

NEO-LIBERALISM AND LABOUR RELATIONS: IS IT CHANGE OR CONTINUUM? A CASE OF CONSTRUCTION WORKERS

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Extended abstract

This paper examines to what extent neoliberalism³ has impacted on the labour relations in construction industry in India. The significance of such an empirical enquiry could be understood with the fact that construction as an ‘activity’ is often perceived as deficit of decent work, poor labour conditions and vulnerable employment relations etc. However, in last two and half decades, there is growing evidence that neoliberalism has served to increase both the informality and insecurity across the labour markets, especially in developing cum emerging economies around the globe. In Indian Context, it has exaggerated the rise in informal sector workforce which now constitute around 93 percent of the total workforce of 482 million (NSSO, 2012). Irony is that, most of the workers in informal sector does not enjoy standard employment relations and lack both compliance of regulations and adequate social security (NCEUS, 2007/8). Further, construction workers constitute the major portion of the informal workforce and the industry is the 2nd the second largest employer after agriculture in Indian economy (ILO, 2001/2; NSSO, 2011/12).

More importantly, with the flow of more capital/FDIs and participation of multinational organizations, construction industry has benefited a lot in terms of both scale and size of construction activities. Thus it has become a magnet for workers, especially rural migrants with low human capital seeking alternate employment. Further, many housing, smart city projects and other developmental activities in line across regions, the industry is likely to continue attract more workers, specially semi or skilled one in coming decades.

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³ In this paper neoliberalism, contemporary capitalism and globalization in used interchangeably

Objectives: The paper focused on contemporary labour practices in relations to decent work with two specific objectives; first, it examines how neoliberalism has impacted on the labour process, conditions of work and employment relations in the construction sector. Secondly, to what extent it has helped in compliance of the regulations and labour standards in the industry.

Methodology, Data and Universe of the Study: Apart from secondary data, empirical data remains the main source of the analysis. Further, mixed methodology was used and multistage 'quota' sampling technique was adopted while interviewing and interacting a sample size of 500 respondents across five medium to large scale construction worksites. These sites belong to leading construction organizations in India's National Capital Territory known as 'Delhi NCR'. The analysis of the data was done with the help of SPSS.

Findings of the paper suggest that with the participation of MNCs, the industry has experienced a multilayered contractual system and thus responsibility of the labour has become more blurred. Most of the construction workers continue to be pushed in margins or downwards in contractual supply chains. They are exposed to deficit of decent work such as poor working conditions, low wages and exploitative employment relations. The workers often found to be trapped in neo-bondage kind of labour relations which itself re-enforce informality and help in reproduce of the capital accumulation in the sector.

Conclusion(s): With blurring employee-employer relationship, inadequate social protection and poor compliance of existing labour and welfare regulations, the labour relations in the industry has become more precarious, insecure and vulnerable. Thus the paper suggests for an active labour market policy intervention to ensure workmanship rights, improve the labour standards and mobility of the labour in relations to decent work.

Policy implications: Further, apart from State's commitment to ILO's Decent work, and now Sustainable Development Goals (UN/SDG, 2015, Goal 8), state has to ensure the social security, workmanship and welfare rights in order to have better bargaining power, decent working and living conditions for all without any discrimination. While encouraging the market forces or organizations to mandatorily comply with the existing standards labour and welfare regulations, it is the equal social responsibility (CSR) of the both the state and construction firms to improve their skills and enhance the awareness of the existing labour and welfare regulations.

Keywords: Neo-liberalism, Labour Standards, Precariousness, Labour Relations, SDGs/Decent Work, CSR, Construction Industry