

Unshackling India's labour laws

Exiting outdated ILO conventions won't make India anti-worker

ILLUSTRATION: BINAY SINHA



In 2023, when Karnataka amended its Factories Act to allow 12-hour shifts for approved factory workers, trade unions lodged a complaint with the International Labour Organization (ILO) in Geneva. The complaint argued that the change violated India's obligations under the ILO's Hours of Work (Industry) Convention, 1919 (C001), which fixes a maximum of eight hours per day and 48 per week. What should have been a domestic debate about trade-offs between productivity, wages, and worker choice became an international case file.

This is not a one-off incident. It is the predictable outcome of a century-old decision: India bound itself to one of the most intrusive parts of the ILO rulebook on working time.

An eight-hour day written in stone: India is a founding member of the ILO and has been a permanent member of its Governing Body since 1922. Over time, we have ratified 47 ILO conventions and one protocol, 39 of which are still in force. Among the earliest was Convention No 1 on Hours of Work (Industry), ratified in 1921. As a consequence, whenever anyone in India wants to experiment with different models of working time, say a four-day week with longer shifts or accommodating seasonal surges in export sectors, we are battling an international treaty.

This would be less of a problem if the convention reflected universal consensus. Only 52 of the ILO's 187 member states have ratified C001, and only 30 have ratified the accompanying Hours of Work (Commerce and Offices) Convention, 1930 (C030). Major manufacturing powerhouses like the United States, Germany, China, South Korea, and Vietnam have not ratified C001. New Zealand, in fact, took the opposite route. After running with the convention for several decades, it "denounced" the working hours convention, and now regulates working time through national law and bargaining.

India is, therefore, in a curious club: A large, still-industrialising, labour-gifted economy that has voluntarily put itself under a 1919-era hours treaty that most of its export competitors have avoided. Not just in working hours, India, with its 47 signed conventions, has been far more active than other large manufacturing countries such as the US with 14, and China with 28. Labour has been assigned to the Concurrent list in India's Constitution; that is, labour is in the ambit of both the Union and state governments, but Union laws override.

Therefore, whenever the national government signs an ILO convention, it automatically overwhelms any state-level action. But that is not all.

How the ILO can influence domestic policy: Why is all of this a problem beyond firm and worker flexibility? ILO conventions are not mere recommendations. What makes the ILO unusual among United Nations bodies is its direct complaint machinery and its tripartite nature. Any employers' or workers' organisation, another member state, a delegate to the International Labour Conference, or the ILO's own Governing Body can

lodge a representation or complaint. In serious and persistent cases, this can result in a Commission of Inquiry. If a government does not agree to implement a Commission's recommendations, the ILO Governing Body may recommend to the International Labour Conference "such action as it may deem wise and expedient". Besides, ILO rulings factor into trade and aid conditionalities, particularly with the European Union, and can cause international embarrassment.

For India, this means that those unhappy with reforms need not work only through the political process and the legislature. They can circumvent the natural political process and directly appeal to Geneva, cite C001 and similar instruments, and trigger a formal pro-

cess that ties the government's hands. Since 2020, many labour unions have reportedly approached the ILO on the new labour Codes, which may have contributed to the delay in their implementation.

Sovereignty is about who decides trade-offs: The question is not whether limits on working hours or the commitments in other conventions are good. The real question is who decides the trade-off between working time, wages, productivity, and employment in India: Our own Parliament and state legislatures, accountable to Indian citizens, workers, firms, or a Geneva-based apparatus of committees, experts, and bodies that are not accountable to our institutions?

We have to do what is right for India and Indians. India is still transitioning out of informality. Rigid formal-sector ceilings on hours can perversely push marginal employers and workers to stay informal. India's large labour unions, which can use the global body's powers, are themselves not subject to many rules. The ILO is designed on tripartite principles; labour unions are parties whose rights are protected through many conventions. However, these same unions are not accountable and, therefore, cannot be censured by the ILO. In other words, it is a one-sided platform where governments voluntarily reduce control over their own laws.

India is competing in global markets with non-ratifying peers like the US, China, South Korea, and Vietnam who enjoy far greater room to adjust working-time regimes. Experimentation with four-day weeks, compressed shifts, and flexible regular hours over extended periods that workers can opt into during peak months are all off the table if we remain locked into our ILO obligations. Even something as basic as the Diwali demand surge cannot be serviced efficiently by the formal manufacturing sector, leaving consumers deprived of quality products and workers stripped of earning opportunities.

None of this means turning our back on core labour rights. India has its own laws that protect its workers. Moreover, India has already ratified six of the 10 "fundamental" ILO conventions, including those on forced labour, equal remuneration, non-discrimination, and child labour. Some, like the child labour convention (C182), now enjoy universal ratification across all 187 ILO members and reflect a genuine global minimum standard. Moreover, nothing stops us from having robust social dialogue at home. In fact, it would be healthier if Indian workers, employers, and governments debated these questions in Indian forums, recognising domestic constraints.

The ILO was born in a world of imperial powers and early industrialisation. A century later, India is a large, self-governing democracy trying to create jobs, move workers out of informality, and compete in global value chains. Our engagement with Geneva should reflect that shift. Reexamining and exiting from a handful of outdated conventions would not make India anti-worker. It would simply free us to determine and execute domestic policy in line with the national interest.

The authors are president of CSEP and CEO of Prosperiti, respectively. The views are personal



LAVEESH BHANDARI & BHUVANA ANAND