

**Report on the 'Leaders Speak' Series on the theme
"COVID-19: Impact on Indian Economy"**



FOUNTAINHEAD OF EXCELLENCE

PARTNERS



**Live Event on ZOOM/MMA Facebook/
Live IBC/YouTube**

Under ‘Leaders Speak’ Series on the theme

“COVID-19: Impact on Indian Economy”

By

Mr Bhartruhari Mahtab

**Member of Parliament, Lok Sabha
Chairman, Standing Committee on Labour**

held on Friday, 15 May 2020 at 6.00 pm

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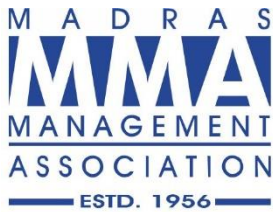
Member of Parliament, Lok Sabha

Held on 15 May 2020

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Invitation for the event



You are cordially invited to Watch Live on ZOOM/MMA Facebook/Live IBC/Youtube under the 'Leaders Speak Series' on the theme

Leaders Speak

Covid-19: Impact on Indian Economy

by

Mr Bhartruhari Mahtab

Member of Parliament, Lok Sabha
Chairman, Standing Committee on Labour

at **6.00 pm Friday, 15 May 2020**

Event Partners:



The Context

The unabated COVID-19 pandemic raging across the globe is nothing like ever before—the two World Wars, 9/11 and all other comparisons put together. While other disasters, man-made or natural, did impact people across the world, whether or not they were in the core area, this one has hit almost every nation and every community, taking a heavy human toll. The most dangerous and noticeable aspect of it is that, with no cure in sight immediately, it has led to an economic meltdown, worse than the one that the West faced in the previous decade, or the benchmark 'Great Depression' some 90 long years ago.

All of it has led to a situation, where the political administration in every country needs to look as much deep inwards as outwards, for designing a future for the nation concerned and its people. While on the face of it, we see 'Corona Warriors' in medical professionals, aided ably by law-enforcing authorities with great dedication, risk and sacrifice, the focus has always turned to the political leadership, past and present, to guide the future. Expertise and experience count, and they need to be comprehensive, compartmental and combined together to make a new paradigm-shift in terms of the nation's understanding, policies and programmes, much different from what we have got used to - be it under the regime of Democratic Socialism, or of Economic Reforms based on Market Capitalism. But these are only broad-spectrum ideas.

We need to look closer and deeper into each and almost every aspect of societal formation and public administration to provide for the recent transitions that had escaped attention and hence policy-decisions and programme-implementation. The Madras Management Association (MMA), in association with Konrad-Adenauer-Stiftung (KAS) and Observer Research Foundation (ORF) is organising a series of Online Talks under the title, 'COVID-19: Leaders Speak Series,' aimed at getting experts, especially political administrators from the present and the past, with experience at the Centre and/or in the States, to share their valuable views and ideas, to help enable the nation to take it forward.

Programme Overview

MMA-KAS-ORF in association with **NGPL & Presense** presented a talk under “**Leaders Speak Series**” through Webinar on the theme “**COVID-19: Impact on Indian Economy**” at 6 pm on Friday, **15 May 2020** for the benefit of MMA Members and Management professionals.

Group Captain R Vijayakumar (Retd), Executive Director, MMA welcomed all and delivered the Opening Remarks.

Mr Peter Rimmele, Resident Representative to India, Konrad-Adenauer-Stiftung delivered the Introductory Remarks.

Mr Prime Point Srinivasan, Chairman & Managing Trustee- DiJAI introduced the Speaker Mr Bhartruhari Mahtab.

Mr Bhartruhari Mahtab, Member of Parliament and Chairman, Standing Committee on Labour delivered the talk on the theme, “**COVID-19: Impact on Indian Economy.**”

In view of the restrictions on account of COVID – 19 with relevance to social distancing and keeping in view the safety and well-being of our members, the event was conducted online and beamed live on ZOOM/ MMA Webcast / YouTube and Facebook.

A Q & A session was scheduled where viewers could send in their questions through SMS / WhatsApp / Zoom. This was moderated by **Group Captain Mr R Vijayakumar**, ED, MMA and **Mr Bhartruhari Mahtab** answered the questions during the programme.

Mr R Vijayakumar proposed the **Vote of Thanks** and the event concluded at 7.30 PM.

Profile of the Speakers

Mr Bhartruhari Mahtab

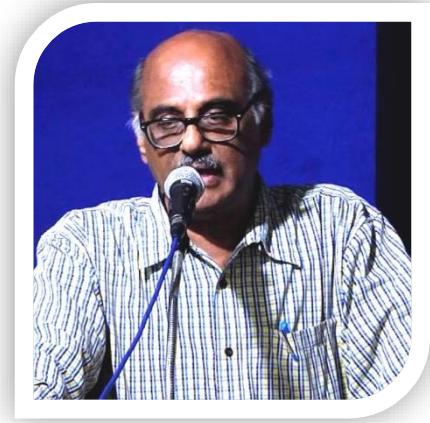
Mr Bhartruhari Mahtab, sixth time MP of the current 17th Lok Sabha is one of the outstanding Parliamentarians of our country. He is the recipient of Sansad Ratna Award for his excellence in Debates. He is also the recipient of Outstanding Parliamentarian Award from the President of India. He represents Cuttack (Odisha) Lok Sabha Constituency as Biju Janata Dal Member.



He has attended several International Conferences as part of the Parliamentary delegation, including the United Nations General Assembly. As a Member of Parliament since 1998, he has been part of many Parliamentary Committees. Presently, he is one of the Panel Chairpersons to preside over the House in the absence of the Speaker. He is the Chairman of Parliamentary Committee on Labour. He is a Member of the prestigious Public Accounts Committee. He is also a Member of Consultative Committee on Ministry of Human Resources Development. He is interested in cultural and literary activities. He actively involves himself in Rural Development and International Understanding.

Mr Prime Point Srinivasan

Krishnaswamy Srinivasan (also known as Prime Point Srinivasan) (born in 1951) is a Communication strategist, Communication teacher, Digital Journalist, author and social worker at Chennai. He is the founder and chairman of Prime Point Foundation, a non profit public trust promoting Communication awareness. He is also the Publisher and Managing Editor of National eMagazine PreSense.



Mr Peter Rimmele

Peter Rimmele is currently the Resident Representative of Konrad-Adenauer-Stiftung (KAS) to India.

He has a First Law Degree from Freiburg University, as well as a Second Law Degree from the Ministry of Justice Baden-Württemberg, Germany and a M.A. in Geography.

After working as a jurist, judge and lecturer, he took public office as Ministerialrat, Head of Division at the State Ministry of the Interior in Saxony, Germany, from November 1991 on until 2000. There he first served in the Police and Security and later in the Local Government Department. On behalf of the German Foreign Ministry, he served in East Timor as Registrar General, Head of Civil Registry and Notary Services (UNTAET), and became later the principal Advisor for Governance Reform for GIZ (German International Cooperation) to the Ministry of Administrative Reform and the Anti-Corruption-Commission of the Republic of Indonesia, where he served for 7 years. He then moved to Rwanda, also as Principal Advisor Good Governance/Justice Program. Earlier he was Resident Representative to Lebanon, Director of Rule of Law Program- Middle East, North Africa, Konrad-Adenauer-Stiftung.



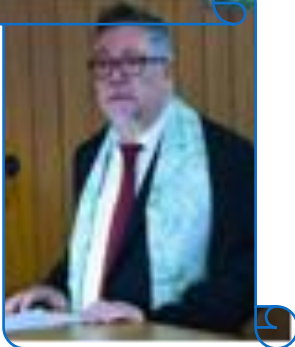
Key Statements



- Our global economy is unthinkable without the fine network of trade that spans the world. It guarantees our prosperity as well as a certain degree of international peace. We cannot risk that- **Mr. Peter Rimmele**, KAS



- The Prime Minister has prescribed for India '**Aatma Nirbhar**' – 'Self Reliance.' We should also aim for Self-Independence or '**Swawlambi.**' - **Mr Bhartruhari Mahtab**, Member of Parliament



- What differentiates Germany from others is the fiscal responsibility that allows us now to work with broad strokes- **Mr Peter Rimmele**, KAS



- I feel that the Centre is not being fair in equitable distribution of funds to States. I love my state, but I love my country more. So I respect the constitutional mechanism in place - **Mr Bhartruhari Mahtab**, Member of Parliament

Key Takeaways

From Mr Peter Rimmele's Address:

- Germany was expecting an economic downturn in 2020. Hence, when Corona struck, the country was partly prepared for the economic challenges.
- In 2020, GDP of Germany is expected to contract by 6%. Service and Transport sectors, especially, aviation have suffered badly.
- Germany is basically an export driven nation. Production issues in countries like China have seriously hampered the production capacities and ability to re-export, apart from shrinkage of domestic consumption.
- There is suggestion from Germany's federal health minister to repatriate important pharmaceutical production to Europe and which is a sensible approach.
- Around the world, we see a political knee –jerk reaction to increase autonomy and reduce reliance on foreign goods.
- On the other hand, we have global peace because of economic and trade inter-linkages. Countries which have open economy prosper more than those with closed economies, traditionally.
- A balanced and comprehensive approach is the best option: Nationalizing production of strategic goods but keeping the supply chain fit for the future.
- Thanks to pushing for fiscal responsibility on the part of federal and state governments and reducing new borrowings, Germany has ample resources to draw from, to tackle the Corona crisis.
- Germany operates a social security system whereby the state covers a part of the pay reduction for workers who have to go into short-time working. This model may be followed in India too, in the future, to avoid migrant labour crisis that we witness now.

From Mr Bhartruhari Mahtab's Address:

- Using National Disaster Management Act, the executive is doing its best to tackle the pandemic fallout. The major problem now is the economic situation.
- In the second half of March, money was transferred to poor people's Jan Dhan accounts. The government's initiative of JAM (Linking Jan Dhan, Aadhaar and Mobile numbers) has proved to be a boon today.

- The government wants no one to starve. It has provided three months of rice or wheat to the poor people. The granaries of the nation are full.
- All the State Governments have played a great role in managing the pandemic.
- The Covid crisis has made us think of investing more in the health sector.
- Even in remote areas, facilities are now being provided to treat people. The Gram Panchayats are doing a great job and they have been empowered.
- Lakhs of migrant workers walking to their native places is very unfortunate. Hardly 7 to 8% of our workers are in organised sector. Our labour rules are framed for the organised sector.
- A cess is now collected from building projects for the welfare of construction workers. Some benefit is provided to these workers from the funds. Similar cess is collected for the welfare of tea plantation, beedi workers, etc.
- Bringing all the unorganized workers under labour rules is the big challenge now.
- Despite many labour acts in force, there are many violations in compliance. Thus, the interest of labour has not been protected in India, to the extent it has happened in developed countries.
- As part of labour reform initiatives, the labour ministry has decided to amalgamate 44 labour laws into four codes—on wages, industrial relations, social security and safety, health and working conditions.
- One code on wages has been approved by the Parliament and the other three are in the process of getting approved. These codes, when passed, will immensely benefit the labour force.
- The Prime Minister's announcement of Rs 20 lakh crores is definitely a booster dose for our economy.
- The Prime Minister has prescribed '**Aatma Nirbhar**' –Self Reliance for India and this is a positive step. We should also aim for Self- Independence or '**Swawlambi**.'
- There has to be equitable distribution of Central funds to the States. The Centre should not thrust some of the programs which are not useful to the States.
- Many bureaucratic tangles between the Centre and the States can be resolved smoothly if the State Chief Minister or Chief Secretary has a direct dialogue with the Union Government.
- There is a need to provide social security for all the labour force and farmers.

- The PM took a timely decision on the lockdown. It was expected that industries would take care of the labourers. This did not happen and led to the migrant crisis which is a big tragedy and should have been avoided.
- In certain industries, flexibility relating to the number of working hours can be worked out and it has to be done with the consent of the labour, rather than the trade union.
- The Finance Minister's announcement of 'One Nation; One Ration Card' is a big reform and will benefit the migrant workers.
- We should make use of Aadhaar and Technology and endeavour to keep an updated and live database of all workers.

Welcome Address

Group Captain R Vijayakumar (Retd), VSM, Executive Director, MMA



Mr R Vijayakumar, Executive Director, MMA initiated the online panel discussion organised through webinar and livestreamed on YouTube and Facebook. He listed out the series of MMA activities planned over the next few days to keep the members actively engaged and provide the policy makers with inputs for decision making.

Mr Vijayakumar extended a hearty welcome to all the viewers, Mr Peter Rimmele, Resident Representative to India, KAS, Mr Pankaj Madan, Head of Programmes, KAS, Mr Prime Point Srinivasan and the key note speaker Mr Bhartruhari Mahtab, Member of Lok Sabha and Chairman, Standing Committee on Labour.

He welcomed the members of KAS, ORF, NGPL and Presense. He introduced Mr Peter Rimmele, KAS, thanked him for the great support extended to MMA and requested him to deliver the introductory remarks.

Introductory Remarks

Mr Peter Rimmele, Resident Representative to India, Konrad-Adenauer-Stiftung:



Mr Peter Rimmele welcomed all the participants, delivered the introductory remarks and set the context for the session. Making a mention of Prime Minister Modi's announcement of the 'much-awaited' stimulus package, he briefly explained about Germany's economic response to the pandemic and the likely fallout.

"Politicians and economists were expecting an economic downturn to hit Germany in 2020/21. So, when Corona made our lives grind to a halt unexpectedly, Germans were at least partly prepared. Nonetheless, closures hit us hard too," he noted.

He estimated that Germany expects its GDP to shrink by more than 6% in 2020 compared to last year and added that the service sector and transport sector were badly hit by the crisis and which is the same as in India. He highlighted the fact that Germany is an **exporting** nation and that production stoppage in China and the supply chain and trade link breakages have not only dented Germany's domestic consumption but also affected its production and re-export capacities.

He cautioned against the political knee-jerk reflex towards more autonomy and reducing reliance on foreign goods. He welcomed Germany's federal health minister, Jens Spahn's statement that one of the tenets of Germany's EU council presidency will be to repatriate important pharmaceutical production back to Europe. "Our global economy is unthinkable without the fine network of trade that spans the world. It guarantees our prosperity as well as a certain degree of international peace. We cannot risk that," he argued.

As a solution, he advocated a balanced and comprehensive approach - Nationalizing or regionalizing strategic goods production, mainly to alleviate dependency on one country, but at the same time trying to make our supply chains fit for the future.

He detailed out the elements of Germany's relief package and suggested that Germany's social security system whereby the state covers a part of the pay reduction for workers

who have to go into short-time working, could be a model that India can follow, in future.

He also stated that Germany's call for 'Black Zero,' that faced too much of criticism, aimed at reducing new borrowing and balancing the budget of the federal and state governments. "It has helped our financial position. The fact that Germany has ample resources to draw from, to tackle the Corona-crisis now, shows us that this approach was right," he stressed.

He concluded his address, expressing his keenness to know about the current state of Indian economy from the renowned speaker and parliamentarian **Mr Martruhari Mahtab**.

Introduction of the Speaker

Mr Prime Point Srinivasan, Chairman & Managing Trustee, Digital Journalists Association of India (DiJAI)



Mr Prime Point Srinivasan introduced **Mr Bhartruhari Mahtab**, Member of Lok Sabha and Chairman, Standing Committee on Labour.

He stated that Prime Point Foundation had honoured Mr Bhartruhari Mahtab with Sansad Ratna award for his debating skills. He added that ‘Next-gen Political Leaders’ is an offshoot of the award, formed with the objective of developing knowledge and skill in young and aspiring political leaders.

He requested Mr Bhartruhari Mahtab to deliver his speech on the theme “COVID-19: Impact on Indian Economy.”

Speech by Mr Bhartruhari Mahtab



Mr Bhartruhari Mahtab thanked

Madras Management Association for giving him an opportunity to interact through webinar. He spoke on the pandemic management in India and the current economic situation. As Chairman of the Parliamentary Standing Committee on Labour, he discussed the proposed labour reforms, the migrant labour problem and measures that have to be put in place to prevent a recurrence of the problem, in future. In the Q&A session that followed his brief address, he took on many questions. The highlights of his speech are given below:

Pandemic Management:

“The lockdown announced by the Indian Prime Minister was a right decision taken at the right time and without which Covid-19 would have exploded on a much larger scale in India,” argued Mr Bhartruhari Mahtab and said that all the Indian states have done reasonably well in managing the pandemic, using the provisions of Disaster Management Act. He also allayed fears that Disaster Management Act would be misused by the states to quell labour and public rights. “We are in an emergency now, facing a war-like situation. All our executive decisions taken now need the approval of legislature or Parliament, as applicable, after 3 months and within 6 months. After this, anyone can question the decisions in a Court of Law,” he told.

He was also appreciative of the Government’s efforts in ensuring that there are no starvation deaths due to the crisis. “Our granaries are full. The government has provided three months ration to all the needy people. It has also transferred money to the Jan Dhan accounts of poor people,” he informed.

State of The Economy:

Mr Bhartruhari Mahtab said that at present, the state of the Indian economy is worrisome. According to him, the relief measures and the stimulus package of Rs 20

lakh crores is a welcome measure and he is hopeful that the Finance Minister's various announcement, detailing the relief package, would put money in the hands of the common man and help revive the economy.

He expressed satisfaction at the Prime Minister's prescription of '**Aatma Nirbhar**': Self Reliance for India and went on to suggest that we should also aim for Self-Independence or '**Swawlambi**.'

Labour Reforms:

He gave an overview of the numerous and archaic labour acts that are in force and about the Union Government's labour reform initiatives whereby the labour ministry has decided to amalgamate 44 labour laws into four codes—on wages, industrial relations, social security and safety, health and working conditions.

On the present status of these acts, he said that the code on wages has been approved by the Parliament and the other three are in the process of getting approved. "These codes, when passed, will immensely benefit the labour force and make industries to strictly comply with the provisions," he assured. He was also pragmatic when he said that the growth of industries depends on two sides of the coin – namely, labour, on one side and enterprise, on the other. "We cannot focus on labour and discard the enterprise factor. That will be disastrous for the nation and economy," he warned.

Migrant Labour Problem:

Mr Bhartruhari Mahtab traced the origin of the migrant labour problem that resulted post lockdown and which according to him is very unfortunate and should not have been allowed to happen. "The industries should have taken care of the workers but as the units were shutdown, the migrant workers wanted to go back to their homes and with lack of conveyance, they started walking back," he explained. He was against politicising the controversies that arose in the running of Shramik Express trains for the movement of migrant labourers and the mechanism that was followed to recover the cost from travelling passengers. "Railways have also shared the cost," he quipped.

Going further into the roots of the problem, he said that in India, only about 8% of the labour force is in organised sector. The rest, a whopping 94% are in unorganised sector and they are not covered properly under the social security acts. He sounded optimistic that the present labour reforms in the form of 4 Codes, when implemented, will benefit

all the workers. He also appealed to all the states to use technology and maintain a live and updated database of migrant workers.

Centre- State Relations:

In sharing of the Central funds among the states, he expressed his opinion that the Union Government is not doing justice. However, as a true national leader, he said, “I love my state, but I love my country more. So I respect the Finance Commission, which is the constitutional mechanism in place.” From his vast experience, he felt that many bureaucratic tangles between the Centre and the States can be resolved smoothly if the State Chief Minister or Chief Secretary has a direct dialogue with the Union Government.

Positive Initiatives:

Mr Bhartruhari Mahtab said that the Union Government’s initiative of JAM (Interlinking Jan Dhan account, Aadhaar number and mobile number) has proved to be a big boon, especially in reaching out to the poor and migrant labour. He also gave thumbs up to the Finance Minister’s announcement that “One Nation, One Ration Card,” will soon become operational and which will greatly help people on the move.

Q & A Session

(Answers by Mr Bhartruhari Mahtab)

Mr Vijayakumar, ED, MMA anchored the Q&A session with **Mr Bhartruhari Mahtab**. The questions were raised on a wide range of topics by guests and online viewers through sms, Whatsapp and online chat. Mr Mahtab answered them all with his calm and composed demeanour and convincing replies.

Q: From GST funds, manufacturing states get a bigger share than the consumer states. Is it equitable?

A: A lot of debate happened on this. A settlement was reached when Mr Arun Jaitley was the finance minister and it was agreed upon. We have one tax throughout the country. This was a dream that was achieved and we have hardly implemented it for the last 3 years and we will evolve.

Q: Should state subjects like education and health be brought under the concurrent list?

A: Our constitution makers deliberately decided that education, health, land and water should be state subjects. The state governments do not provide much in their budgetary mechanism on education and health. Rather, it is the central government which has a big amount in the budget for human resource development or education. Every state government is looking up to the union government as to what program they have, related to education and health. Implementation will be state government's role. Sharing of money for education and health needs to be done in a bigger way by the Centre.

Q: From Nehruvism to PM Modi's Self-reliance or Aatma-Nirbhar, is it the same old wine, all over again?

A: During the Nehru Era, it was the commanding heights of the union government and public sector undertaking came into existence. The government invested money to setup big industries. In the 90s, after the market economy took over, we made relaxations in our license permit raj and made drastic changes in most of our policy matters. Still, other things have remained. During last 30 years- since 91 till 2020- a number of changes have been made. We wanted to become global, look East, act East and accordingly our economy expanded. We wanted to promote our brand. That is what our PM has been saying: Think local, be vocal and become global. We should not be overly

dependent on foreign products. We can produce here and utilise them in our market. That is the concept of PM's 'Aatma Nirbhar.'

Q: What should states do for economic recovery at present? Is there equity in the distribution of Central funds?

A: As a regional Party member, I would always say the centre is not doing justice. I love my state, but I love my country more. So I accept the constitutional mechanism in place. The finance commission decides how much money is to be shared and in which way.

During my last 25 years of experience in Parliament, we used to object to the Centre thrusting certain programs on the states, which are not required. If states don't fall in line, then they do not get support from the union government. Whenever the states tell the Centre, "You are not providing us money," the Centre turns back and says, "You have not given us the utilisation certificate." So it becomes a bureaucratic tangle. These skirmishes can be avoided if there is a direct contact and dialogue between the Chief Secretary / Chief Minister of the state with the union government.

Q: Will the social security code 2019 as introduced in the Lok Sabha provide a firm, legal and institutional framework for universal right covering the last worker within the stipulated time frame?

A: The code does not say it in so many words. Universalisation of social security is a point of deliberation today. Our idea is to provide social security to every worker. The tragedy of our country is, during the last 70 years of independence, we were more concerned only about the organised labour. We have neglected our unorganised labour and seen our fault lines during the last eight weeks when a large number of people started walking back home. This would not have happened, had there been adequate social security.

Q: Do you feel that specific provisions for social security issues covering all workers need to be made in the social security code?

A: Let's look beyond the pandemic. There is a need to provide social security for all the labour force, wherever they are working. I would be more than happy if

our farmers are also covered under this. Let us try to make the code good and then we will make it better.

Q: The PM announced lockdown at a short notice. No thought was given to migrant labour at that time. After 45 days, industries and other establishments are allowed to function. The centre is now facilitating the migrant labourers' return to their home towns, arranging trains and other mode of conveyance. Is it not incongruent?

A: If the lockdown had been delayed, the virus would have exploded in a bigger way. It was expected that the industry would take care of the workers, especially those from unorganised labour force. The Prime Minister and State Chief Ministers made appeals to the industries. But because the factory was shut down, the migrant workers wanted to go home. There was lack of conveyance. So they started walking home.

Not all of them are unskilled workers. There are semi-skilled workers too. They migrated to some urban areas or mega metropolis. Now when they come back to their places, it is a bigger challenge for their parent states to engage them. If things normalize in another 5 to 6 months time, the workers may think of going back.

In the meanwhile, Haryana government has welcomed workers and opened an online system that the labour can comply with. Curiously, large number of people have applied to go to Haryana. So, there will be flow and counter flow. India is famous for this migration. That's how our economy has flourished for many centuries.

Q: Has any state managed migrant labour issue in a better way?

A: This is a tricky issue to comment with a lot of dynamics. We will never know the actual number of migrant labour in India. For instance, a person goes to Bengaluru or some other metro. He works there for 3 months, comes back and becomes a construction worker. After sometime, when harvesting starts, he becomes a farmer. Thus he goes on changing his work. Similarly, a person goes to Punjab to work as a farm hand. Then he becomes a welder and later a construction worker. He is talented and has skill. He has perfected some skill and tries to learn some other skill. The states should have a proper list of migrant

labour and wherever they go, that state should also try to monitor them. Because of the technological advancement, today we can have a database. With Aadhaar number, they can be easily tracked. One Nation, one ration card will greatly benefit the migrant labour.

Q: Some of the states are extending working hours for labour. Do you think there is a constitutional protection for the rights of the labour?

A: That could have been done by Dr Ambedkar himself. But it was not done for various reasons. India is a signatory to ILO and ILO in 1919 had agreed on the division of the time of a person- that he should work for 8 hours, rest for 8 hours and engage in other different activities for 8 hours- so that he leads a perfect life.

During the last hundred years, technology has come in. The industry of 1919 or before is something of the past now. There is automation, so manual work has come down. The labour wants to work for more time to earn more and there is nothing wrong in it. In our report on working condition, health and occupational safety code, we have suggested that in certain industries, flexibility in working hours can be worked out, but it has to be done with the consent of the labour, rather than the trade union.

Q: Many companies are leaving China and they like to come to India. Are the labour laws tweaked to meet the requirements of these companies?

A: Those who migrate from China have already gone to Vietnam and Bangladesh where the labour law is comparatively flexible. We too should make the labour laws a bit flexible, so that we can attract foreign direct investment. But our attempt is for better utilisation of our indigenous talent and better returns from our investments.

Q: The Government of India has many schemes for the downtrodden people. Does it plan to redress difficulties faced by the middle class, retired, non-pensionable persons like us?

A: Every popular government is conscious about the last man in the nation. The finance minister's announcements relate to how money will come into the pocket of a common man. That should ease everyone's burden.

Q: If we base our principles of localization as simple living and high thinking, India can quickly move up in the ideology of knowledge workers. What is your view on this concept?

A: I fully agree with that.

Q: In the last two decades, outsourcing industry has come in a big way. It covers the entire gamut of industry sector, including the PSUs. Food delivery on board the trains is handled by outsourcing contractors; even Covid-19 work is outsourced. Is this practice acceptable? What should be the norm in the post Covid world?

A: In cities, we have many flyovers, to decongest the traffic. Outsourcing is like a flyover to avoid responsibility relating to different provisions in the labour law. Outsourcing is the cause of unorganised labour. We have to bring them into the social security measure so that the labour will benefit.

Q: For close to four decades, we have the migrant labour act. Why do we discuss this only now?

A: It all depends on the robust implementing and enforcement agency. Law alone is not enough.

Q: Should not the government pass on the benefit of reduction of crude oil price to retail consumers to put more money in the hands of the common man?

A: There are two sides to it. It depends on which side of the table you are sitting. The government will ask from where they will get money. With the fall in revenue, money has to be collected from different sources. In the near future, government may even impose minimum cess on certain items to collect more revenue as it happened in 1971 due to the refugee pressure. Mrs Indira Gandhi, then Prime Minister introduced refugee tax. Regarding fuel pricing, government should be transparent and come out with the rationale for the pricing.

Q: Can we not empower migrant labour force and make them entrepreneurs?

A: We have tried in this direction. But practically we found that once their job is over, they want to move back to their home town or to some other place. We aim to protect them wherever they work.

Q: Migrant Labour act puts the onus on the employer to get the license. There is a joint commissioner in the state who regularly checks the documents. How can the states now say that they don't have information on the migrant labour they have?

A: The checking by the officials does not happen perfectly. It is flawed. Getting license from the government is tedious. That's why many contractors avoid the license process and they are ready to pay the penalty if and when it is imposed.

Q: Please comment on the role of WHO and China in floating misinformation which led to the rest of the world to be under prepared in dealing with the pandemic.

A: My personal view is that WHO was not aware of what was happening in China. It was misled by China. The mechanism through which WHO has been formed needs improvement.

Q: What should we do to bring revolutionary labour reforms?

A: Labour is one component and another is capital or the employer. We have to maintain a balance between the two to make our country progress.

Q: Why is the women workforce at a disadvantage, especially in the manufacturing sector?

A: It goes with our mind set and the general perception in our society that a male is easier to deal with than a woman. In the Second Code, we have expanded the working hours of the women and they can work after 7 pm. Some facilities have to be provided to them by the person engaging them. Slowly, the ice is breaking and the labour will no more be confined to the male folk.

Q: Do you think there is a case for bringing migrant labour care under the supervision of state and national Labour Rights Commission?

A: These are positive suggestions. We can make the state to submit mandatory reports so that it comes into the public domain and discussions can take place at different platforms.

Q: Some of the states take advantage of the national disaster management authority act. How do you rein in them, with respect to labour rights?

A: This is an emergency situation where certain steps have to be taken but remember, these steps can be taken only for 3 months. After 3 months or within 6 months, the executive decision has to be passed in the Assembly or in the Parliament. After the sanction of the Legislature, then people are free challenge that decision in a court of law. This is the position of the law.

Q: Why are Trade Unions objecting to increasing the threshold from 100 to 300 labourers for the applicability of Industrial Disputes Act?

A: Yes. Trade Unions are opposing saying that employment opportunities will come down. From industry side, they are requesting us to raise it to 1000 or 1500. We have recommended that it should be 300. Union Government is of the opinion that it has to be left to the state governments to decide. Rajasthan and Madhya Pradesh have already implemented. The results are very encouraging. There is no loss of employment but just the reverse has happened. More number of people got employed.

Question by ORF

Q: Do you think there is a need for fiscal federalism more than it is practiced now?

A: It is preferable that more money comes to the market. One should spend more now, so the markets will become vibrant and liquidity will be there.

Question by Mr Peter Rimmele, KAS

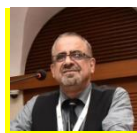


Q: You spoke of the imbalance in labour market. I come from a country where we don't have such imbalance. The labour market needs some flexibility, I mean, liberalisation. The State on the other side has its synchronizing function to look at not only the economic aims of the enterprises but also society's protocols to be achieved. What should the government and the enterprises do to get this imbalance out? What could they do realistically?

A: The four codes are now deliberated in the Parliament. This will encourage the enterprise to bring the unorganised sector into the organised sector to very great extent. The unorganised sector has thrived for the last 70 years because of the

stringent labour laws. The License / Permit / Inspector Raj in our country have dissuaded the enterprise to move away from the organised labour act. We have faith in our entrepreneurship and labour. We cannot wish away the unorganised labour in one go. It will be a gradual process and it will be done.

Question by Mr Pankaj Madan, KAS



Q: It's a pleasure to have you Mr Mahtab! We had 1991 as a turning point when the economic reforms were initiated. After that, we have seen incremental reforms bit by bit. Then we had GST which was a big bang; then bankruptcy code came. I now have the sense that the government is ready to bite the final bullet of reforms, that is the land and labour reforms. Would it be growth at any cost? Has sustainability factor been taken into account?

A: Since 1991, we continued with fractured mandate in the country for 25 years. It was only in 2014 that we could get a robust mandate. Dr Manmohan Singh as Finance Minister along with then PM Narasimha Rao brought in a drastic change in our economic policy. Manmohan Singh was PM for 10 years, but he was heading a government which was pulled from different directions. Still he had the courage to say that we needed to go into the second phase of reforms. An attempt was made in the 16th Lok Sabha to bring in land reforms and it was negated. But it is necessary to go into the second phase of our reforms. Labour reforms will be very revolutionary.

Vote of Thanks

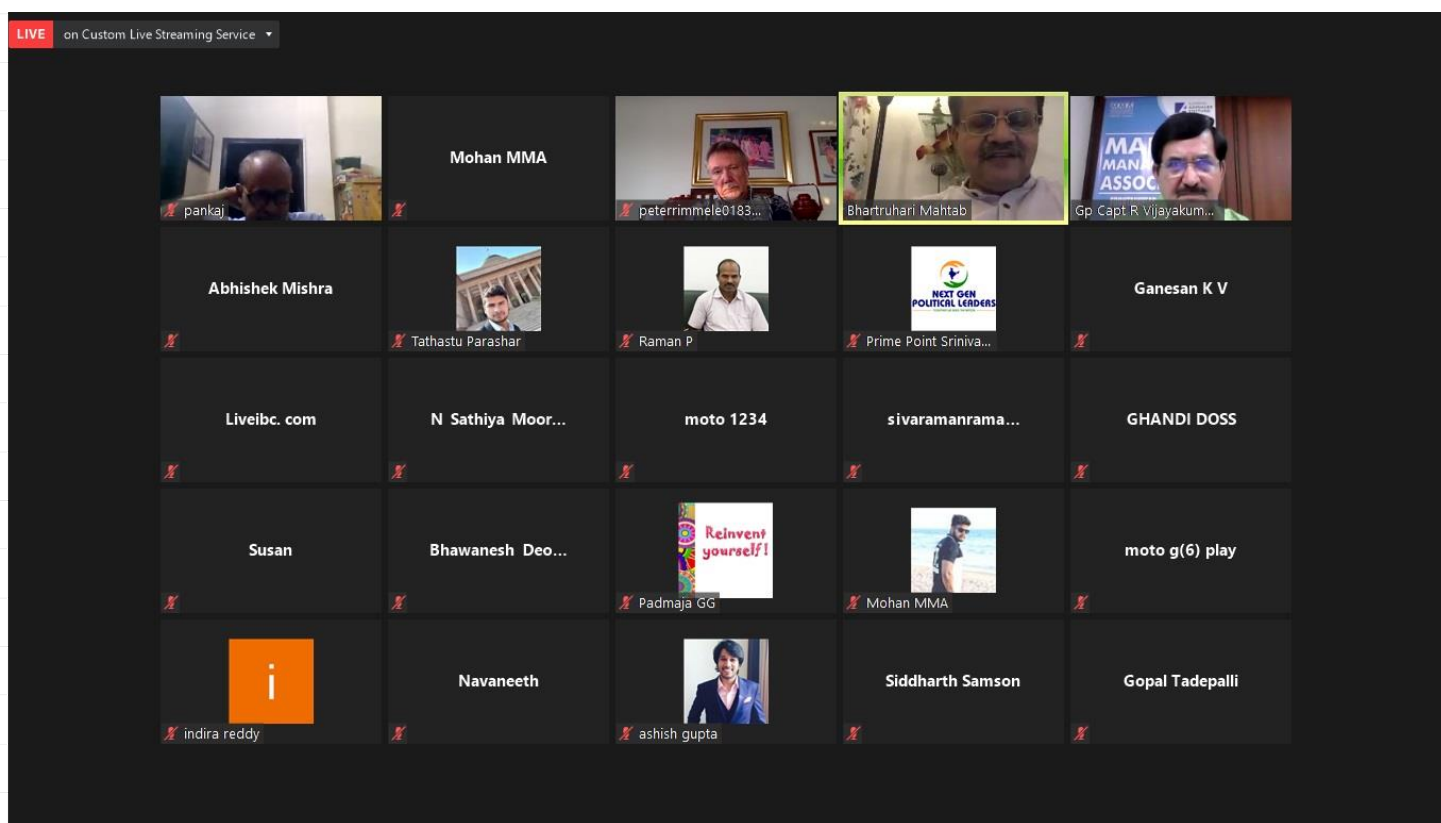
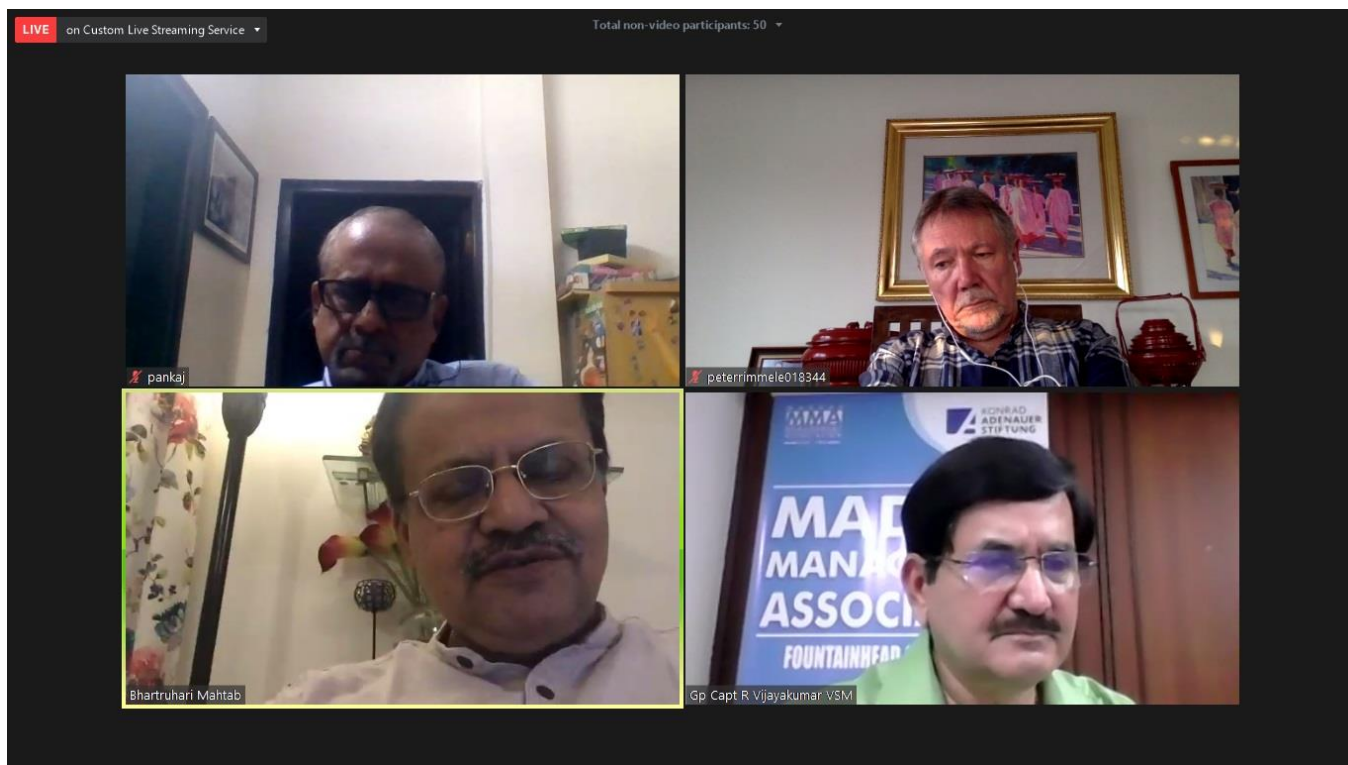


At the end of the Q & A session, **Group Captain R Vijayakumar**, ED, MMA thanked the Speaker **Mr Bhartruhari Mahtab** for his valuable speech enriched with his rich experience. He thanked Mr Peter Rimmele, Resident Representative to India, KAS for his introductory remarks and for being a pillar of support to MMA. He thanked Mr Prime Point Srinivasan for introducing the key note speaker, members of ORF, NGPL and Presense and all the viewers before signing off.

The event concluded at 7:45 PM.

Photos

Photographs taken during the Live Talk under the 'Leaders Speak Series' on the theme: "Covid-19: Impact on Indian Economy"





MMA, Chennai was live.

1 hr · 🌐



Live Talk on " Covid – 19: Impact on Indian Economy" Live streaming on 15th May 2020 at 6:00 PM



You, Venkata Narasimhan and 8 others

1 comment 294 views



Links for the Recording

Covid-19: Impact on Indian Economy

We are pleased to share that the recording of the event is available for viewing pleasure through the links indicated below:

Website:

www.liveibc.com/mma/

YouTube:

<https://www.youtube.com/watch?v=N2kMYJrg3Vo>

Facebook:

<https://www.facebook.com/mmachennai/videos/272732037201763/>



The response to the event was excellent and we had a larger number of viewers who logged in live through Zoom, MMA Live webinar, YouTube and Facebook.

Total Number of Participants:

Zoom: 60

YouTube: 83

Facebook: 294

MMA Webinar: 211

Total number of participants at the event - 648



The Partners – MMA, KAS and ORF

About Madras Management Association (MMA)

Madras Management Association (MMA) was established in 1956 with the prime objective of promoting management education, training and development activities in this part of the country. The vision of MMA is “To be the Fountainhead of World class Management Excellence in India”.

Over the past six decades, MMA has striven for development and nurturing management expertise, combining Indian ethos with International Management thoughts and practices. MMA has contributed immensely to the enhancement of management capability in this part of the country, and in particular Tamil Nadu and Puducherry. MMA has over 7000 corporate houses, industries, professionals, academics and executives on its rolls as members. MMA annually organizes about 725 executive development activities, including seminars for top management with a total participation of fifty nine thousand executives and entrepreneurs.

MMA is the largest affiliate association of All India Management Association (AIMA) in the country and has been adjudged as the Best Management Association in India by AIMA for ten times in a row including the “National Excellence Award” for the year 2017-18.

The activities of MMA are planned to achieve managerial excellence in the functioning of industries and professional managers in Tamil Nadu and Puducherry. In this direction, MMA chapters have been established at various towns in Tamil Nadu mainly to cater to the needs of SMEs. Nine such MMA Local Chapters at Ambur, Attur, Erode, Hosur, Namakkal, Salem, Sri City, Trichy and Puducherry are functioning effectively. Apart from corporate leaders, MMA has, in its Managing Committee, the Vice Chancellors of Madras University & Anna University, the Directors of IIT Madras and IFMR and the Chief Secretary, Government of Tamil Nadu, as members.

OUR VISION

To be the Fountainhead of World Class Management Excellence in India

OUR MISSION

- Synthesise Indian Ethos with international management thought
- Be a reservoir of expertise in management
- Inspire individuals to actualise their potential
- Nurture creativity and originality

About Konrad-Adenauer-Stiftung (KAS)

The Konrad-Adenauer-Stiftung (KAS) is a German political foundation, with a strong presence throughout Germany and all over the world. Freedom, justice and solidarity are the basic underlying principles of the work of the Konrad-Adenauer-Stiftung.

With more than 100 offices abroad and projects in over 120 countries, it makes a unique contribution to the promotion of democracy, the rule of law and social market economy. To foster peace and freedom KAS encourages a continuous dialogue at the national and international levels.

Human beings in their distinctive dignity and with their rights and responsibilities are at the heart of its work. KAS is guided by the conviction that human beings are the starting point in the effort to bring about social justice and democratic freedom while promoting sustainable economic activity. By bringing people together who embrace their responsibilities in society, KAS develops active networks in the political and economic spheres as well as in society itself. The guidance it provides on the basis of political know-how and knowledge helps to shape the globalisation process along more socially equitable, ecologically sustainable and economically efficient lines.

KAS cooperates with governmental institutions, political parties and civil society organizations building strong partnerships along the way. In particular, we seek to intensify political cooperation at the national and international levels on the foundations of our objectives and values. Together with our partners we contribute to the creation of an international order that enables every country to develop in freedom and under its own responsibility.

The Konrad-Adenauer-Stiftung has organised its program priorities in India into the following working areas:

1. Foreign and Security Policy
2. Economic and Energy Policy
3. Rule of Law and local Self-Government
4. Social and Political Training and Development
5. Indo-German Parliamentary Dialogue programmes

The Konrad-Adenauer-Stiftung's India office takes great pride in its cooperation with Indian partner organisations who implement jointly curated projects and programmes.

About Observer Research Foundation (ORF)

The Beginning

ORF began its journey in 1990 at the juncture of ideation tempered by pragmatism. During the period of India's transition to a new engagement with the international economic order, several challenges emerged, evoking a need for an independent forum that could critically examine the problems facing the country and help develop coherent policy responses. ORF was thus formed, and brought together, for the first time, leading Indian economists and policymakers to present the agenda for India's economic reforms.

What We Are Today

Propelled by the process of reforms initiated in the 1990s, ORF, over the past 30 years of its existence, has effectively narrated and participated in India's story as the country has acquired an unmistakable global footprint. From primarily looking inward and engaging with domestic reforms, to gradually forging global partnerships, ORF today plays a seminal role in building political and policy consensus that enables India to interact with the world.

As new powers re-emerge onto the global stage, existing systems face challenges of agreeing on a new set of rules to control and regulate the new frontiers of space, the oceans, the internet and the human mind. The world continues, also, to navigate persisting concerns related to security and strategy, economy and development, energy and resources. As India begins to play a larger role in the 21st century, ORF continues to push normative boundaries, bring new ideas into the policy discourse and provide a platform to a new generation of thinkers. It is supported in its mission by leading intellectuals, academicians, policymakers, business leaders, institutions and civil society actors.

ORF's aim is to encourage voices from all quarters, geographies and gender, both those that fall in and those that question dominant narratives. It is this plurality of thought and voice — in a country of over a billion individuals — that ORF seeks to carry abroad, while simultaneously bringing contemporary global debates to India.

The Mandate

ORF seeks to lead and aid policy thinking towards building a strong and prosperous India in a fair and equitable world. It sees India as a country poised to play a leading role in the knowledge age — a role in which it shall be increasingly called upon to proactively ideate in order to shape global conversations, even as it sets course along its own trajectory of long-term sustainable growth.

ORF helps discover and inform India's choices. It carries Indian voices and ideas to forums shaping global debates. It provides non-partisan, independent, well-researched analyses and inputs to diverse decision-makers in governments, business communities, and academia and to civil society around the world.

Our mandate is to conduct in-depth research, provide inclusive platforms and invest in tomorrow's thought leaders today.
