IMPACT OF GLOBALIZATION ON INDIAN LABOUR LAWS WITH SPECIAL REFERENCE TO SOCIAL SECURITY

(Abstract)

India is second highly populated country of world and has consequently big labour force in the world. Labour is divided into two parts organized and unorganized sector. In Manu Samruti there are references of contracts of master and servant relations. In this period, master and servant suits were not maintainable in the courts because servant was not an independent legal person. The Arthasastras of Kautilya speaks of harmony and benefit for all the people on the earth. In Sultanate and Mugal period there existed village panchyats, workers guilds which helped in solving the disputes of artisans and workers. There co-existed Mugal and Company rule in India when factory system was established. First factory was established at Surat in 1612. The plantation industry in Assam was the first to attract legislative control and number of Acts were passed from 1863 onwards. Bombay (Maharashtra) was the pioneer in formulation of legislation on labour. The Indian Factory Act was enacted in 1881. As a result, employment of child labour was prohibited. A social worker Mr.N.M.Lokhande prepared a study report on their working conditions and submitted report to the Factory Labour Commission. In 1886 May Day demonstration in Chicago showed to the workers of the entire world the need to join hands in the struggle against capitalism. Bombay Mill-Hands Association came into existence in 1890. The Royal Commission on Labour was appointed in 1929 and discussed working conditions of the workers in organized and unorganized sectors.

The labour movement has been instrumental in the enacting of laws protecting labour rights in the 19th and 20th centuries. Labour rights have been integral to the social and economic development since the Industrial Revolution. The workers began demanding better conditions and the right to organize so as to improve their standard of living. Most people of the world depend upon the day’s work for a day’s wages. If for any reason, they are unable to work, they find themselves in financial difficulties. In ancient and medieval times, such persons were cared for by the village community as a whole or by the joint family. In present times, the setting up of industries and the growing complexity of socio-economic order, the need of social security is necessary. Every society plays an important role in social policy formulations. Social security is an important pillar on which the structure of “welfare state” rests. Present time is the time of modernization, it effects on urban areas and organized industrial sector, which enjoy various social security schemes.

Social Security is increasingly seen as an integral part of the development process. It helps to create a more positive attitude not just too structural and technological change but also the challenge of globalization and to its potential benefits in terms of greater efficiency and higher productivity. In the last five decades, considerable progress in extension of social security cover at both State and Central level has been made. However, a universal social security programme for the country remains a distant goal. Improved health care and resultant increase in longevity call for redoubled effort to plan for and put in place appropriate institutional mechanisms and programmes to cover a much wider population base. The social security laws in India at present can be broadly divided into two categories, namely, a)The contributory and b)The non-contributory.

Large scale unemployment and availability of labour in plenty in developing nations made employers to devote less attention to the labour. In past labour was treated as a
commodity exchanged for wages and were considered as Cogs in the machines. They were hired and fired at will. But due to the evolution of industrialization, globalization and privatization the concept has changed. Globalization is the process of international integration arising from the interchange of world views, products, ideas, and other aspects of culture. ‘Globalization’ means the closer integration of economies via trade and factor flows.

India like any other nation of the world could not afford itself to remain outside the clutches of impact of globalization on its economy and industrial relations. In the present economic order, the working class has a dominant role to play because no system can work smoothly by neglecting this important segment of the society Globalization has its impact on labour and social security laws. Due to preference for contract labour by the employer the job security of an industrial worker is under threat in the era of globalization. In 1999 National Labour Commission was appointed to study the effects of globalization on Indian Labour Laws and its report was submitted in 2002 with suggestions to modify existing labour laws.

Many efforts were made to give security and protection to workers at the international level i.e. establishment of ILO, International Social Security Association and Social security Alumni Association etc. ILO has convened many Conventions for the protection and welfare of labourers. There are inherit guidelines in Universal Declaration of Human Rights, 1948, International Covenant on Human Rights, 1966. The Preamble of the Constitution of India guarantees justice and security to its citizens. The Constitution of India enacted upon independence of the country though does not provide for compulsory institution of social security for all, yet, its Directive Principles of State Policy contained in Part IV for theme idea in this regard explicitly.

Social Security to the workers in the organized Sector is provided through five Central Acts, namely, the Employees’ Compensation Act,1923, the Industrial Disputes Act,1947, the Employees State Insurance Act,1948 the Employees Provident Funds and Miscellaneous Provisions Act,1952, the Maternity Benefit Act,1961 and the Payment of Gratuity Act,1972. The Government has enacted certain legislations for the protection of unorganized workers. Some of the legislations applicable to the workers include the Beedi Workers Welfare Fund Act, 1976, the Building and Other Construction Workers (RECS) Act, 1996 and the Building and Other Construction Workers Welfare Cess Act, 1996, the Unorganized Sector Workers Social Security Act,2008 etc.

The interpretation of labour laws has been continuously changing since independence. Thus the labour laws can be called dynamic and a piece of social welfare measures. At present information technology has developed allot. Many Multinational Companies and Business Process Outsourcing have come to India in this field. They are pressing for amendments in different present labour laws, since these companies feel that the labour laws in India are very strict and believe in the policy of Hire and Fire. Aim of research is that what legal steps can be taken in order to improve or modify the present social security laws in the era of globalization and how globalization effects our labour laws in organized and unorganized sector.