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Labour market arrangements in the garment industry in India

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Abstract

The effect of globalization on labour market has been debated. Low-income countries often compete through lowering costs which is obtained partially through downward pressure on wages. In India, low costs of production are achieved by utilizing cheap sources of labor such as women, children, people belonging to disadvantaged castes and religious groups. Existing research shows that India's unique social structures of gender, caste and religion creates an uneven plane for these disadvantaged sections in the labour market, especially in terms of wages. However, whether certain enterprise conditions based on the size and nature of firms overcome discriminatory labour practices or takes advantage of existing societal discriminatory labour norms is missing in the literature. Therefore, this paper aims to examine whether such societal effects of wages are overcome by the large globalised export orientated firms or rather do they take advantages of the discrimination to keep low on wages as in case of small and medium domestic market oriented firms. The study is based on a sample of over 300 workers and 20 firms in the garment industry in Delhi National Capital Region which has a global value chain and export processing clusters. Being a global industry it offers an added insight into the effects of global recession on employment. These results have important implications for policy makers in India in terms of increasing educational opportunities for various social groups, reducing social discrimination and increasing post-implementation accountability.

Keywords: Globalization, societal discriminatory labour norms, firm characteristics and worker's conditions, uneven plane

Introduction

Globalisation as it was propagated would boost trade by easing movement of capital and labour and also ensure higher and fair wages for all. Critics of globalisation, however, argue that the process of globalisation ranged against the low income countries particularly against the workers. Referred to as the 'immiserisation' argument, this proposition highlights a possibility arising due to competition between low-income economies on the basis of low wage cost (Kaplinsky, 2000). Low-income countries often compete through lowering costs. This drives them to compete on the basis of low wages, which other low-income countries too can enter and compete easily, further exerting downward pressure on wage costs.

Taking the case study of the garment industry which has a global value chain and form one of the backbone industries of the country this paper attempts to analyse that whether firm characteristics or typology affects the conditions of the workers. The Indian society is segregated in terms of unique characteristics of caste, gender and religion. These characteristics find their way to labour market where females, children and people from disadvantaged caste groups form ready supply of cheap labour. In this context the case of garment industry which is also an important foreign exchange earner of the Indian economy is explored. National Capital Region hubs several garment export houses many of which are situated in the Special Economic Zones (SEZs) and Export Processing Zones (EPZs) in form of clusters. The main objective of the paper is to explore whether the conditions at work and benefits entitled to the workers in the export sector are better than those offered in the domestic market oriented firms or rather these export firms also take advantages of the market segregation based on caste, gender and religion to keep low on the wages.

These results have important implications for policy makers in India in terms of increasing educational opportunities for various social groups, reducing social discrimination and increasing post-implementation accountability.

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Database

To address the above research questions the study area chosen is Delhi National Capital Region as NCR is also the world’s largest agglomeration in terms of area (33,578 sq. km) and second largest in terms of population (22.157 million). Besides, export oriented garment production is clustered in specific sectors here: Hosiery Complex and NEPZ (Noida Export Processing Zone) in NOIDA; Udyog Vihar in Gurgaon, Okhla industrial area in Delhi. A total sample of 350 workers and 20 firms and workshops is considered for survey. Around 250 workers are surveyed from export units and remaining 100 from the domestic market oriented firms. The domestic units are mainly clustered in Delhi and areas like Karol Bagh, Gandhi Nagar and Seelampur forming the domestic production hubs. Since labour is included as concurrent list subject in the Constitution of India, case study of National Capital Region permits analysis of labour situation in three states – Delhi (Okhla), Haryana (Gurgaon) and NOIDA (Uttar Pradesh). Comparative analysis of labour situation in three different but adjacent states will help explore how not only the implementation of central laws but also respective state laws varies according to the location of the employer and his arrangements with the labour markets therein.

Methodology

The methodology adopted for the analysis embrace resolving working definition of various terms, questionnaire

preparation and field surveying, data collection and interpretation.

The paper uses certain terminologies which form the foundation of the questions to be addressed. Hence those terminologies are listed and defined as used for the analysis.

Defining terminologies

Organised or Formal Sector Manufacturing: Factories Act 1948 defines organised or formal manufacturing as enterprises employing 10 or more workers and using power, or 20 or more workers with or without the use of power.

For the purpose of study, the organised sector includes factories (registered under Factories Act and subject to its regulatory requirements) and workshops (manufacturing establishments employing ten or more workers) and excludes small manufacturing establishments (including home based establishments) and Own Account Units in the garment industry.

Export and Domestic Firms: These terms mainly relate to the market served by the firms – export or international market is served by the export-oriented or export firms and the domestic firms meet the demand of the domestic markets. Export oriented firms and firms serving domestic markets are the categorization made within these larger organised sector framework and large, medium and small firms overlap in this framework of firms producing for export and domestic areas (Table 1).

Table 1: Organised Sector – Unit of Analysis

Export oriented firms	
Large	Medium
Largely unorganised	
Firms serving domestic markets	
Mainly Small Firms & Workshops	

Table 2: Firm Typology: Small and Medium and Large Enterprises

Enterprises	Investment in plant & machinery
Small Enterprises	More than twenty five lakh rupees but does not exceed five crore rupees
Medium Enterprises	More than five crore rupees but does not exceed ten crore rupees
Large Enterprises	More than ten crore rupees

Source: Development Commissioner, Ministry of Micro, Small and Medium Enterprises.

The main objective of the paper (as discussed above) is to explore that whether work conditions and opportunities are related to the nature and size of the firm (i.e. firm typology). Firm typology is defined on the basis of the size of production size and market it serves. The working definition of small and medium is listed from the ministry of micro, small and medium enterprises. workers employed (Table 3).

However, in field there may be difficulty regarding extracting information about the production investment (Table 2) which employer may be unwilling to reveal. In that case, alternative is to categorise firms according to the number of

Table 3: Categorising Firms according to Size of Employment

Enterprises	Number of Workers Employed/ Employment Size
Small Enterprises	10 - 49
Medium Enterprises	101-499
Large Enterprises	More than 500

Source: Modified from Asian Development Bank (2009)

The conditions of the workers are mainly estimated through four measurements: conditions of work and work arrangements of the firms, skill and training, job satisfaction and crisis management and awareness about law and legal rights. In case of female workers additional module is added catering towards issues like safety at workplace and treatment by fellow workers and the management. Each section is divided into sub sections comprising carefully designed detailed questions to understand the above issues.

Background Characteristics of the Workers

The workers working in the garment factories in the industrial areas (Udyog Vihar) of Gurgaon and Okhla are migrants mostly from the rural areas of Bihar or Uttar Pradesh. 30 percent of the workers surveyed have migrated to Delhi and surrounding region fifteen years back while another 16 percent have been staying in NCR for not less than 10 years. Almost 96 percent of the workers have

migrated to Delhi in search of employment. Many of them started as helpers (pressing, shifting of garments from one place to another, loading the garments in vehicles for dispatch) and slowly learned the skills of stitching from peer and hence forth started working as tailor, be in piece-rate or salary. Others who learned this trade from village usually come with the help some peer or relatives to the urban place where the latter were working in some garment factory. The rural network of these migrants works as a support system to the new entrants to the city which pose before them several challenges – economic and social. Most of these migrants are from economically weaker and socially disadvantaged castes. Around 93 percent of the sample of the workers surveyed in Gurgaon and 92 percent in Okhla and NOIDA are from economically and socially marginalised caste groups. A whopping 95 percent of workers in the domestic units are from marginalised sections of the society.

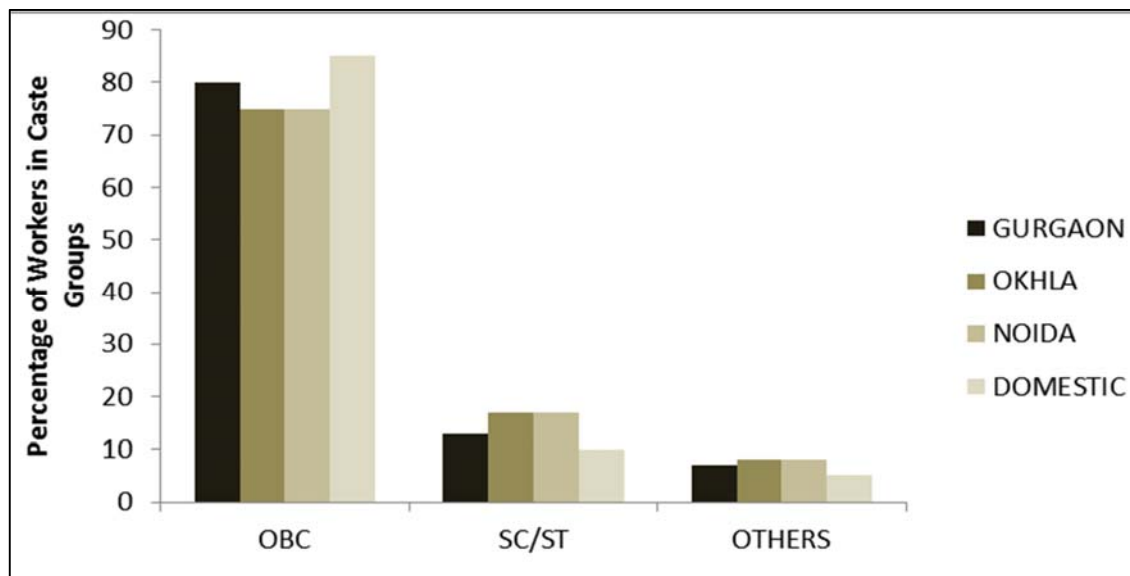


Fig 1: Social Composition of the Workers Engaged in the Garment Industry

A striking feature of most of the workers engaged in these factories is that they are individual migrants. When inquired about the reason for the same, they answered that they do not earn enough to support their families in NCR – where the cost of living is too high. Instead they prefer remitting a substantial portion of their earning to home. One important point of difference between the workers in Gurgaon and Okhla is that while almost 45 percent of the workers have some amount of cultivable land which they either rent out or sell the marketable produce the same figure stands at only 18 percent for migrants to Gurgaon Region. Another notable point is that while 70 of the workers in Okhla region are living with their families, only 35 percent of the workers in Gurgaon are living with their families. Okhla industrial area had an early start and the basic grade of workers in Okhla is higher than that of Gurgaon. For instance the grade pay of skilled worker working as a tailor in Okhla is Rs. 11, 622 while in Gurgaon the grade pay for the same job is only Rs. 8,800 (after deduction in hand). This is probably the reason the workers in Okhla are able to manage living with their families while the case is not the same for workers in Gurgaon.

Conditions of Work and Work Arrangements

The workers engaged as tailors who form the life-breathe of the garment industry work under immensely difficult conditions. Most of the workers find jobs in this industry through three main sources: peer or relative, contractor, advertisement board. The workers reported nexus of contracts and employers to be quiet strong both in Gurgaon and Okhla region. However, they are not aware about the terms of arrangements between the principal employer and the contractor. An interview with two contractors in Gurgaon and one in Okhla revealed that their commission is fixed on the basis two parameters. First, number of labour they supply and second, on the size of assignment. In case of bigger contractor the size of assignment and the number of labour needed for that assignment determines the commission of the contractors. With regard to interaction between the company management and the workers most of the workmen in Gurgaon (around 75 percent) reported that in case any facility at the factory is needed for proper and efficient working the workers do discuss them with the human resource management. In Okhla however, several cases of inconsistencies between employer and workmen are reported. Around 90 percent of the piece-rate workers in

Okhla reported that when some enquiry from compliance comes those working in piece-rate are given a day off and a false register exhibiting the piece rate workers as working with regular salary is presented before the compliance team. The piece rate workers are made to sign there and their salary is also projected in the grade pay of Rs. 15,000. They fail to voice their grievances as it would mean losing their jobs. Most complained that the human resource executives are involved in misappropriation of data. Md. Salim (age 45 years) working as a tailor for last 15 years reports he has been charged a provident fund deduction even in his overtime earning. He showed the receipt in which the deduction was made. No one else, from any other factory however reported such cases.

Piece rate tailors in these factories are engaged either on full piece or part piece basis. Over 80 percent of the sample workers are working on full piece basis. The insecurity of piece-rates workers is multi-dimensional. First, none of the piece-rate workers get the benefits of ESIC (Employer's State Insurance Act, GoI, 1946), or Provident Fund (Employees Provident Funds and Miscellaneous Provisions Act 1952, GoI, 1952). Second, their details of employment are not registered by the manager. This is a clear violation of the provision of Factories Act of 1948 which mandates maintenance of register consisting of details of employment of every adult worker by the manager. Third, they face seasonal unemployment. Most of the piece-rate workers report that they remain unemployed on an average of 3 to 4 months, the spell usually continuing from April to July. However, there are variations to this. Workers at Okhla reported longer spell of unemployment with an average duration of 4 to 5 months. This may be due to the fact that many garment factories in Okhla are on the verge of closure or relocation. Higher costs in Delhi (comprising rent, taxes and land revenue) and better infrastructure in Gurgaon are two primary reasons of relocation of factories towards Gurgaon. Work revamps post-monsoon. Third, since they work as invisible labour instances that their due entitlements are not clear is not infrequent. Fourth, they can be fired from their job at any moment. Fifth and the most serious issue is that the rate of the piece hardly increases (for example the payment or rate increased of a full piece garment increased by only Re. 1 in January 2016). In contrast, a tailor who is working on a monthly salary in Gurgaon had increment increased from Rs. 8500 to Rs. 8800 (from April 2016) and the salary of the same category of workers in Delhi the basic increased from Rs. 11,200 to Rs. 11,622.

Usually 10 to 12 tailors (this may vary upto 17 workers) 'work in a line' under the supervision of a master tailor. Majority of the tailors reported that there is no strict penalty if some imperfections occur in the stitching of a garment. Most of the time if there is some problem in the quality check the work is asked to re-do the piece. Jagdish Kumar, a supervisor in an export house in Gurgaon reconfirmed the statement of the workers. However, cases of harassment or abuse is not infrequent, A worker on the condition of anonymity exposed that cases of physical torture by the supervisor (like attack with scissors etc.) or management are not uncommon in these factories. This reminds of the recent infamous incident of Sami Chand, a migrant worker from Gorakhpur Uttar Pradesh who was inhumanely beaten (for being 15 minutes late at work) by one of the biggest export companies in Gurgaon and was thrown out of factory. This

incident caught lime light as the workers announced hartals as a rumour of death of Sami spread (who was badly injured and suffered multiple fractures) and some cases of violence were reported. Both the sides launched First Information Report (F.I.R.) with the police. Some of the workers on hartal were arrested and the human resource personnel and security guard who tortured Sami were also arrested. Ironically, the allegations leveled against management side were only bailable in nature and the allegations leveled against the workers were both in the nature of bail-able and non-bail-able offences. The security guards and the human resource personnel were granted bail but unfortunately, the workers who went on a protest to protect the dignity of workmen are still in jail (PUDR, 2015). However, Sami Chand has not been still compensated according to the Workmen's Compensation Act of 1923 (GoI, 1923, Amended 2009). Workers in these factories also complained that 'bouncers' are maintained by the factory owners to take care of any voice of dissent.

Also at times where the nexus of the contractors is strong, the contractor employs supervisors who oversee and guide the workers who have joined the industry through contractor. These supervisors work as assistants to the contractors. Workers at several factories which are mostly medium in size reported that they usually interact with the contractor who forms the mediator between the worker and the management.

Interviewing female workers from the same factory where the incident of Sami Chand took place, revealed cases of gender harassment. Madhu (name changed), of 32 years of age, working in this factory for last 3 to 4 months reports that she was verbally abused by the supervisor and thrown out of the factory because some minor error that occurred while stitching. This incident must be pitted against the fact that almost full majority of the male workers reported that they are not scolded in case of any mistake in their work. Two ladies, who worked in the same factory as Madhu reported that they were also scolded by the supervisor on the same day. However, a more intense conversation with Madhu revealed that such cases of firing without giving a second chance to the worker is not universal. She talks of the another large export house where she worked for five years and was paid some compensation of 15 days wages (according to Payment of Gratuity Act, 1972, GoI) after being terminated by that company. Surveying several other workers from the second factory revealed that this particular company follows certain welfare practices for the workers. However, they also do violate and bypass labour laws to certain extent as do the similar companies. Therefore, the well-being of a company is related to certain extent to its size and to a larger extent to the personal discretion of the employers. This company also allows even its piece-rate workers to interact with the compliance and voice their grievances if any.

Economic Characteristics of the Workers

The workers are basically categorized into three grades according to their skill and labour (Figure 2). Category or Grade A refers to those who are highly skilled which include the work of a quality checker, sampling, human resource personnel etc. Grade B refers to the to the workers who are engaged as full time tailors or as piece-rate workers and even security guards.

Table 4: Income Categorisation of Workers across Different Skill Levels

	Gurgaon	Okhla	Noida	Domestic
Grade A	>= 19000	>= 22000	>= 25000	8000
Grade B	8800	11622	8750	(grades not exclusive)
Grade C	6500	8500	7100	5000

Grade C include helpers (who do the job of cutting, pressing, loading and unloading). In Gurgaon the (Table 4) basic grade is lower than that of export sector in Okhla. However, the simmering discontent among workers in Gurgaon is much higher than in Okhla. Since labour is a concurrent subject, the state government prescribes minimum wages hence the wages in Delhi differs from that of Gurgaon. Workers also raised concerns about the continuing closure of units. In domestic units of Karol Bagh, Gandhi Nagar and Seelampur the wages across all skill categories are much lower compared to the export sector. Even these categories are not mutually exclusive. Tailors who are experienced often perform the work of quality checker though they are paid the salary of a tailor. In many cases though the owner only perform the job of quality checker.

All the workers except those working at piece-rate in Grade B and C are entitled to the benefits of ESI and Provident Fund. Few workers reported misappropriation of PF when they changed their job. However, recent step by the Government of India, to universalise PF number (and make the PF portable and the identification number remains same inspite of change of companies) in the form of PF-UAN (provident fund – universal account number) promises to solve this issue.

Misappropriation with the details of piece-rate workers is higher in Delhi than in Okhla. During compliance enquiry the earnings of the piece-rates are shown equivalent to the salaried tailors and the piece-rate workers are usually given a day off during inspection.

Piece-rate workers are usually paid in cash at an interval of either 15 days or a month. However, more than 60 percent of the salaried tailors get their salary transferred into bank accounts.

The workers are not only exploited by the employers and contractors but also at places of current residence which usually are rented units. They are harassed by their landlords or landladies in various forms. Workers working in the export firms in Gurgaon and live in nearby Kapashera region are made compulsorily to take their monthly ration supply from the landowner who usually sells the ration at a much higher rate than that prevalent in the market. If protested, the landowner threatens to vacate the room. The state of exploitation continues. Oversupply of labour both at market and the hands of landlord financially and emotionally cripples the workers. Thus a migrant worker to the city falls trap to the vicious cycle of poverty.

The situation in the domestic units however is contrasting. Most workers reported that they unanimously voice their problem to the employer who is often from the same district of origin as his workers. Most of the time he tries to resolve

their issues. Strikingly, workers in the domestic units are engaged in the same workshop for much longer duration of time than workers working in the export units. This highlights that though the wage rates may be lower in the domestic units the security in terms of stability in employee-employer relationship is higher.

But these workers be it in whichever sector they are engaged hardly have any savings. Most of the migrants in Gurgaon are individual in nature. Whatever they save, they remit back to factory. Usually they are able to remit 40 to 60 percent of their income depending upon their expenses in the city. Almost 85 percent of the total workers are the sole earners of their family. Almost 10 to 25 percent of their salary is spent on rent. The variation is due to whether they live with their families or alone.

In case of any financial urgency the immediate help they get from is from their peer. Only few workers who work at piece-rate told that if they have done certain amount of work they can partially take advances from the contractors. Only four workers among 250 surveyed reported in the export sector reported that they have taken some advances from the factory employer or management and these workers have served the same company for not less than five years. Another notable point in the export sector is that the mean years of experience of work in the same factory is two years while the average age of a worker engaged in the export unit is thirty five years. This highlights their job insecurity. The workers, who form the backbone of this industry are out of employment in every annual downswing of work, at a slightest argument with the contractor or management etc. Oversupply of labour makes them cheaper. Visit to their villages for whatever reason means losing their job.

Almost 98 percent of the salaried workers in Gurgaon reported paid leave (a 2.5 days of casual leave in a month or 30 days of leave in a year). In contrast, only 30 percent of the workers in Okhla and 50 percent in NOIDA reported to get paid leave. There are no weekly holidays for piece-rate or daily wage workers. If they take a day off, they lose the day's earning.

Violations of the Labour Laws

Two most important labour laws guiding employment in factories are the Factories Act of 1948 and Contract Labour (Regulation and Abolition) Act, 1970. Most of the workers have very little knowledge about the existing labour law and their rights therein. Only two legislations they seemed familiar with were Employees' State Insurance Act, 1948 and Employees Provident Funds and Miscellaneous Provisions Act 1952 (Amendment Act 2015). The degree to which the most important labour welfare legislations are followed is presented in a synoptic manner.

Table 5: Synoptic Insight into Most Important Provisions of Labour Laws

Legislations (Provisions)	Extent To Which Followed/ Violated
Factories Act (1948)	
Adequate temperature and ventilation and humidity control	Gurgaon – Workers reported maintenance of comfortable temperature at place of work. Okhla – Most workers complained inspite of repeated complaints to the HR personnel, no steps were taken to regulate temperature of room – high heat and lack of cooling facilities has resulted in prickly heats all over the body and also prevented the worker from concentrating in his work. NOIDA – Majority workers reported inadequate temperature and humidity control inside factory unit which affected their concentration. Repeated complaints failed to address the issue. Domestic Units – Only one unit (of 15 units surveyed) had an air cooler installed.
Cleanliness at the factory and separate and proper washroom facilities	Gurgaon - 95 percent workers reported clean and proper washroom facilities. Okhla - Only 65 percent workers reported clean washrooms. NOIDA – 80 percent workers reported clean washroom. Domestic Units – Filthy washrooms with no separate facility for female workers.
Weekly holidays	Gurgaon – Piece-rate workers also usually did not work on Sundays. Okhla – Workers preferred working on Sundays otherwise it would mean loss of a day’s earning. With reference to this it must be considered that the spell of unemployment in Delhi is longer (5 months in a year). NOIDA – Sunday is usually off but piece-rate workers even work on Sundays. Domestic Units – Monday off for all workers.
Atleast half an hour of interval everyday	Gurgaon, Okhla and NOIDA - Workers usually get half hour for lunch and 15 minutes for tea break, however in compensation they have to work additional one hour to maintain their break of nearly an hour. Instead of 9 a.m. or 9:30 a.m. to 5:30 p.m., they usually work from 9:30 a.m. to 6:30 p.m. or 6:45 p.m. Domestic Units – They usually get a lunch break of one hour duration. Working hours is from 10 a.m. to 8 p.m. There is no specific tea-break.
Worked more than nine hours without overtime pay	Gurgaon, Okhla and NOIDA – Piece rate workers do not get any separate overtime rate. Domestic Units – Usually they do not work overtime but in peak seasons where they need to work for more hours even then they do not get any overtime payment.
Overtime work should be at the rate of twice the ordinary rate of wages	Gurgaon – Double rate is paid only for first two hours of overtime, after that single rate is paid (85 percent of workers who worked in large firms reported getting double rate, rest who worked in medium sized companies reported single rate). Okhla and NOIDA – No worker reported getting double rate of overtime. Domestic Units – No overtime even for salaried workers.
Payment in advanced before the paid leave	Gurgaon, Okhla and NOIDA – No. Domestic Units – No.
Contract Labour (Regulation and Abolition) Act, 1970 - Wages shall be paid without any deductions of any kind except those specified by the Central Government by general or special order in this behalf or permissible under the Payment of Wages Act, 1936 (4 of 1936).	Both Gurgaon and Okhla – Some workers (3 percent and 8 percent respectively) reported deductions from their wages for which no explanation was given either by contactor or principal employer. No such case reported in NOIDA. However, this must be mentioned in most of the cases Domestic Units – Most of the employees have village based relation with the employer. Pre-dominance of employees from same district and same village is a common feature here. The evidences of contractor providing labour to the factory units are lesser here.
Interstate Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979	Gurgaon, Okhla and NOIDA – None of the migrant worker received benefit under this act. Domestic Units – Similar situation as the export units.
Workmen’s Compensation Act, 1923	Cases of such serious injury were very limited.

	<p>Gurgaon – However, few cases reported that they were given a day off and payment for next one or two days were given without taking any service from the worker.</p> <p>Okhla – Most workers reported lack of safety equipments like mask, needle guard disbursed by employer. Also in case of minor inquiry no first aid facility or compensation are arranged.</p> <p>NOIDA - Most workers reported lack of safety equipments like mask, needle guard disbursed by employer. First aid box though are usually maintained.</p> <p>Domestic Units – Gross violations of safety provisions and even first aid arrangements are not made.</p>
<p>Trade Unions Act, 1926</p>	<p>Gurgaon and NOIDA – No labour or trade union reported.</p> <p>Okhla – Workers reported that trade union leaders visit and interact with the workers very infrequently. Even, they are often bribed by the employers so as not to multiply the voices of grievance.</p> <p>Domestic Units – No labour or trade union reported. But since the workers are mostly from the same village they unanimously voice their grievances and in most of the cases employers listen to them.</p>

Economic Crisis and Crisis Management

The average spell of unemployment for those working in garment industry is 3 to 4 months, as discussed earlier. Most of the migrant workers are forced to take break from employment and hence they visit their villages during this time. Others search for if similar jobs are available in nearby companies. Less than three percent of the workers reported to have any subsidiary source of income in the urban area. They usually spend from their little saving resulting a year without even marginal savings and several such future years to come. This is also to be noted that the piece-rate workers and the daily wage earners are the hardest hit. Once they are given break during lean season of production there is no guarantee that they will be absorbed back in the same factory as work revamps. This means struggle begins afresh and this becomes a permanent feature of the worker’s life.

The economic difficulties during this period compel the worker to take loans. Friends and relatives form the main source of credit. Over 90 percent of the workers reported taking loan at some point or the other and over 57 percent reported re-payment of loan still in process and most of the credit is spend in meeting day to day household expenses.

However the domestic industry offers a slightly different picture. Several workers reported that during lean seasons the worker may be earning less but he is never expelled from his job. Probably village based relations and ethos help them sustain their difficult times together. Another striking feature to be noted is that workers in the domestic units are engaged for a much longer duration in the same unit when compared to export units. Artisans in the export units hardly reported continuing in the same factory for more than two to three years. On an average a worker who has been working in garment industry for atleast ten years reported to change atleast four to five companies even multiple times. This is the degree of insecurity their job offers.

Conclusion

The workers in the garment industry suffer multidimensional insecurity. Economic and financial insecurity in form of temporary nature of job, hire and fire attitude of the employers, the employer-contractor nexus, very little pay compared to long tiring hours of work, lack of saving, high living cost in an urban setup, exploitation at the hand of landowners (as in case of Kapashera) drags the workers in cycle of poverty. The conditions of the piece-rate

workers are even pettier. Neither they come under any safety net nor do they have the scope to unionise their grievances. Moreover, the rate of pieces hardly increases. To earn a living of barely Rs. 10000 to 12000 they work for more than 14 hours. Even they don’t qualify for the minimum overtime rates. The provisions of decent work and decent living seem to fail even in such a global sector pushing them towards new forms of bondedness.

Nevertheless, the conditions at work in Gurgaon are somewhat better than Okhla (despite Delhi having higher basic pay) and NOIDA. The implementation of central laws governing rights and safety of labourers though better implemented in Gurgaon than Delhi is far from what it actually needed. This exhibits that implementation of central laws may vary according to space or location.

The workers in the domestic units are not entitled to any kind of social security. Women workers though not necessarily discriminated in terms of wages are often verbally abused by the supervisors and even slightest mistakes in work may result in hefty penalty to the extent of losing their job which is not often the case with the male workers. Be it a domestic unit or export industry women workers never get maternity benefit. Taking maternity leave means losing their job.

The size of the firm plays some important role in the export sector while granting some benefits to the workers and to the extent where implementation of certain essential welfare laws are concerned. Large export firms better implemented certain provident and ESIC benefits compared to medium sized firms. The difference attitude of management of the firm therefore, may determine the extent of benefits reaching the workers. The village based employer-employee relations seems to be the only survival strategy against the odds the domestic garment industry and its workforce faces. The reality there is also dismal. Much needs to be done.

Promoting export does not alone ensure well-being of nation. Low costs of production should not be obtained through lowering wages. Workers at the lowest level of economy need to have job security and decent living. The use of the cheap labour source comprising women, people from disadvantaged caste groups and economically weaker sections must be stopped. This requires sincere government intervention and proper policy making by keeping in view the present lacuna in the implementation of legislations. Policy design also needs an overhaul as export cannot be

boosted through constant cutting of wages and other benefits that the workers are duly entitled to.

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