











June 9, 2020

## Via E-mail and Federal Express

The Right Honourable Narendra Modi Prime Minister of India Office of the Prime Minister South Block, Raisina Hill New Delhi, 110011 India

Re: Proposed Amendments to State Labour Laws

## Dear Prime Minister Modi:

We write with regard to pending proposals by some Indian states to adopt COVID-related amendments to relax or suspend labor laws. We are civil society and business organisations that are dedicated to worker well-being in global supply chains. Collectively our membership represents more than 2,000 brands and retailers from over 30 countries, primarily in North America and Europe, that are committed to working with business partners that uphold the legal rights of workers and to sourcing from countries in which international labor standards are respected. As organizations whose members annually place more than \$9 billion in orders from apparel, footwear, and a wide array of other industries in India, and who care about the rights of workers in these sectors, we ask that you consider our views in assessing the state-proposed initiatives.

We understand that the economic impact of COVID-19 has had serious consequences for global supply chains. This challenge demonstrates that the health and well-being of workers, communities, and businesses are inextricably linked. We hope that the Government of India will respond to the crisis with leadership policies that recognize this link as the key to recovery.

Some Indian states have adopted legislative proposals to significantly relax or suspend labor protections, arguing that such modifications would help Indian employers cope with the effects of the pandemic and boost investment in manufacturing industries. The proposed amendments, however, would have immediate and grave consequences for workers in those states. They

could also damage India's ranking on the World Bank's Ease of Doing Business Index and harm the country's long-term business prospects and labor economy.

Several Indian states have unilaterally made substantive changes to their labour laws and regulations through the promulgation of state executive orders. Other states have proposed the suspension of labour laws for varying periods. Inasmuch as labor is treated as a "Concurrent Subject" under the Constitution, states are entitled to establish their own laws but still need approval from the Central Government.

We recognize the Government of India's commitment to worker rights and fair labour as enshrined in the Constitution and statutes that have strengthened India's labour law framework. These commitments are consistent with the fundamental rights expressed in the U.N. Declaration on Fundamental Principles and Rights at Work, as adopted by the International Labour Organisation ("ILO") in 1998, as well as the rights affirmed in ILO Convention 144, which establishes requirements for tripartite consultation before amending a labour law. Indeed, India is a founding member of the ILO and ratified Convention 144 in 1978.

We are concerned that the amendments to state labour laws countermand Convention 144 inasmuch as they were made without formal consultation with employers and workers. Other ILO conventions could also be violated by the proposed amendments, including Convention 001, related to hours of work; Convention 081, related to labour inspections; and Conventions 87 and 98, regarding freedom of association and collective bargaining.

In short, the proposed changes would seriously jeopardize the safety, security, and well-being of workers in India. In light of this, it was heartening to see the Government's affirmative response to the concerns recently raised by the ILO. In this vein, we respectfully request you to: (1) ensure that the restrictions on labour laws promoted by the state governments are not implemented; (2) encourage those governments to consult with affected stakeholders, including trade unions, before proposing additional changes to state labour laws; and (3) ensure that all eight fundamental ILO Conventions are implemented in India.

Thank you for your consideration of this very important issue. We look forward to further engagement with you on this matter.

Respectfully,

Sharon Waxman

President & CEO

Fair Labor Association

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**Executive Director** 

Fair Wear

Style #

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cc:

The Honourable Shri Ram Nath Kovind President of India The Government of India

Shri Santosh Gangwar Minister of State Ministry of Labour and Employment The Government of India

Shri Heeralal Samariya Secretary Ministry of Labour and Employment The Government of India

Shri Shrimati Smriti Zubin Irani Minister of Textiles Minister of Women and Child Development The Government of India

Shri Harsh Vardhan Minister of Health & Family Welfare The Government of India

Shri Thaawarchand Gehlot Minister of Social Justice and Empowerment The Government of India

Shri. Piyush Goyal Minister of Commerce & Industry Government of India Shri Nitin Gadkari Minister of Micro, Small & Medium Enterprises Government of India