medical cover

*Mumbai, 11 January 2016:* Members of Kachra

Vahatuk Shramik Sangh (KVSS) marched to the Brihanmumbai Municipal Corporation headquarters with the body of 35 year old safai worker, Yunus Ahmed Sheikh, who lost his life when the BMC garbage collection van he worked with met with an accident two days ago.

Sheikh is survived by his wife and two daughters and a son. He was a contract worker employed with the civic solid waste management department for the last nine years. He was grievously injured in the accident in which the garbage truck toppled over.

Sheikh was one of the 2700 workers who were regularised in 2014 through a prolonged struggle of the union but the BMC is yet to implement the court order. In this situation, Sheikh's family will not benefit from his pension, due to the BMC's negligence.

The court had further directed the BMC to pay back wages to the 2700 workers since 2007. Even though BMC's standing committee passed the proposal, the BMC did not clear the payment, denying the workers a raise, medical insurance, and pension.

The union leaders met additional municipal commissioner Pallavi Darade, who assured positive action after an inspection of the case.

## NEWS UPDATE

### Government to enhance maternity leave to 26 weeks soon

*20 May 2016:* The government is set to enhance maternity benefit to 26 weeks from the current 12 through an executive order.

### Wage floor for tea workers

*Kolkata, 22 May 2016:* The Centre may soon fix a minimum wage for plantation workers in tea-growing states, besides allowing flexible working hours, mainly during the harvesting season. According to the Labour Ministry, "Every worker must be paid a minimum wage." It also aims to do away with the system of paying a part of the wage in kind "as certain items that are given are sub-standard". The Indian Tea Association is opposed to the abandonment of the 'in kind' component of wage.

### Exemption from labour laws for start-ups that self-certify

*26 April 2016:* The Ministry of labour has issued

an advisory to all state governments to grant exemption from certain labour laws if entrepreneurs submit self-certification for compliance of legislation to promote the Prime Minister's dream project, Start-up India.

Start-ups have been defined by the Department of Industrial Policy & Promotion (DIPP), as an entity, incorporated or registered in India not prior to five years, with annual turnover not exceeding Rs. 25 crores in any preceding financial year, working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property.

Start-ups, as defined by DIPP, would be allowed to self-certify compliance with regard to the following:

1. The Industrial Disputes Act, 1947
2. The Trade Unions Act, 1926
3. The Building and Other Constructions Workers' (Regulation of Employment and Conditions of Service) Act, 1996
4. The Industrial Employment (Standing Orders) Act, 1946
5. The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
6. The Payment of Gratuity Act, 1972
7. The Contract Labour (Regulation and Abolition) Act, 1970
8. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
9. The Employees' State Insurance Act, 1948

In case of these labour laws, inspections will not be conducted for three years, unless a complaint is received.

Over and above this, Start-ups will be exempt from paying income tax on their profits for the first three years.

### Decision to lower EPF interest rate rolled back:

*New Delhi, 30 April:* The government reversed its decision to lower interest rate on the provident fund deposits to 8.7 per cent for 2015-16 and agreed to fix it at 8.8 per cent, making it the third EPF-related rollback since March.

The roll back came on the heels of government having to withdraw an order restricting withdrawals of employers share in the employee provident fund (EPF) till an employee achieves 58 years of age after the

protest by garment workers in Bengaluru. Last month, the government had to roll back a Budget proposal to tax EPF withdrawals.

### **Insolvency and Bankruptcy bill passed by Rajya Sabha**

*New Delhi, 11 May 2016:* The Rajya Sabha passed the Insolvency and Bankruptcy Code 2016. A majority of the parties in both Houses supported this legislation after all the amendments proposed by a joint parliamentary committee were accepted by the government. The Bill had been initially moved by the Finance Minister on 21 December in the Lok Sabha. The bill got referred for further scrutiny to a joint parliamentary committee.

The Joint Parliamentary Committee suggested several measures to protect the financial interest of workers in the new Insolvency and Bankruptcy Code. However, the measures clearly lay out a framework to help exit of firms in the event of bankruptcy. The panel also recommended that timelines for completing the liquidation and bankruptcy of insolvent entities should be shortened.

The Joint Parliamentary Committee has pitched for faster and enhanced payment of statutory dues of workers and employees in the corporate insolvency process. The coverage period of workmen dues to be settled is sought to be expanded to 24 months, instead of 12 months in the existing bill.

### **Labour ministry planning for ESIC and EPF cover for domestic workers**

*New Delhi, 22 April 2016:* The Labour ministry is drafting a scheme for domestic workers to avail medical facility for themselves and their families for a small contribution. The scheme would be voluntary and the government would appeal employers to contribute towards health benefit for their domestic workers.

The scheme will cost the subscriber only Rs 250 a month. To begin with the government would cover domestic workers under the ESIC to provide medical coverage to the workers and his/her family. This could be followed by covering them under the EPF.

### **National Convention of Workers**

*New Delhi, 30 March 2016:* The National Convention of Workers organized by the Joint Platform of the Central Trade Unions (CTU) of the country, other than BMS, along with Independent National

Federations of employees of different Industries and Services noted that despite the success of the strike on 2 September, the Government has not responded to the 12 point charter of demands, submitted by the CTUs.

The Convention further noted that a whole range of social security measures have come under severe attack. Although the Government had to thrice roll back their EPF amendment proposals, the government continues its attack on rights of workers – from granting exemption to Start-up Enterprises, bringing in the Small Factories Bill along with the proposed Labour Code on Wages, on Industrial Relations. The government has also refused to implement the consensus recommendations of 43rd, 44th and 45th Indian Labour Conferences on formulation of minimum wages, same wage and benefits as regular workers for the contract workers and granting status of workers with attendant benefits to the scheme workers like anganwadi, mid-day-meal, ASHA, para-teachers etc.

The convention reiterated the demand for strict implementation of labour laws and a total scrap of its proposals of so called “labour law-reforms”, halting mass scale unlawful contractualisation, minimum wages at not less than Rs 18,000 per month with indexation and universal social security benefits and pension for all including the unorganized sector workers, etc. The demands also include compulsory registration of Trade Unions within 45 days and ratification of ILO Conventions 87 and 98.

#### **Joint conventions and Campaigns**

when : **June-July 2016**

#### **Dharna/Satyagraha**

When : **9 August 2016**

Where : **State Capitals and Industrial centres**

#### **All India General Strike**

**2 September 2016**

The Convention called upon all trade unions, federations across sectors to widen and consolidate the unity at the grass-root level and prepare for countrywide united movement and observe the above programme of agitation and action.

## Delhi government revises DA, minimum wage increased

	Rates as on 01.10.2015 (in Rs)	Monthly DA w.e.f 01.04.2016 (in Rs)	Rates from 01.04.2016 (in Rs)	
			Monthly	Daily
Un-skilled	9178	390	9568	368
Semi skilled	10140	442	10582	407
Skilled	11154	468	11622	447

The Delhi government had passed the Minimum Wages (Delhi) Amendment Bill, 2015 during the winter session of the Assembly, which lays down higher fines and imprisonment for violation of Minimum Wages Act. Under the amended Act, employers should upload data of their employees on website/ web portal in the manner as may be prescribed by Delhi government.

## Government to pay 8.33% to EPS for 'new employees'

*29 February 2016:* The government has decided to pay 8.33 per cent of wages to EPS, on behalf of employers, for 'new workers' during first three years of employment. This wage subsidy is intended to incentivize creation of new jobs. The finance minister allocated Rs 1,000 crore of the Union budget for this under the Pradhan Mantri Rojgar Protsahan Yojana.

This scheme will be applicable to new employees, who have worked for 240 days during a year in an establishment with a wage of up to Rs 15,000 per month.

A 'new employee', according to labour ministry sources may be defined as those workers in excess of the average employee base of a firm for the previous three years.

This will lead to more contractualisation and to increased short term contracts of workers in order to continue receiving the wage subsidy from government.

## CAMPAIGN NEWS

### India ratifies the Trade Facilitation Agreement of WTO:

*22 April, 2016:* India has ratified the new Trade Facilitation Agreement (TFA). India's WTO

ambassador Anjali Prasad handed over her country's instrument of acceptance to Director-General Roberto Azevêdo on 22 April. India is the 76th member ratifying this agreement. To facilitate the implementation of the Agreement, the Government of India will be setting up a National Committee on Trade Facilitation. The Committee will be jointly chaired by Secretaries of the Ministries of Commerce and Industry and Finance.

The TFA was adopted by the World Trade Organisation (WTO) in November 2014. The Agreement aims to ease the movement of goods between member countries by simplifying procedures of international trade. It will come into force when two-thirds of the WTO member countries (108 members) ratify it.

The Agreement lays out procedures to speed up the movement, release and clearance of goods from one country to another, including goods in transit. It allows developing and least developed countries to:

1. determine when they will implement specific provisions of the Agreement, and
2. identify provisions which they will be able to implement with technical assistance and support for capacity building.

To help these countries in implementing these provisions, a permanent Trade Facilitation Agreement Facility was created in November 2014.

Under this agreement, member countries will make an effort to reduce customs-related paperwork, provide more transparency in procedures, reduce clearance delays at ports, institute a system of appealing customs decisions, and provide information to involved parties in case their goods are being detained at ports etc.

This agreement is critical in a world where the production process is highly fragmented with different components of a final product being produced at different locations across the globe. Each component today of a final product is produced at a location where it is cheapest to produce. However, this production chain is effective only with timely delivery of components to destinations along the supply chain. For example, Japanese auto major Honda is looking at stepping up supply of components from India to its various international operations in UK, Turkey, Canada, United States and even Japan. The company is targeting exporting components worth Rs 1400-1500 crore in the current financial year, nearly double of around Rs 700 crore registered two years back. This

will be smoothed by the TFA. This implies that less developed countries and developing countries will continue to remain low cost centres of production at the lower end of the value chain while the developed countries will retain their position at the top of the value chain.

The TFA was initially opposed by India because of the possibility of being challenged at the WTO over its minimum support prices (MSPs) and public stockpiling of foodgrains for PDS. Subsequent negotiations with the US have resulted in a formal WTO agreement allowing public stockpiling of foodgrains through MSPs without challenge from trading partners. This is a temporary fix that will remain in place until member countries are able to work out a permanent solution.

### **India signs Paris Agreement 2015 on climate change**

*23 April 2016:* India signed the Paris Agreement on climate change on Earth Day, 22 April 2016. Environment Minister Prakash Javadekar signed the agreement along with more than 170 other nations, marking a significant step towards cutting down greenhouse gas emissions to combat global warming.

The Agreement was adopted by the Conference of Parties to the United Nations Framework Convention on Climate Change (UNFCCC) on 12 December 2015. It aims to limit the increase in the global average temperature to a level between 1.5 degrees Celsius to 2 degrees Celsius above pre-industrial levels. Under the agreement, member countries have agreed to undertake voluntary domestic commitments (i.e., Intended Nationally Determined Contributions or INDCs) to pursue this target till 2030. India had submitted its INDCs to the UNFCCC on 2 October 2015.

The signing is the first step toward ensuring that the agreement comes into force as soon as possible. After the signing, countries must ratify the agreement. The agreement can enter into force 30 days after at least 55 Parties to the UNFCCC, accounting for at least 55 per cent of global emissions, ratify the agreement. In India, approval of Parliament will not be required for the government to ratify the Paris Agreement. A Cabinet decision to this effect would be enough.

Major oil producing states like Saudi Arabia, Iraq, Nigeria and Kazakhstan, are yet to sign the Accord as their economies are likely to take a substantial hit with a faster shift to renewable energies dictated by climate change.

The Paris Accord sets the framework for carbon

emission reduction after 2020. It safeguards the principle of common but differentiated responsibility that has remained a non-negotiable aspect of India's climate position. This principle rests the major responsibility to drastically cut carbon emissions and provide the necessary finance, technology and capacity building for developing economies to mitigate and adapt to climate change on developed nations.

The most significant pledge by India has been to increase solar power generation to 100 gigawatts by 2022, up from about three gigawatts generated in India last year. The government also announced recently that it would double its tax on coal. Since the current government took power in 2014, the tax on coal has gone up eightfold. And since the Paris agreement, the government has toughened emissions standards for existing and new coal-based power plants. Together, these two new policies could make solar energy as competitive as coal.

## **INTERNATIONAL NEWS**

### **Greek Workers go on 3-Day Nationwide Strike**

*6 May 2016:* Across Greece, workers went on a three-day general strike over a new round of austerity measures including new pension cuts and tax increases. Greece's two biggest labor unions, the General Confederation of Greek Workers (GSEE) – the largest private sector union and the Civil Servants' Confederation (ADEDY) – the largest public sector union - which together represent about 2.5 million workers, are opposing the new round of austerity measures that Greece must adopt to receive fresh bailout funding.

The measures include an overhaul of the Greek social security system, involving cuts to the pensions of new retirees and higher social security contributions. They also require increased rates of taxation.

### **Brazil: Democracy and Rights**

*1 May 2016:* The Unified Workers' Central union (CUT), Brazil's largest labour union federation, mobilized in huge numbers across the country on May Day under the banner, "Brazil: Democracy and Rights." It aimed to bring together social movements, workers, students, women's groups, anti-racism movements for marches to defend labour rights and democracy.

The May Day rallies are being held to defend

democracy against the parliamentary coup against Workers' Party (PT), President Dilma Rousseff.

Rousseff has said the impeachment bid lacks the legal basis required by the constitution and is a bid to shield Cunha and other corrupt lawmakers from facing charges. It is a conservative power grab after more than a decade of PT governments.

In response, Brazil's May Day marches were slated to focus not only on workers' rights, but also the "parliamentary coup" —the impeachment process that many social movements say threatens to undermine democracy and roll back progressive gains made under the PT.

The new government is already planning to cut healthcare spending and reducing the cost of the Bolsa Familia poverty relief system. 4000 government jobs have been cut. The Ministry of Women, Racial Equality, and Human Rights have been rolled into the Ministry of Justice and the Ministry of Culture has been subsumed into the Ministry of Education.

### **South Africa: May Day Birth of New Trade Union**

*Johannesburg, 1 May 2016:* In the Workers Summit held at the Mehlareng Stadium in Tembisa township, the National Union of Metalworkers of South Africa (NUMSA) together with 51 other unions agreed on ten key principles upon which the new federation will be established. Speaking at the packed Mehlareng Stadium, Zwelinzima Vavi, the erstwhile General Secretary of the COSATU, spearheaded the push for a new, yet to be named, federation geared towards better protecting workers' rights and exposing corruption. The Nine Plus unions (NUMSA and the eight allied unions) also planned to launch a new recruitment campaign aimed at unionising 71% of South African workers who are currently not members of any labour organisation.

The summit comes after 26 unions met last year to work towards developing a new platform for labour unity. They stressed the values of union independence, worker control, financial sustainability, socialist orientation, effective organisation, and fighting for the poor. They said unions should be independent of political parties, but all of the principles will be up for debate at the Workers Summit. The Workers' Summit aimed to assess the trade union movement; identify common concerns and a common approach to working class unity; to consider the possibility of forming a new federation.

### **South Korean Workers clash with police on May Day**

*Seoul, 1 May 2016:* South Korean workers clashed with riot police in Seoul during a May Day rally protesting against the government's labour policies.

The Korean Confederation of Trade Unions (KCTU) is opposing a series of new government policies that will reduce wages and job security, including a revised pension system for government employees and family-owned corporations, known as the chaebol.

Thousands of riot police set up barricades to block the 10,000 workers from marching toward the office of President Park Geun-hye on May Day.

### **Protests continue in France over labour law reforms**

Over 1.2 million workers and high-school students joined protest marches across France to challenge plans to loosen the country's protective labor laws and make it pro-business. Called *Nuit debout*, which loosely means "rise up at night", the protest movement began on 31 March with a night-time sit-in in Paris.

The day of protest, which led to hundreds of arrests as protestors were attacked by the police in Paris, Lyon and Nantes.

Unions have planned protest rallies on 5 and 9 April with the CGT declaring that the protests would not end until the draft labor bill was withdrawn entirely.

The CGT and the Sud Rail held strikes at railways beginning 30 March morning through to 1 April. Orly and Charles de Gaulle airports in Paris were disrupted when engineers, technicians and traffic control staff went on strike. Transport workers and truck drivers also joined the strike. Port and dockworkers held 24-hour strikes on 2 days disrupting ferry services. Teachers and other school staff in some schools also took action leading to schools being closed.

Prepared under the oversight of the Labour Minister Myriam El Khomri, the stated objective of the bill is to safeguard and promote the competitiveness of businesses operating in France.

**Working Hours:** The El Khomri law would alter the rules on working time by giving companies greater flexibility to exceed the statutory thirty-five-hour workweek and an overtime of up to ten hours a day and forty-eight hours a week for full-time workers. The government's proposal would raise the daily legal maximum to twelve hours, "in case of increased

activity or for reasons related to the organization of the company.” This would also allow temporary increase in the weekly limit to as much as sixty hours if “exceptional circumstances” require it. Meanwhile, the legislation would considerably reduce the bonus paid to employees who work more than thirty-five hours in a week.

**Dismissals:** The new law proposes to lower the cap on legal damages for “unfair dismissal.” In France, workers who lose their job without “just cause” are eligible to seek compensation through the labour courts and the employer is bound to pay a settlement commensurate with the length of employment. The El Khomri law seeks to lower the legal limit on damages. The proposal also changes the rules on dismissals, making it easier for companies to lay off employees for economic reasons.

**Individual Firm level agreements:** The protections granted by the Labour Code are to be replaced by negotiations between the unions and employers at each individual firm, which will become “the common law principle.” These will render industry-level agreements ineffective and would, in effect, end the principle of a single nationwide body of legal protections for workers.

## PRESS RELEASE

### **COP21: An Agreement that Perpetuates Existing Hegemonies**

*Paris, 12 December 2015:* 150 Heads of State and Government attended the opening event of the Paris climate conference. They stated their noble intentions and promised their governments’ commitment to limit global warming. Two weeks later, what remains of these intentions? After behind-the-scene bargaining discussions and plenary sessions, governments have backed down on most key issues.

Yes, there is an agreement, but at what price and with what contents?

What of environmental or social justice?

It is but an empty shell acceptable to developed countries – and to the overpowering multinationals present at the COP. However, people and countries – especially those in the global South –who are already the victims of global warming, will continue to foot the bill for irresponsible policies laid out without any thought for their consequences.

The limited commitments on financing, technology transfer, long-term ambitions on emissions and compensation for loss and damage offer no prospect of slowing global warming, let alone stopping it.

Industrialized countries, historically the biggest polluters –starting with the US– have little to fear from a climate cataclysm. They have the means to overcome it. Even if consequences weigh on workers and populations, there is, in these regions, existing finance and technology to mitigate the impact. Yet, developing countries, including trade unions and associations which did not have the means to attend the COP, will pay the highest price. Workers in these regions will be the victims of the lack of courage of the Paris conference.

Climate change negotiations are no longer limited to environmental issues. They also address social and human aspects. The COP21 raises the question of solidarity between the peoples of our planet, but to no avail once again. Climate migrations, social tensions and rising inequalities will be the consequences.

Signatories to the current statement strongly denounce governments’ irresponsibility, and primarily those of industrialized countries. We are the keys to our own future, through cooperation, solidarity and struggle. Governments have refused to take their responsibilities in the face of history. Consequently, it is up to us to engage in a real and united fight against global warming, for fundamental rights and for just transition and decent work for all, everywhere.

## NTUI FOURTH GENERAL COUNCIL

Vikas Bharti, Sundernagar  
Jamshedpur

**23-25 September 2016**

Printed and Published by **Gautam Mody**  
For **New Trade Union Initiative**

B 137, First Floor, Dayanand Colony, Lajpat Nagar -IV  
New Delhi – 110024

Telephone: +91 11 2621 4538/ 2648 6931

Email: [secretariat@ntui.org.in](mailto:secretariat@ntui.org.in) | Website: <http://ntui.org.in>