

Workers connect...

Microcredit: Magic that Transforms Workers to Entrepreneurs

Many of us have seen magicians or sadhus rise up from their seat while in deep thought or meditation! This we attribute to skill for the magician and supernatural power for the sadhu. Interestingly they both use the same science to do this. Though the performers appear to be *defying* the laws of physics, the structure they use to afloat is remarkably simple. This three parts: (1) a seat on which the performer sits; (2) a shaft that elevates the seat; and (3) a plate that holds the entire contraption to the ground and provides it stability. A rug or a patch of grass covers this plate and the performer wears clothing that is loose and has long sleeves to hide the shaft. This act no longer remains magical, super natural! It becomes pure science used to trick people.



Micro-credit is a similar magical trick of the late 20th century. It has moved many people and even many governments off their feet. And the person who made this global was no other than the Nobel laureate economist Muhammad Yunus from Bangladesh. His micro-credit movement '*completely revolutionised the lives of people living in rural areas*' of Bangladesh with a mission to "enable the poor, especially women, to create a world without poverty and hunger". He has expanded his concept to developed

countries via Yunus Social Business, founded in 2011. This is the magical element of it, the supernatural power to eliminate the greatest problem of poverty for third world economies.

Demystifying the Magic

Let us begin where Professor Yunus began. The first loan he gave was of \$27 from his own pocket. He lent it to 42 women basket weavers in a village near Chittagong University where he taught. He discovered that they quickly repaid the amount by selling their goods in the market. These women, earlier, used to take loans from village money lenders at very high interest rates as banks would not provide them with loans. Thus begun the experiment of providing micro-credit to poor women to promote their entrepreneurship.

What this experiment however assumes are:

1. The women are basket weavers by choice which means that they have other options of livelihood and yet they choose to be entrepreneurs;
2. The women are able to make enough from basket weaving to have a decent life and they do not self-exploit themselves. For an entrepreneur, 'making enough' means not just compensation for their time but also should include profit; and
3. The women repay on time because they want to and not under duress.

These are critical questions that are fundamental to the understanding of the basis of micro-credit. Micro-credit is central to the World Bank agenda of fiscal prudence which is a fancy name for telling governments of third world economies to freeze their spending on the poor. Microcredit is the other side of the coin that puts restrictions on governments to spend on education, health, housing, pension on one side. So micro-credit is the vehicle to shift government responsibility of eliminating poverty to individuals (the poor) who would now be responsible for eliminating their own

poverty. According to this framework, the burden of rising out of poverty falls on the poor themselves. If they are able to do so, they are labelled 'entrepreneurs' and if not, they can be blamed for their lack of entrepreneurial skill. So the problem of poverty is now a problem of the poor themselves. Thus it completely negates historical conditions that make a large section of the population poor and keeps them poor and also present economic factors that are pushing more and more people into poverty and continuously increasing the income gap between the rich and the poor.

Now let us closely examine the three fundamental assumptions behind the success of the microcredit story.

Assumption 1: On Choice: The assumption that women are basket weavers by choice is the greatest lie that has been fed to the world. The greatest crisis that Bangladesh or India or any other country has been facing since the late 20th century is that of job creation. The old engines of job creation, especially in manufacturing, are not able to create enough jobs and especially good jobs. The jobs coming to the global south are mostly jobs with low wage and next to no social protection. The garment industry is the largest employment provider in Bangladesh and Rana Plaza has shown the world how garment workers work and live in Bangladesh. In India, the choice is a little wider but the conditions are not very different. Most workers, now increasingly more and more younger workers, are being pushed into the service sector in urban centres where jobs are mostly on contracts that provide only that much that keeps a worker alive. Yet large number of workers choose to join this in the hope that they might eventually improve their working condition and get regularised.

The rural areas do not even have this option. Agriculture is in crisis. Number of people dependent on any farmland has kept on growing. There are no non-farm waged employment opportunities available that people can shift to. This has forced people into 'businesses' that brings in some income into the family. These 'businesses' can be basket weaving, can be other home-based work, can be other forms of craft, etc. These are in many instances performed by women because the men are engaged in either waged work in the

same area or have migrated to the cities.

This model is often even looked as increasing women's participation in economic activity. It is but at what cost? Women are pushed into this economic activity as the men are not able to provide for the entire family. This is a reality even if some people may think otherwise. The moment the men find a decent job, most women pull out of this kind of economic activity. They pull out for various reasons: (i) there is no one to share the double burden of the household chores and care work with them; (ii) the work they do usually is very time intensive and hence leads to burnout; (iii) the risk is high – if they are not integrated with a market and therefore are not able to sell their goods at any point of time, they have to bear the loss which further pushes them into a poverty and debt trap; (iv) if they are integrated with a market economy, they are too weak as individuals or even a small group of individuals, such as a self-help group (SHGs), to bargain a decent price for their goods and as a result become the most exploited in the supply chain. Thus 'choice' is the last word in the vocabulary of these women. It is compulsion to ensure mere survival.

Assumption 2: On 'Making Enough': We all know Professor Yunus lent \$27 to 42 women as seed money for their 'business' of basket weaving. We know these women paid back in time. We also know that the women paid back their past loans taken from money lenders at high interest and were soon saving money. But do we really know how much the women were taking home? Do we also know how many hours each one of them worked to make this possible? Do we also know whether they involved other members of their family, including their children, to finish the goods that they were to sell? And do we know whether these 'entrepreneurs' were even making as much as the minimum wage. These are uncomfortable questions that no one should ask as these are the questions that reveal the rising seat of the sadhu on a shaft held to the ground covered by his loose garment and the carpet on the ground.

What the women make by selling their products is dependent on the market for these products. The products such as cane baskets or papads or any such product or even services such as tailoring, or beauty services as being promoted

by the skill development programme of the Government of India for rural women as alternative livelihood, are (i) necessarily low value products and hence has very little margin between the cost of production and the price that it fetches in the market; and more importantly as pointed out in the earlier section (ii) products that are consumed locally by people who can afford very little or are bought by middlemen to be sold in the market where the price they get may be higher than in the local market but does not reach the producers.

Let us take the concrete example of the famous Lijjat papad, which is a cooperative of women, to understand how much money women workers can possibly make by rolling papads even in the best possible situation. We are looking at this to understand how many packets of papad do they have to produce in a day to make the minimum wage? From a study on Lijjat Papad we find that the price of a packet of papad is composed of the following:

1. Cost of raw material
2. Rolling charges, Vanai
3. Packaging cost
4. Selling expenses
5. Administrative expenses and
6. Finally a mark-up on the cost.

In 2003 the vanai charge paid to the workers/members was Rs. 14 per kg of papad while the price of 100 gm of papad ranged between Rs. 13 and Rs. 15. This implies the rolling charge is only a little above 1 per cent of the price of the product. This ratio of labour cost to price has not changed much over the years. Lijjat, however, is a co-operative with an integrated structure which controls production and marketing and through significant market domination, the finance as well. Consequently, workers/members get a share of the profits that the company makes which compensates for the low wages. What this shows is the success of the principle of solidarity that forms the basis for a cooperative.

However, in the case of small self-help groups, engaged in production of goods and services, strewn across the countries of the global south neither do they control the market and hence the price, nor do they have enough members

to bargain with the middle men who buy their products. Hence all they make is the very low labour cost that is factored in the price, which even in an organised garment factory is not much higher than 1 per cent of the price. In a low value product this also means the women have to work very long hours and more often than not involve their family members to earn this pittance.

Then why do women do this? This is the most disturbing part of this story: they do this because in our extremely patriarchal society it is ingrained in women that their labour has no price. So when they roll papads or make baskets, if they make Rs 50 over and above the cost of material they buy, they think they have made a 'profit' of Rs 50 and hence are 'entrepreneurs'. What of course we all forget is that in the calculation of profit, the cost of labour was taken as zero. What a woman does is not work and so she is not a worker and thus there is no labour cost attached to her work. She earns a 'profit' as she discounts her wage. If she had to give herself a decent wage and social security, she would no longer do this work. She thereby subsidises the entire supply chain and the manufacturing and the tertiary sectors by self-exploiting herself. An industrial worker can therefore survive also at low wages as at the bottom of the chain there is a woman 'entrepreneur' who subsidises him through long hours of work at below poverty wage.

Assumption 3: On Willingness to Pay back: And finally Professor Yunus and all who support the micro-finance model claim that women are good lenders. They always pay back on time. This is very true but we need to know why they do so. The model of microfinance in the region is closely linked to self-help groups (SHGs), mostly of women. The concept of self-help is rooted in the understanding that the poor must help themselves to come out of their state of poverty.

These SHGs of women comprise of 10-20 women in mostly rural areas where the group collects the savings from each member at a regular interval and in time forms a pool of resource. Small loans are then provided from this pool to its own members at a monthly interest rate, in the range of 2% per month. The SHGs now often open group bank accounts and even apply for loans as a group and then

further lends it out to its members, once again the SHGs charge an interest for servicing this loan which is much higher than that charged by the bank. The differential in interest is an earning of the SHG.

Thus what this model means in simple words is that women put in their own money into the pool. The SHG run by them loans it out to them at an interest that is higher than what is charged by banks. However, they are forced to take from this source as the banks refuse to provide these poor women loans without any guarantees. The guarantee that the SHGs have that the women will pay back is the social pressure they can impose on the lender. In a close-knit group it becomes next to impossible for the lender to default in the fear of being ostracised by friends and family.

But is charging this interest on the loan ethical? In most cases women take loans from the SHGs not for entrepreneurial ventures but to deal with medical or social emergencies. In such a situation, the SHG structure reaches out to the needy member who takes a loan from her own money and of her other group members. Instead of extending solidarity, the group members make money out of her desperate condition. Thus the SHGs have been instrumental in breaking the social fabric where solidarity has been replaced by greed. Co-members make money when one member is in distress. Thus they also create a vicious atmosphere that forces the lender to pay back and on time. This is the absolute reverse of the principle of a cooperative where members are supposed to share the profit and the loss and not individualise it.

Women's empowerment, participation in economic activity, financial inclusion are thus the baggy robe of the sadhu or the magician that provides cover for governments getting out of their responsibility to fight poverty and promotes the individual over the collective.

Policy News

Government proposes amendments to Companies Act, dilutes punishments on businesses

20 December 2018: In the guise of reducing the burden on Special Courts, the Corporate Affairs Ministry has proposed amendments to the Companies (Amendment) Act, 2017 which

would shift the jurisdiction of 16 types of corporate offences from the special courts to in-house adjudication and dilute punishments on businesses reducing them to only monetary penalties.

The act will validate the Companies (Amendment) Ordinance, 2018 promulgated in November, 2018.

Delhi: Government constitutes flying squads to curb minimum wage violations

4 December 2017: The Delhi government has decided to tighten the noose on employers violating the provisions of Minimum Wages Act, 2017. It has launched a phone helpline where workers can register their complaints on the number **155214**. It has also constituted special enforcement teams consisting Labour commissioners, Labour officer, Inspecting officers and others who would raid various industrial setups to keep a check on non-payment of minimum wages as promulgated by the government.

Earlier this year, employers' associations had challenged the minimum wages promulgated by the government claiming that a hike of more than 30% in the wages was arbitrary and that they could not afford to pay minimum wages of ₹14,000, ₹15,400 and ₹16,962 for unskilled, semi-skilled and skilled workers respectively. Supreme Court in several orders has held that 'ability to pay' of employers can not be a determinant for continuing in business.

Government proposes to reimburse employers for wages paid during maternity leave from worker's welfare cess

17 November 2018: Citing reports that claim that the amendment in the Maternity Benefit Act, 2017 have had detrimental effect on employment of women in the country, the Ministry of Labour and Employment (MOLE) has proposed to allocate ₹400 crore towards reimbursing employers in the private sector 50% of the wages during the last 14 weeks of maternity leave. The MoLE has proposed that the fund be created from the unused cess monies in the worker's welfare funds.

Drawing money from unused cess funds would mean less allocation for expenditure in the heads that the cess were collected for and using it to provide subsidy to private employers

who are liable to pay towards maternity benefit of their women workers.

Tripura: Government scraps May Day holiday

04 November 2018: The newly elected government in Tripura has scrapped the annual holiday for May Day holiday in its notification for 2019.

Legal News

Delhi: High Court halts mass lay off at Press Trust of India

28 November 2018: Hearing the plea of Federation of PTI Employees Union the Delhi High Court put a stay on the arbitrary retrenchment order of 297 employees issued by Press Trust of India (PTI) on 29 September 2018.

PTI had overnight terminated the services of 297 employees across India citing that their posts had become redundant without following due procedure.

Gujrat: HC orders regularisation of 400 contract municipal workers

4 November 2018: The Gujrat High Court rapped the Valsad Municipal Corporation for denying contract, temporary and daily wage workers their rightful benefits and wages. Justice J B Pardiwala in his order promulgated that:

- the services of all workers who have been employed with the municipal corporation for more than 5 years be regularised,
- workers be paid the minimum of the pay scale of the services they were employed in from 1 January 2019,
- arrears for the last 5 years be paid on the basis of the minimum pay scale of the services workers were employed in, within the next six months,

and directed the Valsad Municipal Corporation to regularise all workers employed by the corporation on contract, temporary and/or daily wage basis within the next three months.

Court holds sex worker's right to refuse intercourse and seek remedy in case of forced sex

2 November 2018: The Supreme Court overturned a 2009 Delhi High Court ruling and upheld the order of a Delhi lower court

stating that sex workers have a right to refuse intercourse and seek redressal in case of forced sex.

The division bench of Justices Indira Banerjee and R. Bhanumathi held that every woman has a right to refuse to submit herself to sexual intercourse to anyone and that her 'character' can not be used to deny her right to justice.

Collective Bargaining

Meghalaya: Contract PWD workers go on strike demanding regularisation

18 December 2018: Workers employed on contract at the Public Works Department of the state of Meghalaya have been unpaid for over seven months. These workers under the banner of Jaintia PWD Muster Rolls Workers and Labour Union went on an indefinite strike demanding implementation of Meghalaya Regular Casual Worker Scheme, 1996 which mandates that those casual workers who have been in employment for more than 10 years be conferred Regular Casual Worker status and no substitute can be hired for this job. The workers are also demanding a minimum wage of at least ₹300 for unskilled work.

Kerala: Ola and Uber drivers return to work after Labour Department intervenes

15 December 2018: Workers of taxi aggregator services like Uber and Ola who had been on indefinite strike since 27 November 2018 against the new incentive scheme floated by the companies returned to work after the Labour Commissioner directed the app companies to put forth a proposal of fare hike in accordance with the cost of living and fuel price hike in the state, before 30th of December 2018. The companies have been asked to retain the old incentive scheme till the proposed fare hike is finalised and implemented.

Karnataka: Contract Safai Karmcharis in Bengaluru to get timely wages and pay slips after prolonged struggle

13 December 2018: The continued struggle of contract safai workers of Bengaluru against the Municipal Corporation has yielded a major victory for over 1000 workers. The Municipal Corporation has agreed to make salary transfers to the bank accounts of the workers, and to provide them with pay slips. The workers were protesting against non-payment of wages for

over 3 months. This is because the contractors have been siphoning off the wages.

AAI staff union strikes against central government's plan to privatise six airports

11 December 2018: Hundreds of Airports Authority of India (AAI) workers went on a three-day relay strike against government's move to privatise six airports - Ahmedabad, Jaipur, Lucknow, Guwahati, Mangluru, and Thiruvananthapuram. The AAI Employees Union has been opposing Central government's approval of the proposal to privatise six airports under Public-Private Partnership.

Bihar: Anganwadi and ASHA workers strike for pay hike

7 December 2018: Accredited Social Health Activist (ASHA), ANM (Auxiliary Nurse Midwife) and Anganwadi workers who drew ₹3000 and ₹2,200 were promised a hiked honorarium of ₹4,500 and ₹3,500 respectively, as "Diwali gift" by the Prime Minister. It was also announced that the workers would be brought under schemes like Pradhan Mantri Jeevan Jyoti Bima Yojana and Prime Minister Suraksha Bima Yojana in the month of September. After the failure of the central government in implementing the provisions, the ASHA, ANM and Anganwadi workers have launched an indefinite strike starting 1 December 2018 demanding immediate implementation of the hiked pay and inclusion in the health insurance schemes.

Tamil Nadu: Pricol violates collective bargaining agreement, targets union members for striking

06 December 2018: 302 workers including their union leaders, who returned to work after the company had agreed to their demands in a Labour Commissioner led mediation were issued transfer orders to Andhra Pradesh, Uttarakhand and Maharashtra. The company had decided that it would settle dues of profit sharing, pay bonus to the protesting workers, clear all pending allowances, and assured that there would be no victimisation of workers who went on strike. The Kovai Manila Pricol Thozhilalargal Otrumai Sangam (KMPTOS) has approached the court against this victimisation and breach of the agreed terms of contract.

NLCIL negotiates with unions, signs 10 year

wage agreement

5 December 2017: Neyveli Lignite Corporation India Limited signed a 10 year collective bargaining agreement with retrospective effect from 1 January 2017 with the Joint Negotiation Committee of workers which covers 10,000 non-executive workers employed by the corporation.

The new agreement will bring a wage hike of 13.5% as fitment benefit with 35% of the running basic pay as common allowance applicable to all those covered under the settlement.

Workplace Safety Watch

Construction

On 25 December, **Madurai Veeran (35)** died due to asphyxiation after a heap of soil buried him at a construction site in Madurai, Tamil Nadu, while 3 other workers Selvaraj(17), Selvam(40) and Kuppandi(42) survived injuries. The workers were digging a pit for construction of a house at the site owned by Senthil Kumar.

On 23 December, 3 workers **Shravan Kumar Goremandal (27)**, **Subhash Chavan (38)**, **Rajendra Nisad (40)** died and 8 were injured when an under-construction building collapsed at **Motilal Nagar No.3 in Goregaon (West)**, Mumbai, Maharashtra. When the slab of the second floor was being placed, the entire building came crashing down. The structure was part of a chawl (tenement) of the **Maharashtra Housing and Area Development Authority (MHADA)**.

According to the MHADA permission was not granted for the construction work. The police have arrested the contractor Shahnawaz Sayyed (40) and the supervisor of the construction company Shekhar Wadar (30), under Section 304 (culpable homicide not amounting to murder) of the IPC.

On 19 December, 2 workers **Deepchand (25)** and **Dhani (17)** were buried alive under a mound of soil while working at an underbridge construction site in Hanumangarh, Rajasthan.

A daily-wage worker, **Madivalappa Gowda (26)** died as a part of a mud wall collapsed while digging a storm water drain in **RR Nagar, Bengaluru**, Karnataka. 6 workers were engaged in excavation work to dig a storm water drain and

connect an underground sewage pipe by the **Bangalore Water Supply and Sewerage Board (BWSSB)**. According to the police, the workers were not provided with any safety equipments nor were any mandated safeguards of shoring and strutting techniques, that prevents soil from sliding, were put in place during the work.

The work was contracted out to KBS Company owned by Ravi Hosakerehalli. 3 officials of BWSSB and a contractor have been arrested under Section **304A of the Indian Penal Code** (Death by negligence).

Arshad, a 24 year old construction worker was burnt by his employers **Manish Tyagi and Ashok Tyagi**, for demanding his pending wages on November 26, in **Badrudin Nagar, Meerut, Uttar Pradesh**. He had been working with the contractor Ashok Tyagi for 4 years, and was currently employed as a caretaker and stocktaker on a government school construction site. Police has been refusing to file the FIR in the matter.

On 5 November **Mir Hasan (30)**, fell to his death while constructing a gate in **Supertech Eco Village 3, Greater Noida, Uttar Pradesh**. The worker was not provided with any safety equipments. An FIR against the **Supertech Chairman RK Arora**, and three other employees has been filed under IPC Section 304 (death by negligence) by police.

On 2 November **Saheb Ali (14)** died after falling from the 4th floor, while painting the walls of a tower in **Grihalakshmi society in Greater Noida, Uttar Pradesh**. He was employed as a child worker by a private contractor Sarvesh. The contractor who was present at the time of the accident fled immediately.

Manufacturing

On 25 December **Devender (24)** died and another worker **Jitender (34)** sustained serious injuries after a fire broke out at a helmet manufacturing factory in **Swaroop Nagar, New Delhi**. The workers were sleeping inside the factory unit after working hours when the fire broke out. The factory owned by the wife of a police officer in the special cell was running out of a rented premises. The police have registered a case against the wife and the son under **IPC sections 304-(A) (causing death by negligence), 336 (act endangering life or personal safety of others) and 285 (negligent**

conduct with respect to fire or combustible matter).

On 16 December, a worker **Ranjit Kumar Singh (45)**, was charred to death after a massive fire broke out at the filteratoin unit of **Emmessar Biotech and Nutrition Ltd.** a healthcare product manufacturing company in **Taloja, Ghotgaon MIDC, Mumbai**.

On 28 December, a 37 year old worker **M Ekambaram** was crushed to death while cleaning a cement mixer in a cement manufacturing unit in **Kancheepuram, Tamil Nadu**.

On 16 December 6 workers **Jagadish Pattanshetty (34), Shivananda Hosmath (43), Nagappa D (38) and Sharanabasappa Totadh (35)** died and 5 others sustained fatal injuries, after a boiler explosion in the methanol production unit of **Nirani Sugars Ltd at Kulalli, Bagalkot, Karnataka**. The sugar factory unit is **owned by former BJP minister Murugesh Nirani** and his brothers, Sangamesh and Hanumantha. Police have registered cases against the owner and supervisor of the factory, under sections 336, 337 (act endangering life or personal safety of others), 338 (Causing grievous hurt by act endangering life or personal safety of others), and 304 (Punishment for culpable homicide not amounting to murder) of IPC for negligence although no arrests have been made so far.

On 13 December, 3 workers **Rajkumar Bhunkar (26), Tilakram Yadav (18) and Vijay Bhunkar (20)** died and 2 others Pradip and Raja Ram were critically injured, at an explosion at the **Krishna Steel Company in Silvassa, Dadar and Nagar Haveli**. The explosion occurred in the iron melting furnace of the steel manufacturing company owned by Pavan Kumar Agarwal. The police have registered a case and started investigation.

Farooq(22), Subash(26) and Gyan Darshan(25) died and 5 others Kuldeep, Janaki Ram, Ramakath, Narayanaswamy and Bahubali were severely injured, when numerous cartons stacked on heavyduty steel racks came crashing down at the warehouse of **Holisol logistics Pvt. Ltd. in Seegehalli, Bengaluru Karnataka** on 13 December 2018. Police have arrested the company's business head Ajay Kanwar and site superintendent Amanullah under Section 304 of IPC.

On 5 December, 3 workers **Jagjeet Singh (24), Sikander Singh (25) and Sadhu Singh (27)** died after a major fire broke out at a foam factory in Ugoke village of **Barnala district, Ludhiana, Punjab**.

The factory has been operating for a long time without a No-objection Certificate (NoC) from fire brigade department and had no fire-fighting arrangements.

Police have registered a case against the 4 factory owners **Varinder Kumar, Jatinder Singla, Vijay Bansal and Dimple Dhawan** under sections 304 (punishment for culpable homicide not amounting to murder) and 285 (negligent conduct) of IPC.

On 29 November 3 contractual workers **Arun Dabhi (49), Mahendra Jadhav (42) and Pritesh Patel (42)** died after a fire broke out in Polybutadiene Rubber (PBR) plant in **Reliance Industries owned Indian Petrochemicals Corporation Limited (IPCL) in Vadodara, Gujarat**. The fire broke out in the expander hot box due to overheating of one of the machines. The police has registered a case of accidental death.

Prabhu Dayal Patel (40) and Piyush Tiwari (35), mechanical engineers died on 29 November, after falling from an overhead platform at the **Birla Perfect Cement Plant** in Maihar, Satna district of Madhya Pradesh. Materials stacked on the platform also fell, burying the workers and injuring several other workers at the site. The police have started an investigation.

On 21 November, **Wajid (25)** died when he was sucked into a machine with blades while cleaning it in a plastic factory in Noida Special Economic Zones (NSEZ) in Noida, Uttar Pradesh. The police have registered a case against 2 persons who have been booked for murder.

On 20 November, 6 workers that includes an army personnel and a ordinance factory employee, **Narayan Shamrao (55), Vilas Lakshman (40), Uday Virasingh (37), Pravin Prakash Munjewar (25), Rajkumar Bhovate (23) and Prabhakar Ramdas Wankhede (40)** died and 3 contract workers sustained fatal injuries, in a blast at the premises of **Army's Central Ammunition Depot (CAD), Pulgaon, Nagpur, Maharashtra**. They were engaged in destroying 23 mm Shilka anti-aircraft ammunition rounds.

On 3 November **Tilak Ram (35)**, a worker died while working in a rubber factory situated in **Phase 1, Industrial Area in Mohali, Punjab**. The worker's neck got stuck in the machine belt while he was trying to pull out the handle of the shovel from the machine belt that got stuck while he was cleaning cleaning rubber crumbs from the machine.

Sanitation

On 27 December, **J David (42)** an electrician died after falling off from a crane during restoration work at Ekkal village of Thiruthuraipoondi, Tiruvarur, Tamil Nadu. The worker was engaged in replacing an electric pole which was being carried on the crane, when he lost his balance and fell.

On 16 December, 3 workers **Laxmikant Prasad (42), Ramadhar (35) and Ajay (33)**, asphyxiated to death after a gas leakage in an underground coal mine Bagdeva coal mines of **South Eastern Coalfields Limited**, subsidiary of **Coal India in Korba district, Chattisgarh**. Senior Manager **Radhelal Sinha and Deputy Manager (Mining) Omprakash Singh** of the South Eastern Coalfields Ltd (SECL) were suspended for their negligence based on the probe report of the Directorate General of Mines Safety (DGMS). A case has also been registered by the police.

On 9 December, 3 workers, **Siyaram Yadav (54), Sahendendrakumar Ramsumerkumar (18) and Shaukat Saad (35)** suffocated to death and 2 others Digvijay Pandey (23) and Narayan Dikhsit (45) were admitted to the hospital in a critical condition, after inhaling poisonous gases while cleaning a sludge tank at **Laxcon Steels Limited**, a steel factory, in **Changodar Gujarat Industrial Development Corporation (GIDC), Ahmedabad, Gujarat**. The workers entered without any safety gear. A FIR of accidental death has been registered by the police.

On 2 December, 4 sanitation workers **Kamlesh Jadav (24) Vinod Jadav (25), Manish Padhiyar (23) and Kiran Solanki (22)** died of suffocation while cleaning a water tank in a frozen food processing unit owned by the **Global Gourmet Private Limited in Vadodara, Gujarat**. The workers employed by a private company, while cleaning a sewer line at the company premises went inside the water treatment tank of the the sewage plant where due to the lack of oxygen

and poisonous gases they fell unconscious.

On 10 November, 2 sanitation workers **Vikas Paswan (18) and Dinesh Paswan (27)** asphyxiated to death inside a manhole while cleaning the sewage tank of the newly constructed sewage pumping station at **Chowkaghat, Varanasi, Uttar Pradesh**. Due to the spread of poisonous gas inside the manhole, the workers fell unconscious and drowned in the sewage water. The newly constructed Dinapur sewage treatment plant was being made operational before its inauguration by the Prime Minister on 12 November.

The police have arrested the Uttar Pradesh Jal Nigam(UPJN) project manager and the contractor for sending the workers inside the manhole without safety gears.

Railways

4 gangmen Rajesh Kumar (35), Ram Swarup (45), Rajendra (42) and Kaushal Kumar(32) were run over by the Kolkata-Amritsar Akal Takht Express while they were working on the tracks between Sandila and Umartali stations in the Hardoi district, Uttar Pradesh.

Discrimination

Kerala: Road Transport Corporation issues termination notices to over 3,800 empanelled workers

18 December 2018: Following the orders of the High Court the Kerala State Road Transport Corporation has sent mass dismissal notices to 3,861 empanelled bus conductors in the state. The Court in its 6 December 2018 order ruled that the posts were to be filled by those candidates who had cleared the public services commission exam held to fill the vacancies in 2013.

The High Court in its order observed that the government was avoiding hiring applicants selected through the selection board in 2013 while using the services of empanelled workers on daily wage contracts.

Uttar Pradesh: 200 workers fired without prior notice at electronics manufacturing plant

1 December 2018: Over 200 contract workers employed at Hipad Technologies, a mobile manufacturing unit which produces for global brands like Xiaomi and Oppo in NOIDA,

Uttar Pradesh were not allowed to mark their attendance on 29 November 2018 and subsequently handed termination notices without any prior information. Management called in the police and suppressed the spontaneous protest of over 1200 workers against the arbitrary terminations.

News from Around the World

Zimbabwe: Labour Court declares doctors' strike illegal

22 December 2018: Junior doctors across Zimbabwe who were striking for better pay and working conditions since 1 December 2018 received a blow from the Labour Court which declared their industrial action illegal and ordered them to report to work immediately. The Labour Court also held that their wages for the 21 days of strike should be deducted.

England: Uber loses against its workers yet again

19 December 2018: Uber lost another appeal in the 2016 case where two Uber drivers James Farrar and Yaseen Aslam had approached the court against violation of holiday pay, paid rest breaks and minimum wages citing they were not 'independent contractors' but workers of the taxi aggregator app.

Uber had also lost the case in the Employment Tribunal in November 2017.

In a statement, Uber has claimed that it will approach the Supreme Court against the order of the Court of Appeals.

Ireland: Parliament passes bill banning zero-hour contracts

19 December 2018: Ireland passed a bill banning zero-hour work contracts except in situations of genuine casual employment or in emergency situations. The bill mandates that

- Employers must give employees basic terms of employment within five days;
- there be no zero hour contracts except in situations of genuine casual employment and where they are essential to allow employers to provide cover in emergency situations or to cover short-term absence;
- a new minimum payment be promulgated for employees called into work but sent home without work;

- employees whose contract of employment does not reflect the reality of the hours they habitually work shall be placed in a band of hours that better reflects the hours they have worked over a 12 month reference period.

Hungary: People take to streets against new law imposing overtime work

13 December 2018: Widespread protests broke out in Hungary against a controversial labour bill enacted by parliament which permits employers to demand about 400 hours of overtime annually from their workers. The bill also triples the time period for disbursing overtime payments to three years. Around 1500 workers gathered in front of the parliament to protest against the bill which is being called the 'slave law'. The protests have since spread to other parts of the country.

Argentina: Court finds Ford's executives guilty of kidnapping and torture of union activists

11 December 2018: Top executives of automobile manufacturer Ford were sentenced to over 10 years in prison on charges of torture and kidnapping of union leaders and workers. The court found Hector Sibilla, the former head of security at Ford's Buenos Aires factory, guilty of setting up a detention and torture centre within the factory premises and sentenced him for a jail term of 12 years. His co-defendant, manufacturing manager Pedro Muller, was sentenced to 10 years.

The court declared that both men participated in the illegal deprivation of liberty, aggravated by the use of violence and threats against labour leaders and union advocates.

Pakistan: The Punjab cabinet approves Domestic Workers Bill

9 December 2018: The Punjab cabinet has given its assent to the Domestic Workers Bill, 2018 which mandates that

- No child shall be required or allowed to work in household in any capacity.
- Workers shall have freedom of work and shall not be employed under the bonded labour system.
- Every worker shall be engaged through a written agreement with his employer in

regard to the terms and conditions of the employment in a prescribed manner.

- The employment agreement shall include specific terms and conditions related to matters such as hours of work, specific nature of work, wages, leave, accommodation, termination.
- The worker shall be addressed as 'domestic worker', not 'servant'.
- The benefits shall include sickness benefit, maternity benefit, medical care during sickness and maternity, medical care of dependents, injury benefit, disability pension and survivor's pension.
- No worker shall be required to perform any work other than what is specifically mentioned in the employment contract.

France: Government rolls back controversial fuel tax after people take to streets

4 December 2018: A fuel tax hike proposed by the government triggered spontaneous protests across France. People took to streets wearing yellow vests against the anti-people policies of the right-wing Macron government. Following a fortnight of violence and the threat from police personnel who declared they would join the protestors, the government has rolled back the fuel tax hike and put an immediate freeze on gas and electricity prices.

Bangladesh: Government to shut Dhaka office of the Accord for Fire and Building Safety

28 November 2018: Following an order of the Bangladesh High Court the government will shut the Dhaka office of the Accord for Fire and Building Safety. The Accord is an international safety agreement between global brands and retailers, the IndustriALL Global Union and UNI Global Union and eight of their Bangladeshi affiliated unions which was signed after the collapse of the Rana Plaza in April 2013, which killed over 1,100 workers. The Accord covers more than 2,300 garment manufacturing factories in Bangladesh which manufacture for global brands like H&M, Espirit and Primark among many others. Trade Unions have expressed their concern over this move which is aimed at diluting the international pressure on ensuring a safe supply chain.

The Year That Was

2018 stood witness to the resilience of working people across the world. While the right wing attack intensified across countries, workers took to the streets.

Gig Economy

Gig economy workers, wrongly classified as 'independent contractors' by their employers, struck work for recognition as workers, minimum wages, over time pay, social security benefits and against the precarious nature of work across the world.

Workers of cab-aggregators like Ola and Uber, who have been severely hit by the recent spike in fuel prices, agitated across metropolitan centres – Chennai, Mumbai, Hyderabad, Kolkata, Bengaluru and Delhi demanding increased fares, incentives, bonus and over-time wages.

Internationally too, there have been several strikes among app-based delivery workers demanding recognition as workers. The Netherlands initiated an investigation into bogus self-employment contracts used by Uber and Deliveroo. Ireland banned zero-hour contracts. In the UK and US, workers won a hallmark victory when the Labour Court upheld that employees of Plimlico Plumbers, Hermes, Uber and Deliveroo are in fact workers and not self-employed or independent contractors.

Workers of Amazon came together across borders against the existing inhumane and exploitative working conditions. Strategic sales days like Prime day and Black Friday witnessed strikes across Europe and the US with workers demanding minimum wages, social security benefits and union recognition. Under pressure, Amazon in US increased minimum wages to \$15 per hour, a hike over and above the government notified minimum wages.

#MeToo

#MeToo bared the pervasiveness of sexual harassment at workplace. Women came out with charges of sexual harassment against men in powerful positions, many of these charges stretch back many years. The movement and its use of social media created a sense of solidarity across sections and allowed women to share their experiences without fear of societal backlash.

Though most cases in India were brought forward by journalists and film personalities, the movement also gave confidence to working class women to speak out. For them harassment at the workplace is intrinsically tied to the precarious nature of their work, control in the workplace and need to earn a livelihood. In November, garment workers, domestic workers, sanitation workers came together in Bengaluru to share their experiences of sexual harassment under the banner '#MeToo Working Class Women Share'. #MeToo has led to women groups and guilds to oppose people against whom charges were brought by women, thereby creating a societal pressure against the perpetrators, many powerful heads have rolled. MJ Akbar, Minister of State for External Affairs was forced to resign.

In the case of sexual harassment charge against journalist Vinod Dua of the Wire, the ICC dissolved the case citing 'their inability to proceed further', as the parties concerned have not cooperated, bringing to fore the inadequacies of the law. This movement also revealed the weaknesses of the ICC under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Despite all this, the number of registered cases has only increased from 317 in 2014 to 570 in 2017.

Fixed Term Employment and Jobs Data

The inability to create jobs got further compounded by the introduction of Fixed Term Employment through an amendment in the Industrial Employment (Standing Orders) Act, 1946. It allows employers to hire workers for short, fixed tenures and absolves them from paying severance pay or issuing any notice in case the contract does not get renewed. The amendment also restricts workers' claim for regularisation.

To hide the extent of unemployment, government has tried to manipulate provident fund data to show rise in employment and has discontinued publishing the Annual State of Unemployment Report.

Manufacturing in Turmoil

Industrial clusters housing cutting edge

manufacturing has borne witness to trade unions fighting anti-worker policies and employers through industrial action and legal battles.

The auto hub in Oragadam saw 3,700 workers strike in three factories, Royal Enfield, Yamaha India and Myoung Shin Automotive for wage hike and reinstatement of unlawfully terminated workers. Around the same time workers of Pricol in Coimbatore struck work for 100 days over bonus and profit share dues.

In Pune, workers of Bajaj Auto and Volkswagen went on hunger strikes over management's refusal to collectively bargain with unions of workers choosing and against wrongful dismissal of their colleagues. SPM Autocomp and Honda (Gurgaon), Daikin (Alwar) and Hipad Tech (NOIDA) too saw high degrees of militancy demanding Right to Freedom of Association and safety at workplace.

Year of workplace fatalities

The year has also been vitiated by large number of workplace accidents. Instances of death of over 200 contract safai workers were reported in just 4 months bringing to fore the rampant exploitation of workers at the lowest rung, denial of dignity, lack of safety equipment and proper training, with which these deaths could have been easily averted.

The top end of manufacturing remained marred by blasts and gas leaks costing many lives, primarily of contract and temporary workers.

February: Explosion at the Cochin Shipyard Ltd. left 4 contract and 1 permanent worker dead.

March: 3 Workers died and over 40 were injured due to a blast in the boiler room of Ramedeo Chemicals in Boisar which spread to other factories in the vicinity.

August: BPCL refinery fire in Mumbai resulted in severe injury to around 50 workers and suspension of metro services in the area.

October: 11 workers died and 14 sustained severe injuries in an explosion at SAIL, Bhilai.

Healthcare workers lead the way in services sector

ASHA, ANM and Anganwadi workers showed their mettle with continued strikes across states

and union territories. Treated as volunteers and paid honorariums of ₹3000 and ₹2200 respectively, which is less than minimum wages, ASHA, ANM and Anganwadi workers demanded to be classified as government employees with commensurate wages and vociferously rejected the paltry hike in their honorarium offered by government in September.

Private ambulance service provider GVK-EMR faced flak from its workers in Assam, Odisha, Karnataka and Maharashtra. Workers sans unions went on spontaneous strikes demanding regulated working hours and timely payment of wages.

Strikes across 18 states led by Nurses unions brought to fore the underpaid and overworked nature of nursing work and the inhumane and exploitative work conditions that the nursing staff is subjected to.

Transport workers defend public transport

Public road transport workers in Haryana, Tamil Nadu, Delhi and Maharashtra held protracted strikes opposing erosion of public transport services. The government respond by invoking Essential Services Maintenance Act, 1968, while the judiciary clamped down on the striking workers by declaring the strikes illegal except Haryana where transport worker unions aided by overwhelming public support and solidarity succeeded in stopping privatization of fleets.

Long March of Farmers

The prolonged agrarian crisis in the country led to mass indebtedness and pauperisation of the peasantry. Distressed farmers and farm workers came together against government apathy and marched long distances to Mumbai and Delhi, in March and November respectively. Their demands included increased minimum support prices, implementation of the Swaminathan Committee's recommendations, loan waivers, increased NREGA wages and work days and implementation of the Forest Rights Act.

Under pressure, central government announced a meagre hike in MSPs for certain crops while multiple state government have buckled into granting loan waivers. However, structural issues persist ensuring that the crisis is far from averted and that the agrarian sector remains stressed.