

Strike by India's unorganised sector workers

Our correspondent
15 September 2007

A one-day strike by tens of millions of workers in India's so-called unorganised sector last month gave vent to their anger and frustration over low pay and appalling conditions. At the same time, however, the unions, affiliated to the Stalinist Communist Party of India (Marxist) (CPI(M)), limited their demands in order to confine the protest and block the development of a political movement against the United Progressive Alliance (UPA) government in New Delhi.

In India, the "organised sector" refers to enterprises—government and private—that are part of the official statistics that appear in budget documents and government reports. The "unorganised sector" covers everyone else—an estimated 400 million part-time, casual and temporary workers, employees of small and micro businesses, home workers and domestic servants. Many are rural labourers or sharecroppers.

The CPI(M)-affiliated Centre of Indian Trade Unions (CITU), which organised the strike on August 8, claimed that 45 million workers took part, mainly in the states of West Bengal, Kerala and Tripura where CPI(M)-led coalitions hold power. The CITU called for comprehensive legislation covering working conditions, job protection and social security benefits, and the extension of existing labour laws to the unorganised sector.

The main purpose of the strike was to pressure the Congress-led UPA to modify its own Unorganised Sector Worker's Social Security Bill, which was approved by the cabinet in May. The CPI(M), like the other parties of the Left Front, is not part of the government but supports it "from outside". Legislation for the unorganised sector is part of the Common Minimum Program (CMP) that the Left Front reached with the UPA to justify its parliamentary backing for the government.

The limited character of the proposed bill left the CPI(M) politically exposed. The legislation provides

for the establishment of a "National Advisory Board" that will make recommendations to the government on the establishment of various welfare schemes for different layers of unorganised sector workers. As part of this piecemeal approach, several schemes were announced last month and incorporated in the bill, including a plan for landless rural households, a national old age pension and a health insurance scheme for BPL (below the poverty line) workers and their families.

Non-unionised, casual workers will be entitled to life insurance, old-age pension and health and disability benefits by contributing one rupee a day, with the government and employers contributing an equal amount. Those earning less than 6,500 rupees (\$160) annually will be designated as BPL and the government will pay their one-rupee share. Even this limited scheme will take years to implement. The government is yet to indicate how the estimated \$US22.2 billion required to fund the scheme will be raised.

In its June 3 issue, the CPI(M)'s *Peoples Democracy* criticised the new law for providing "nothing substantive for the unorganised sector workers." On the day of the strike, CITU president M.K. Pandhe told reporters: "There is anger among the people over the deceit by the Centre [national government]." But it is a deceit that the CPI(M) and its unions helped to perpetuate by giving credibility to the UPA government's promise that the Common Minimum Program would be carried out.

The strike was clearly aimed at containing growing resentment and pressuring the UPA to make a few concessions. After declaring that support for the strike "was beyond our imagination," CITU West Bengal state president Shyamal Chakraborty declared: "I hope the Central Government will be adequately cautioned by this strike and enact a comprehensive legislation to protect the interests of the workers."

A report released on August 9 entitled “Conditions of Work and Promotion of Livelihoods in Unorganised Sector” provided an overview of the immense social problems confronting 394.9 million workers or 86 percent of country’s total working population. The report, produced by the National Commission for Enterprises in the Unorganised Sector (NCEUS), found that most workers face “utterly deplorable” conditions with “extremely few livelihood options”. An overwhelming 79 percent earned less than 20 rupees a day.

The unorganised sector workers have few legal protections. The NCEUS found that 40 to 50 percent of male workers and 81 to 87 female workers received daily wages below the minimum norm recommended by the labour ministry of 49 rupees (\$US1.20) in rural areas and 67 rupees (\$US1.65) in urban areas.

Women and child workers are subjected to severe exploitation. Most work from home at piece rates, rather than in factories or workplaces. They work long hours for little return. As the report explained, employers prefer this type of home-based work because it is “more productive”.

The unorganised sector has grown as a result of the market reform policies implemented by successive governments since the early 1990s. While it postures as the defender of the poor and oppressed, the CPI(M) has championed similar economic policies in the states where it holds power. According to the National Sample Survey Organisation (NSSO) for 1999-2000, the percentage of unorganised workers in West Bengal, where the CPI(M)-led Left Front has ruled for three decades, stood at 89.6 percent of the workforce.

The UPA government finally introduced the Unorganised Sector Worker’s Social Security Bill into Raja Sabha, the lower house of parliament, on Monday—just before shutting down the session. CPI(M) politburo member Brinda Karat promptly branded the legislation as “the worst kind of tokenism”, saying “they want to introduce the bill just because it was promised in the National Common Minimum Program.”

None of this posturing either by the government or the CPI(M), which has politically propped it up, has anything to do with concern for India’s impoverished masses. Rather it is a desperate attempt to deflect responsibility for their worsening plight.



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