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Date: 24.06.2024

**To,
The Hon'ble Minister of Finance
Government of India
North Block,
New Delhi-110 001**

**Sub: CTU's view points on issues to be considered
for framing budget for the year 2024-2025**

Madam,

We, the representatives of the wealth creators, the working class of the country are participating in this pre- budget consultations only out of our confidence in the democracy and constitution of the country. We are compelled to state this as not a single suggestion by the trade unions was considered while preparing the budget or any policy of your previous governments.

It is going to be one decade since the highest tripartite forum, the Indian Labour Conference (ILC) has been called under the NDA governments. You may please recall that the main recommendation of the one and only ILC held under the NDA government was to implement the recommendations of the earlier ILCs, which again has fallen on deaf ears.

Not only that our suggestions and demands are ignored, your governments have been implementing policies diametrically opposite to those bypassing all tripartite bipartite democratic mechanisms and institutions. The latest example is the notification published by the Ministry of Labour and Employment, drastically reducing the rates of penalty levied against defaulting employers in EPF. This has been done keeping the Central Board of Trustees of EPFO in the dark and without any consultation with the unions whatsoever.

We hope that the new NDA government will learn from the experience where such policies have only helped a few corporates and took the country to huge disparities and alarming levels of unemployment, hunger and malnutrition which are evident from the world hunger index.

Considering the larger interest of the people and the grave situation faced by the economy, we expect you to take measures to increase the purchasing power of the people.

The CTUs puts forward these concrete suggestions for the Budget 2024-2025.

- 1) **Resource Mobilisation:** The resource mobilisation has to be done by increasing the corporate tax, wealth tax and introducing inheritance tax instead of burdening common masses with the GST on essential food items and medicine. Over the decades, corporate tax rates have been slashed down

unjustly and at the same time increasing indirect tax burden on common people resulted in an utterly regressive tax structure. That must be corrected in the interests of fairness, equity and propriety. Even one percent inheritance tax on the super- rich with the ceiling can fetch huge amount to the budget receipts. It can be used to finance the education, health and other social sectors. Hence immediately GST on essential food items and medicine has to be drastically reduced.

- 2) **Income Tax Rebate for Salaried Class:** The ceiling limit for the income tax rebate for the salaried class on their salary and Gratuity must be substantially raised.
- 3) **Social Security Fund:** The Union Govt sponsored social security fund for the unorganised workers and agricultural workers has to be set up to provide them with defined universal social security schemes including minimum pension of Rs.9000 per month and other medical, educational benefits. Special Schemes to ensure occupational health and safety measures for workers, especially for the vulnerable trades like waste recyclers, salt pan workers, glass bangle makers and so on.

Income/wage loss compensation during the lean sessions and in the event of natural calamities including heat & cold waves, unseasonal rains, floods, cyclones and such others. Set up climate resilience funds to cover the losses incurred by the workers due to these natural calamities especially in the background of the climate change.

All the unorganised workers should be enrolled on E Shram portal and extended these schemes. Monetary benefits under current schemes have to be raised as they are inadequate. Necessary fund to compensate the loss due to repeal of Beedi Cess Act as promised while GST was rolled out must be provided. Extending ESI to the workers of the unorganized sector.

The small farmers/ agriculture workers/ share croppers should also be included under the Kisan Sanmaan Yojana. Similarly, the agriculture workers/ share croppers should also be included under Pradhan Mantri Fasal Bima Yojana.

Budget should be allocated to ensure technical coherence and interstate management mechanisms to ensure portability of ration cards and other identity cards. This will enable the migrant workers to be entitled to social security benefits at their source and destinations.

- 4) **Jobs Creation:** All existing vacancies in the Central Govt departments and PSU's must be filled immediately. The practice of contract and out sourcing should be stopped and instead, regular employment has to be ensured. Ensure equal pay for equal work. Agniveer, Ayudveer, Koylaveer and such fixed term employments should be stopped and replaced by regular employment in all those areas. The scheme of Govt funded apprenticeship to the benefit of private employers in the name of skill India should be totally replaced by statutory obligation of the private employers to engage requisite number of apprentices in

respective establishments on their own with a clear provision of phased placement of them in regular employment.

Increased allocation for MNREGS to ensure 200 days work with statutory minimum wages. Extend the scheme to urban areas as per the unanimous recommendation in 43rd ILC. Immediate payment of all pending wages.

Adequate Budgetary allocation should be made for conducting the survey and issuance of vending license under the street Vendors (Protection of Livelihood and Regulation of Street Vending) Act 2014 and ensure climate resilient markets.

5) **NPS:** New Pension Scheme must be scrapped and benefit defined old pension scheme must be restored.

6) **8th Pay Commission should be constituted immediately.**

7) **Labour Codes Should be repealed:** All the 4 Labour Codes enacted repealing 29 labour statutes must be repealed and scrapped. The said 29 labour statutes should be restored. Minimum wages of not less than Rs.26000 per month with indexation must be fixed in line with consensus recommendation of Indian Labour Conference in which Govt of India is a party. Call the ILC immediately as per the requisite of ILO convention 144.

8) **Privatisation of PSU must be stopped:** Privatisation of PSU's and its latest format--National Monetisation pipeline process should be stopped forthwith. Privatisation in different ways in production and service in Railways, privatisation process in Defence sector by formation of companies and their merger etc., Privatisation in Coal and auction of coal blocks, Privatisation in large scale in Port and docks, in power generation and transmission etc are going on in an unbridled manner. All these must be stopped immediately. Move to sell off the assets of BSNL and RINL to be stopped immediately. Stop privatisation of RINL (Vaisag Steel Plant). All public sector units must be strengthened.

Stop privatisation of electricity through different means. Withdraw the Electricity Bill. Scrap Smart Pre-paid Electricity Meter Scheme.

Privatization of the Door-to-door waste collection system should be stopped and ensure employment to traditional waste recyclers and their technology and skills upgradation.

9) **Loot and Plunder of public sector banks and public exchequer and privatisation of insurance sector should be stopped:** The loan waiver of defaulting corporates in the form of write offs and also Insolvency Bankruptcy Code route, Production Linked Incentive, Capital investment incentive etc must be discontinued as they are delivering no worthwhile result in terms of regular employment generation.

10) **Stop the move to privatise LIC and GIC:** Stop privatisation of LIC and GIC through different moves like LIC-IPO to the larger interest of the common people and the nation.

11) **Social Sector :** Stop privatisation of social and service sectors like food/nutrition, health and education. Increase allocation for basic services in health and education. Adequate allocation for drinking water, sanitation, housing

etc. Budget allocation for SC/ST Sub plan and gender budgeting must be increased.

Reinstate the concessions for the senior citizens, differently abled in the railways.

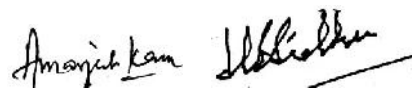
- 12) **Price Rise:** The increase in the prices of petroleum products induced increase of duties and essential services should be immediately contained with concrete ameliorative measures. Speculative forward trading and hoarding of food items has to be curbed and universal public distribution system should be strengthened to contain price rise.
- 13) **Scheme Workers:** Scheme Workers viz. Anganwadi, Mid-Day-Meal, ASHA workers, block facilitators, para teachers and other scheme workers should be regularised as workers with attendant rights of increased statutory minimum wage, social security and other benefits including pension in accordance with consensus recommendation of ILC. Increase the allocations for all central schemes providing the basic services like ICDS, MDMS, NHM etc. Strengthen the schemes to ensure quality services of nutrition, health and education as well as child care services to all, especially the unorganised sector workers.
- 14) **EPF:** Rescind the recent gazette notifications of reduction of penal charges on defaulting employers in remitting the contributions to the PF, EPS and EDLI schemes. Ensure minimum pension of Rs.9000 and above under EPS. Increase the coverage to cover all workers. Discriminatory representation in the board of trustees of EPFO must be rectified immediately.
- 15) **ESIC :** Strengthen the ESIC services to ensure quality services with coverage of all work areas and enhanced coverage limit.
- 16) **MSP:** Ensure Statutory Minimum Support Price (MSP) for all the farm produce as per recommendations of Dr.M.S.Swaminathan Commission with guaranteed procurement.

With regards,

Yours sincerely,




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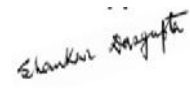
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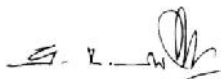
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