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Unions decry labour law exemption for manufacturing investment zone

OUR BUREAU NEW DELHI, JUNE 10:

Exempting new manufacturing investment zones (NMIZs) from some labour laws, despite certain objections by the Labour Ministry, has evoked a strong reaction from some trade unions.

We had stated our position clearly on issues such as 'hire and fire', outsourcing site inspections and a proper exit policy. We will now wait for the Committee of Secretaries (CoS) to take a final call and then react, said a Labour Ministry official.

The draft national manufacturing policy, which got in-principle approval from the Government on Thursday, has now been forwarded to a CoS to iron out labour and environment-related issues.

The meeting, chaired by the Prime Minister, was attended by all stakeholder Ministers, except the Labour Minister.

Terming the policy as "corporate captive", Mr Tapan Sen, General Secretary, Centre of Indian Trade Unions, said, "It is nothing but a bigger version of Special Economic Zones, as the NMIZs will encompass both export-oriented and domestic products."

He said the Government was bent on ensuring land loot, fabulous tax concessions and exemptions from labour laws to corporates, both domestic and foreign and fly-by-night operators through these zones.

The Bharatiya Mazdoor Sangh (BMS) said it had submitted a memorandum to the Commerce Ministry in this regard.

The BMS President, Mr Saji Narayanan, said the policy contradicted the Ministry's declared Industrial Policy (1991) clause that no small section of society could corner the gains of growth, leaving workers to bear its pains, and that labour should be an equal partner in progress and prosperity.

It shows that the Ministry wants development of industry at the cost of labour, he said on the Sangh's Web site.

The policy proposes to exempt NMIZs from the Factories Act, the Industrial Disputes Act, the Trade Union Act, the Gratuity Act, the Provident Fund Act and the Employees State Insurance Act.

It proposes a special purpose vehicle and a sinking fund as cushions for workers in case of job loss.

The proposed NMIZs will be set up along the Delhi-Mumbai industrial corridor.

Keywords: [new manufacturing investment zones](#), [trade unions](#), [labour laws](#), [Centre of Indian Trade Unions](#), [Bharatiya Mazdoor Sangh](#), [Factories Act exemption](#)