

Flouting Safety Norms, Endangering Lives

Bhushan Steel and Power Company

BHALACHANDRA SHADANGI

Vol. 49, Issue No. 6, 08 Feb, 2014

Bhalachandra Shadangi (Bhalachandra.odisha@gmail.com) is a left-wing activist based in Odisha.

Repeated industrial accidents at the Bhushan Steel and Power Company in Odisha reveal not only the company's brazen disregard for human life and proclivity for flouting safety norms, but also the state government's indifference to its transgressions.

On 13 November 2013, there was a big explosion in the second blast furnace of the Bhushan Steel and Power Company's plant at Meramunduli in Odisha's Dhenkanal district. As per the state labour commissioner, 3 workers were killed, 38 were injured and 168 went missing after the incident. [i] The mishap has caused wide-spread reaction, and the media has been flooded with reports on various facets of the accident.

Not an Isolated Incident

This accident is not an isolated incident. Rather it is the latest in a series of industrial mishaps which have taken place at the plant since its commissioning in 2006. As per the official version, in the last 7 years, 119 people have been killed and hundreds injured in different accidents, which have occurred at the plant. [ii] However, the actual figures are many times more than the ones presented officially. Regarding the latest incident, there was confusion from the very beginning. Neither the company nor the government's labour department could provide any concrete data about the number of casualties. Only a week after the incident, did the administration and labour officials manage to collect some data about the number of workers engaged on the day of the accident by questioning the labour contractors. Since majority of the workers in the plant are engaged on a contractual basis by the many labour contractors engaged by the company, there was no information in the district labour office, and it was difficult to ascertain the exact figure. This shows the utter callousness of the labour department towards thousands of workers engaged in the plant.

Flouting of Laws

Right under the government's nose, the company for the last 6-7 years has been violating

laws on a continuous basis. It has been running its blast furnace and boiler without getting the permission of the state government and its labour department. It has constructed its captive power plant without getting the clearance of state pollution control board. Its plant was set up illegally without obtaining forest and environment clearances from the central government. This shows not only the extent of lawlessness prevailing in the state, but also the criminal nexus between the centre, state government and the company.

The Bhushan incident has unmasked the pathetic conditions of workers, particularly of the contractual workers, in the newly set up industries in the state. The industries are engaging majority of their workers on a contractual basis through different labour contractors. Majority of these workers are not registered. After the recent incident, the company failed to provide the register book and list of workers engaged in the plant. No data was available in this regard with the district labour officer also. The contractual workers here are forced to work for 12 hours a day instead of 8 hours. They are getting a salary between 2 to 7 thousand per month. Since they are not registered as workers, they are deprived of all the basic labour rights like minimum wages, provident fund, Employees' State Insurance (ESI), bonus etc.. Majority of the workers engaged in Bhushan are from outside the state, particularly from Bihar. The company is consciously not employing local people because it is easier to exploit migrant workers and even easier to deal with them in case of an agitation. Only some handpicked workers from local area are engaged by the company, and that is the reason why local people are dissatisfied with the company.

Nexus between State and Industry

Another example of the nexus between the state government and the company is that though there are 70 cases registered against the company in the local police station, and 200 more cases are pending for trial in different courts against the company in the last 7 years, no action against the culprits has been taken. The local police is working like a private army of the company, and it seems that its main job is to terrorise and intimidate the workers and nearby villagers on behest of the company. The state government has established three police stations within a 5 km radius of the company. Of course in addition to Bhushan, there are plants of other companies like Lanco, KGR etc. in the area. Interestingly, the name of the police station under which the Bhushan plant falls was Bhushan police station until recently. But facing public criticism, the state government was forced to change its name to Kantabania Police Station.

Rules are similarly being flouted by all most all newly established mineral-based industries in the state. The Bhushan incident has only unmasked the ugly face of the state's so called industrialisation drive. While the government is forcibly taking away land and forests from the people in the name of development and promising them employment, in practice we are witnessing just the opposite. From Vedanta to Bhushan, in almost all cases local people are being betrayed both by the company and the state government. Instead of engaging regular and skilled workers, factories are engaging mainly contract workers at minimal wages to

garner more profit. The second hand machinery which is being imported by the companies to save money is turning the factories into killing fields. With their money power and clout over the government, they are criminally neglecting the safety of workers and violating all the laws and rules of the land. So in the aftermath of the Bhushan incident, there is need for a serious debate about the safety and rights of workers in the state. The state must safeguard the constitutional and democratic rights of our workers.

[i] According to the the State Labour Commissioner Shalini Pandit, who checked with as many as 35 labour contractors and agencies, 974 workers were working at the blast furnace at the time of the accident. Out of these three workers died, 38 were injured and 168 went missing after the incident.

[ii] As per a report published in the leading Oriya Daily *The Samaj*, on 16 November 2013.