## VEDHIK CONCURRENT AFFAIRS

15/10/2024 TUESDAY

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DAILY NEWS ANALYSIS

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POLITY
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ECONOMICS

TECHNOLOGY

ECOLOGY

## India, Canada 'expel' diplomats

INTERNATIONAL RELATIONS

## Frayed ties

India's relations with Canada have been strained since Hardeep Singh Nijjar's killing last year. Here are some key developments:



HARDEEP SINGH NIJJAR **Jun. 18, 2023:** Nijjar, a Sikh preacher in British Columbia, is killed

Sept. 18: After his visit to Delhi, Trudeau reveals that Canada's national security organisation discovered "agents of the Indian government" were involved in the killing Sept. 21: India suspends visa services for Canadian citizens

Nov. 22: India resumes e-visa services

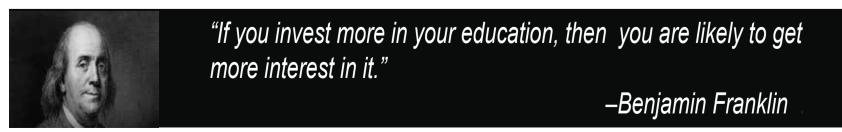
May 2024: Canada arrests four Indian nationals suspecting them of being involved in Nijjar's killing

India Monday on withdrew its High Commissioner Saniav Kumar Verma and other senior diplomats stationed in Canada. Meanwhile, news agency AP reported that Canada had expelled six Indian diplomats, including the High Commissioner. Soon thereafter, India expelled six Canadian diplomats. including the chargé d'affaires Stewart Ross Wheeler. The Ministry of External Affairs

summoned Mr. Wheeler and said the recent actions of the Justin Trudeau government had "endangered" the "safety" of the Indian diplomats there.

The Canadian Government declared the six Indian officials as "persons of interest" for their alleged role in the killing of pro-Khalistan figure Hardeep Singh Nijjar in British Columbia in 2023. The Ministry of External Affairs described the Canadian allegations as "preposterous imputations", arguing that the matter was linked with the political challenges that the Trudeau government was facing on the domestic front in Canada.

Nijjar was found murdered by a group of unknown assailants on June 18, 2023. Prime Minister Justin Trudeau announced in the House of Commons that "agents of the Indian government" were behind the killing of Nijjar who worked in the Guru Nanak Gurdwara of Surrey, British Columbia in Canada. Bilateral ties took a hit and subsequently, India froze visa facilities for Canadian citizens and in October, 41 Canadian diplomats were withdrawn from Canada's missions in India.



## Jaishankar to visit Pak. today for SCO meeting

INTERNATIONAL RELATIONS



Islamabad will be in complete lockdown as External Affairs Minister S. Jaishankar and other leaders of Shanghai Cooperation Organisation (SCO) arrive here on Tuesday to attend Heads of Government the meetina.

A 300-strong delegation led by Chinese Premier Li Qiang arrived in Islamabad on Monday to conduct bilateral meetings. Mr. Li, who is in Pakistan on a state visit, was accorded a 21-gun salute on his arrival, after which he and Mr.

Sharif held talks and virtually inaugurated the new Gwadar airport, gifted to Pakistan by China on Monday.

Mr. Jaishankar is expected to arrive on Tuesday evening, his first visit as External Affairs Minister and the first such visit to Pakistan in nine years. Mr. Jaishankar visited Pakistan as Foreign Secretary in 2015. Both External Affairs Minister S. Jaishankar and Pakistan Foreign Minister Ishaq Dar have downplayed expectations of talks between them, stressing that this is a "multilateral" event. Apart from high-security levels accorded to the visitors, which include the Prime Ministers of Russia, China, Kyrgyzstan, Kazakhstan, Uzbekistan, Tajikistan and Belarus as well as the Iranian First Vice-President, parts of Islamabad's "Blue" and all of its "Red" Zones have been sealed off to the public for the SCO meet, given fears of protests by the Opposition Pakistan Tehreek-e-Insaf led by jailed former Prime Minister Imran Khan.

In addition, terror attacks on Chinese engineers last week and the shooting of 21 miners in Balochistan have fuelled worries about the conference. More than 9,000 security personnel have been deployed, and armed police and paramilitary officials could be seen dotting all main streets and venues in the Pakistani capital.

## India, Russia discuss training of sailors for polar navigation, development of joint projects

INTERNATIONAL RELATIONS

The India-Russia Working Group on Cooperation in the Northern Sea Route (NSR) held their first meeting to discuss targets for Indian-Russian cargo transit, possible training of Indian sailors for polar navigation and development of joint projects in Arctic shipbuilding. Both sides shared approaches on building a "new architecture of stable and efficient transport corridors," including for the purpose of "implementing the idea of a greater Eurasian space."

The India-Russia Working Group drafted a Memorandum of Understanding (MoU) between the

Government of the Republic of India and the Government of the Russian Federation for the development of cooperation in cargo shipping in the waters of the NSR.

In 2018, the Russian Government appointed Rosatom the infrastructure operator of the NSR. At present, the preparation of a federal project to develop the Great Northern Sea Route – a transport corridor from St. Petersburg and Kaliningrad to Vladivostok is being undertaken. A strategic goal of Rosatom is to make the NSR an effective shipping artery connecting Europe, Russia and the Asia-Pacific region.

## Centre invites legislators from Manipur for peace talks today

INTERNAL SECURITY

The Union Ministry of Home Affairs (MHA) has invited Manipur MLAs from all the three major communities – Meitei, Kuki-Zo, and Naga – for a meeting on Tuesday. The meeting is being convened by the Intelligence Bureau (IB) but no formal agenda has been shared with the MLAs. The meeting comes nearly a month after Union Home Minister Amit Shah stressed the need for dialogue between the Kuki-Zo and the Meitei communities for resolving the issue and the Centre is in discussion with both the groups. The Home Minister had given a similar assurance earlier on June 17 while reviewing the security situation in Manipur. A 51-member peace committee constituted by the MHA on June 10, 2023 was rejected by both the communities.

## Sept. inflation at 9-month high as food price surges

#### **ECONOMICS & DEVELOPMENT**

India's retail inflation shot back to a nine-month high of 5.5 % in September, breaking a two-month streak under the central bank's median target of 4%, thanks to a resurgence in food price rise to 9.24 % after hovering below the 6 % mark through July and August.

Retail inflation (YoY)

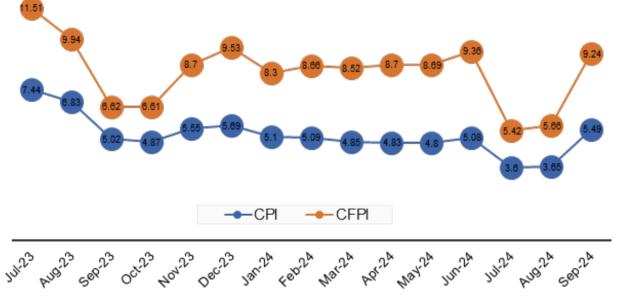


FIGURE: Line chart representation of the Consumer Price Index (CPI) and Consumer Food Price Index (CFPI).

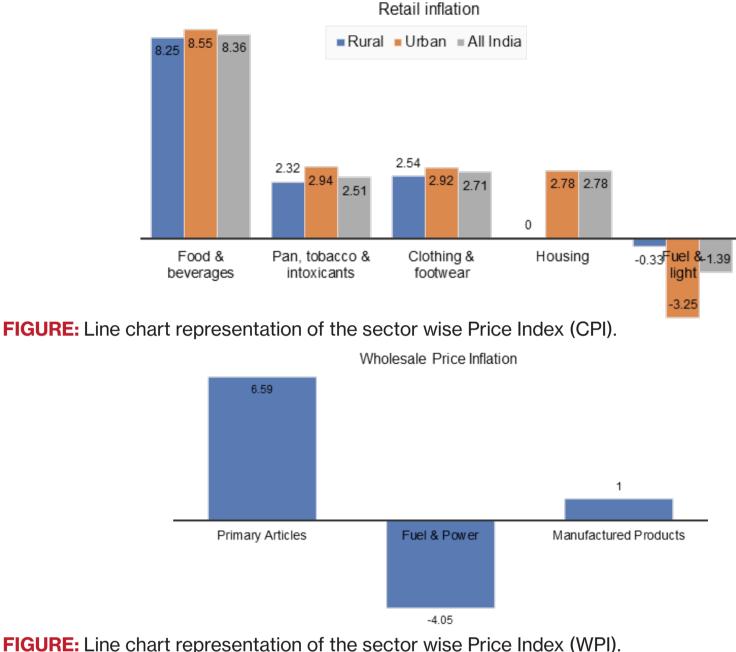




FIGURE: Line chart representation of the sector wise Price Index (WPI).

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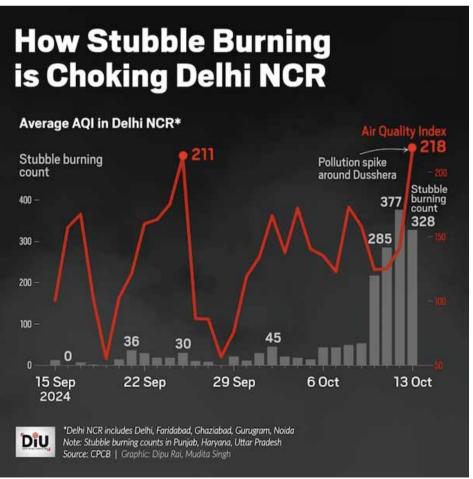
Vegetable inflation surged from 10.7 % in August to a 14-month high of 36 % in September, while fruit price rise gained momentum to hit 7.65 % from 6.5 % a month earlier. For rural consumers, inflation neared the 6 % mark – the upper tolerance limit for the Reserve Bank of India (RBI) – to hit 5.9 %, while their urban counterparts faced a price rise of 5.05 % last month.

Rural India, however, faced relatively milder food inflation of 9.1 % compared with a 9.6% rise faced by urban consumers. Prices of pulses rose 9.81 %, retreating from a 10 %-plus inflation pace for the first time in 16 months, even as price rise of cereals and eggs eased marginally to 6.8 % and 6.3 %, respectively. However, edible oils recorded a 2.5% uptick, breaking a 19-month streak of dipping prices, amid a global hardening of prices.

Beyond food, households saw a sharp uptick of 9 % in prices of personal care and effects in September. Prices for this category rose 8.4 % in July and eased a tad to 7.9% in August. Core inflation that excludes food and energy prices, also rose to a nine-month high of 3.8%, in line with RBI Governor Shaktikanta Das' assertion that this element of price rise had bottomed out.

The RBI changed its monetary policy stance to neutral last week, expectations of a rate cut may take a while to materialise, with the central bank projecting average inflation of 4.8 % for the October-December quarter, before cooling to 4.2 % in the first quarter of 2025. For a rate cut to be forthcoming in the December monetary policy review, either the consumer price inflation will need to flatten considerably below 5.0 % in October or the GDP growth for Q2 FY2025 will need to significantly undershoot the MPC's expectations.

### Stubble burning on the rise in Punjab and Haryana



ECOLOGY & ENVIRONMENT

Fire counts in Punjab, a proxy for stubble burning, have rapidly risen in the last week. As many as 872 fire counts were reported from September 15 to October 13 in the State - a decline from the 1,230 reported for the same period last year and the lowest in five years. However, this is a sharp rise from the 300 reported as of October 7, according from to а Monday bulletin the **CREAMS-Indian** Agricultural Research which Institute (IARI), compiles satellite-derived data on stubble burning.

There was an "overall" decline in stubble burning in Punjab since 2020, there is likely to be a spike in the coming weeks. The harvesting of the rice has started and the stubble is being collected. However the thing to watch is if the farmers manage to sell the stubble to industries.

Past experience suggests that stubble burning in Punjab accelerates in the third

week of October and remains elevated until mid-November. On the other hand, neighbouring Haryana has so far seen the highest number of stubble-burning incidents since 2020. Already 468 instances have been reported, compared to 527 in 2020.

#### U.P. too sees a jump

This year, Uttar Pradesh too saw the maximum instances of stubble burning in five years, with 398 counts reported so far. The previous high was 296, reported in 2020. Like in Punjab, these States too see a rise in fire counts beginning the third week of October. On October 3, the Supreme Court slammed the Commission for Air Quality Management (CAQM) – the nodal body meant to coordinate anti-pollution measures among States – for failing to control incidents of stubble burning, and said it has made "no effort" to implement its direction to prevent such incidents. Prior to this, Punjab and Haryana had committed to "eliminate" stubble burning in 2024 through in situ (on the field) and ex situ residue management methods.

On Monday, air quality in Delhi was categorised as 'poor,' prompting the CAQM to recommend Stage-1 GRAP (Graded Response Action Plan) restrictions on the city. These comprise about 27 directives to "strictly enforce" collection of garbage, construction and demolition waste, and emission norms among other things.

## Paddy procurement in Punjab is on track, assures Food Ministry

#### AGRICULTURE AND RELATED MATTERS

Paddy procurement in Punjab for Kharif Marketing Season (KMS) 2024-25 commenced on October 1, procuring 124.14 lakh metric tonnes of rice estimated from Punjab last year, KMS 2023-24, which was 100 % achieved. The Government of India has already approved an estimated procurement of 124 lakh tonnes of rice from Punjab, equivalent to 185 lakh tonnes of paddy. The Government of India is procuring the same from the State without any restrictions.

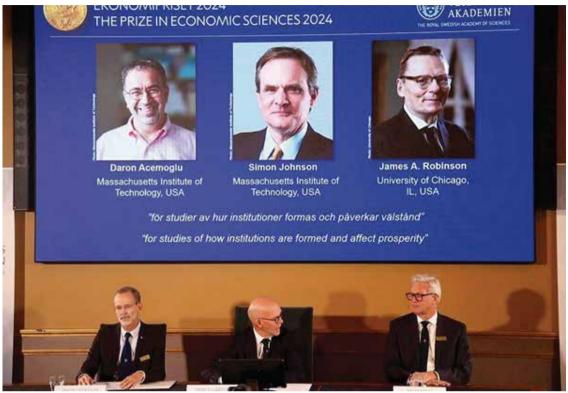
At present, more than 2,200 local markets are functional in Punjab for paddy procurement, and out of the total arrival of around seven lakh tonnes of paddy, approximately six lakh tonnes have already been procured for the Central pool. Paddy procurement will continue as usual till November 30.

A detailed plan has already been prepared to provide about 40 lakh tonnes of storage space by liquidating previous stocks of wheat as well as that of rice from the covered godowns available in Punjab by December 2024 to accommodate the inflow of CMR (Custom Milled Rice).



## Trio wins economics Nobel for work on wealth inequality

PERSONALITY IN NEWS



The Nobel Prize in Economics awarded was on Monday to **Turkish-American** Daron Acemoglu and British-Americans Simon Johnson and James Robinson for research into wealth inequality between nations. The awardees have demonstrated relationship а between societal institutions and prosperity, examining the various political and economic systems introduced bv European colonisers.

Mr. Acemoglu, 57, and Mr. Johnson, 61, are professors at the Massachusetts Institute of

Technology (MIT). Mr. Robinson, 64, is a professor at the University of Chicago. The jury highlighted the laureates' work in illuminating how political and economic institutions play a role in explaining why some countries prosper while others do not.

'Inclusive institutions'

The jury noted the example of the city of Nogales, which is divided by the U.S.-Mexican border, where residents on the U.S. side of the city tend to be better off. The U.S. economic system provides residents north of the border greater opportunities to choose their education and profession, and they are part of the U.S. political system, which gives them broad political rights. By contrast, south of the border, residents live under other economic conditions, and the political system limits their potential to influence legislation.

### Ensuring a proper social safety net for the gig worker

POLITY & GOVERNANCE

The Union Ministry of Labour and Employment is drafting a national law to incorporate gig workers into social security schemes, offering benefits such as health insurance and retirement savings.

The proposed legislation will establish a welfare board model, creating a fund for the social security of gig workers. The government is expected to require aggregators to contribute 1 % - 2 % of their revenue to establish a social security fund, which would provide health insurance and other benefits.

It mandates the registration of all gig workers and requires aggregators to give a 14-day notice, with valid reasons before termination, while ensuring transparency in automated systems.

The Labour Minister also pointed out that aggregator companies that employ gig and platform workers will be asked to take the lead in registering their workers on the portal. Workers registered

on the Labour Ministry's e-Shram portal are eligible for life and accidental insurance, along with other benefits.

#### Labour codes

India formulated four new labour codes in 2019 and 2020 merging four broad codes: namely, wage, social security, industrial relation and occupational safety health working conditions, essentially simplifying and rationalising existing labour laws and enabled 29 central labour laws.

The Social Security Code 2020 that mention of gig and platform workers are perceived as a subset of informal sector workers. The Social Security Code 2020 provided for the formulation of social security schemes for gig and platform workers by the central government. Further, like informal workers, gig workers ought to register themselves under the e-Shram portal through self-declaration. **Worker definition** 

The issue arises from the definition of gig workers in the Social Security Code 2020, which places them outside the traditional employer-employee relationship. This is problematic since many gig employers, as in some of the well-known companies, operate as formal entities within the formal sector. The exclusion of gig workers from the traditional employment framework is the crux of the problem.

It is a deliberate ploy on the part of the "aggregator" to demystify employment relations in gig and platform economies such that the application of existing labour laws get pre-empted. In a gig economy, employment relations remain ambiguous and workers are categorised as independent workers or contractors.

Such camouflaging of employment relations leads to the misconception that the gig worker is an independent worker. The Social Security Code 2020 accepts this deception and includes gig workers as part of the informal sector. The Code does not decipher the real employment relation in the gig and employment economy.

Also, there is a huge difference in terms of entitlement between institutional social security and social security schemes. For example, formal workers get 26 weeks of paid leave along with job security for the entire period of maternity under the Maternity Benefit Act, 1961. This is part of institutional social security coverage.

Under social security schemes, for maternity benefits, there is a cash benefit such as ₹5,000-₹10,000 given to registered informal workers. The gap between an institutional social security and a social security scheme in terms of entitlement is very clearly evident. The Social Security Code 2020 sets to provide gig workers with only certain social security schemes but not institutional social security.

Similarly, other forms of institutional protection such as minimum wage protection are missing for gig workers. Occupational safety and health regulations do not apply for gig workers. Gig workers are not included under the Industrial Relations Code 2020 and are not covered under the dispute resolution mechanism provided thereunder.

The cornerstone of protection under labour laws is the explicit employment relation. This is what is not defined for gig work in the Indian context. Pieces of legislation introduced in recent times in States such as Rajasthan and Karnataka also suffer from this particular lacunae.

#### The core issue

If the Union Ministry of Labour and Employment is serious about protecting the interests of an ever increasing number of gig workers in the country, it should define the employment relation in gig and platform in an explicit manner and remove the veil created by so-called "aggregators". Recognising "aggregators" as employer and reclaiming explicit employment relation in gig work is the

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key factor.

An important precedent here is the ruling by the U.K. Supreme Court on the Uber case in 2021 – Uber was deemed to be an employer, Uber drivers as "workers" and Uber asked to honour the prevailing labour laws of the land.

Once the employment relationship is clearly defined, gig workers can be included under the proposed four labour codes, eliminating the need for separate legislation. The welfare board model, as suggested by the Union Ministry of Labour and Employment has shown limited effectiveness in the past, particularly with construction workers, who were also classified as informal despite working for formal employers. Clarifying the employment relationship in gig work would further promote the formalisation of workers in this sector.

Moreover, the entire labour code was designed for simplification and rationalisation. Introducing separate laws for specific workforce segments undermines this goal. The key is to recognise the employment relationship in gig work.



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