

India's BJP government creates new category of workers who can be fired at will

By Kranti Kumara
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India's pro-big business, Hindu supremacist Bharatiya Janata Party (BJP) government recently expanded "fixed-term employment"—a form of contract-work under which employers can fire workers at will—to all sectors of the economy.

Hitherto, "fixed-term employment" had been restricted to the textile industry.

Under the "fixed-term" designation, Indian businesses can hire workers on a "non-permanent" basis, for any length of time of their choosing, whether for days, months, years, or the duration of a project. However, the "fixed-term" appellation is a complete misnomer, since an employer can terminate a worker's contract at any time, claiming changed business conditions, and the laid-off worker is entitled to no severance pay or compensation whatsoever.

The BJP government implemented this sweeping regressive change to India's labour laws by fiat in mid-March. Bypassing parliament, it issued a notification in the government *Gazette* that "Fixed Term Employment has now been introduced irrespective of the industry," thereby amending the "Industrial Employment (Standing Order) Act, 1946."

Indian big business has hailed this change and with good reason, since it fulfills one of their major demands. For years Indian and foreign investors have been complaining about labour law restrictions on the laying off of workers. Now in one fell swoop they have been provided a mechanism under which all future hires can be dismissed at will and without having to provide any financial compensation, even if they break the "fixed term" or the laid-off workers have been in their employ for years.

The rightwing *Economic Times* hailed the change, saying it would enhance India's "ranking" in the World Bank's "ease-of-doing-business" rankings and attract investment.

Federation of Indian Chambers of Commerce and Industry (FICCI) President Rashesh Shah joined Finance Minister Arun Jaitley and other government spokesmen in perversely touting this measure, which is aimed at enhancing employer-power and gutting any semblance of job security,

as a boost to employment. "Since the provisions under the existing labour laws did not provide such flexibility," said the FICCI head, "industry had inhibitions in engaging extra labour to discharge timely commitments like export orders. The amendment will certainly remove this hurdle and employment generation will receive an impetus in the coming months."

In pitching his "Make in India" campaign to big business, Indian Prime Minister and reputed "Hindu strongman" Narendra Modi has boasted about his government's devotion to boosting investor profits and the huge wage differential that now exists between India and China, where industrial workers earn on average at least four times more than their Indian counterparts.

But fearing a popular outcry, the BJP government has tried, however implausibly, to promote the expansion of "fixed-term employment" to all sectors of India's economy as a pro-worker measure. In addition to claiming that "labour flexibility" will boost employment, it has made much of the fact that companies can now hire workers on short-term contracts without having to use outside labour-contractors and that workers hired on "fixed-term" contracts are supposed to receive the same wages and, on a pro-rata basis, the same benefits (except severance benefits) as permanent employees.

These claims are completely spurious. First, the government has not prohibited employers from using labour-contractors and temporary work-agencies to hire "temp" or "casual" workers and pay them wage and benefits far below those paid their regular workers; it has simply broadened employers' options for hiring workers who can be easily dispensed with. Second, the Indian Labour Ministry is notorious for failing to enforce minimum wage, health and safety and other work standards, making the legal guarantees of equal pay essentially meaningless.

The trade unions, including the BJP-affiliated Bharatiya Mazdoor Sangh (Indian Workers' Union), have all condemned the regulatory change. But the unions will mount no serious struggle against it—just as they have

sabotaged any resistance to the proliferation of contract-labour across industry, including in the still large state-owned sector.

The unions' biggest complaints have been that they were not properly "consulted" and that the government ran roughshod over democracy in using a "gazette-notification" to effectively put an end to permanent employment.

The latter is of course true. As for the unions' complaints about lack of consultation, not only do they underscore their eagerness to collaborate with the BJP government. They are disingenuous.

The unions in fact knew long in advance that the government was preparing such a measure. Several of them, including the BMS and the Congress Party-affiliated Indian National Trades Union Congress or INTUC, presented a joint submission with employer groups to the government about the impending expansion of term-employment through the Industry-Trade Union Dialogue Forum.

This forum was set up with the support of the previous Congress Party-led government, to foster union-management cooperation and suppress working class resistance in the aftermath of the state-employer offensive against the Maruti Suzuki workers. That offensive climaxed with the purging of the entire workforce at Maruti-Suzuki's Manesar, Haryana car assembly plant, which had emerged as a center of resistance to precarious cheap-labour jobs, and the imprisonment for life of 13 workers on frame-up murder charges. The thirteen included the entire elected leadership of the newly-formed Maruti Suzuki Workers Union.

Both of the principal Stalinist-led labour federations—the Communist Party of India (Marxist)-affiliated Center of Indian Trade Unions and the Communist Party of India's All-India Trades Union Congress—are founding members of the Industry-Trade Union Dialogue Forum and continue to participate in it. However, they stopped participating in the forum's discussions on "term employment" for fear of being identified with so reactionary a measure.

"I attended one meeting initially, but then I decided not to go as I found it to be an employer-centric platform," CITU General-Secretary Tapan Sen told the *Business Standard*.

The Stalinists are well aware that there is seething discontent in the working class. While the corporate media and political establishment celebrate India's purported "economic rise," the mass of the population confronts mass poverty and harrowing economic insecurity.

The top 1 percent of India's population appropriates almost a quarter of all income and owns 60 percent of the country's total wealth. Meanwhile, the government's most recent "Annual Employment & Unemployment Report," that for 2013-14, found no more than 16.5 percent of India's workers are in non-precarious type employment, earning a

regular wage or salary.

Over the past decade-and-a-half, the Stalinist unions and parliamentary parties have routinely called one-day national protest strikes against the ruling elite's neo-liberal agenda. But they themselves have played a decisive role in implementing this agenda. The Stalinists have propped up a succession of rightwing governments in parliament, implemented what they themselves call "pro-investor" policies in the states where the Left Front has held office, and systematically isolated and sabotaged worker struggles.

The Stalinists' real attitude toward the growing resistance in the working class is exemplified by their complete abandonment of the jailed Maruti Suzuki workers.

On April 2, the Stalinist-led CITU and 15 other unions held a one-day general strike in the southern Indian-state of Kerala to protest the new fire-at-will regulation. The protest was actively supported by Kerala's state government, which is led by the Stalinist Communist Party of India (Marxist).

According to press reports, the strike paralyzed economic activity and transport in the state. But while workers' opposition was genuine, on the part of the Stalinists the strike was a political stunt aimed at boosting their tattered "left" credentials.

Only days later, at its triennial national congress, the Communist Party of India (Marxist) or CPM voted to remove all obstacles to forming an electoral alliance with the Congress Party, till recently the Indian bourgeoisie's preferred party of government, in the 2019 national elections.

Big business, meanwhile, is urging the BJP government to press forward with its plans to further dismantle what little protections exist for Indian workers, in the name of streamlining several dozen national labour laws into just four. In its bi-annual world economic outlook, released last month, the IMF urged India's government to further "ease labour market rigidities."

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