

Labour Out-flow and Labour Rights: A Case-Study of West Benga

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In development policy discourse, there is a general consensus that circular or seasonal migration is a 'win-win' model of human mobility. Circular migrants maximize return and minimize cost for both sending and receiving economies. For receiving governments circular migration is a way for importing low skilled labour without having to incorporate them in the social fabric. For sending economies they provide a regular source of remittance without permanent loss of skill/brain/care services. For the migrant worker, however, circular migration is a survival strategy when economic opportunities do not respond favourably at home. Moving between the host and the sending economies offers an opportunity of social and economic mobility for the migrant. But the rhetoric of an all-benefit situation arising out of circular migration, nevertheless, stops short in face of labour rights and well-being. Circular migration strikes a high personal cost for the migrant, which is for most of the time unnoticed and the labour invested in earning a bare living, unprotected.

The plight of migrant worker is a difficult issue. Economic migrants are often misunderstood. They are easy targets of politicians and media and a constant threat to host societies as potential trouble-makers. In international law, migrant workers and their families share a common feature with refugees. At work, they are at a great risk – from 'dirt, degradation and danger'-- which is hardly reported. Cross-border migrants are taken to be non-citizens without formal membership of the country where they work. They face prejudice of the state and abhorrence of the people where they are temporary residents. They complement local labour in times of up-swing and substitute for the residual low-unskilled jobs reserved for them that local labour with elastic supply can afford not to do. In times of recession, they are dropped from the labour market losing their job in the first instance. Although migrant labour is employed at low wage, their commitment and work-ethic in enhancing productivity is often more cost saving for the employer.

Social and economic desperation at the place of origin most of the time render them to be pushed out as migrants. They bring remittance back to the economy of origin but have little say in how the money's worth is to be realized beyond personal needs. The structural frame of the local economy that promotes out-migration is not always eager to incorporate the drifter. Out-migrants are generally excluded from the government schemes meant for indigenous population who is yet to find an earning career. Hired mostly for unskilled and mundane work in the host economy, migrant workers do not acquire the opportunity to develop new skills. Even if they adapt new

skills, they are rarely able to put them to good use in the less-technologically advanced place of origin when they return.

Circular migration is a flow and not a one-off event. The migrant therefore, belonging to the transitory position lacks visibility, unlike the permanent migrant. They receive less protection in the place of work than many vulnerable groups, even though they often outnumber them considerably. Because of the repeated to and fro movements from origin to destination there is always an underestimation of their numbers. They are often missed out from the welfare agenda of the policy makers since most of the times policies are based on people residing in one place. Without access to basic entitlements they remain excluded at home because of physical absence and at destination due to non-belongingness to the alien economy. They remain on the periphery of society with few citizen rights and no political voice in shaping decisions that impact their lives and work.

Circular Migration in India

International and inter-state movement of workers taking place for short/temporary duration in a repetitive pattern over the years is circular migration. In India, this is the dominant form of mobility for the poor and the historically disadvantaged communities such as the lower castes and tribes and is undertaken primarily for employment. Inter-state Census data of 2001 shows that 309 million persons are migrants based on their place of last residence which constitutes about 30 percent of the total population of the country. During 1991-2001, the number of migrants by place of last residence in India grew by 34.7 percent (Census 2001). Roughly there are 100 million circular migrants contributing around 10 percent of the national GDP in India (Human Development Report, India, 2009). The 55th NSS Round (1999-2000) covered short duration migration for employment (greater than 60 days or more) for the first time and estimated the volume of temporary migrants to be roughly one percent or 12.6 million of the population. But various micro-studies and village studies would estimate the number to be nothing less than 30 million (Deshingkar 2006b). Of the various types of circular migration, rural-rural and rural-urban types are significant patterns of mobility whereby rural poor can make for a living unavailable at their place of origin.

Some sectors develop specific migration streams from certain poor villages to the agricultural and industrial areas in search of employment. From agriculturally backward regions people move to highly productive green revolution areas during the season of peak demand for labour. The National Commission on Rural Labour in India (NCRL, 1991) estimates more than 10 million circular migrants from the rural areas alone of which around 4.5 million are inter-state and around 6 million intra-state migrants. The Commission points out that there are large numbers of seasonally migrant workers who move out of the rural economy to work in better paying farm and non-farm occupation to improve their lot. Small informal sector manufacturing draws circular migrants from both the rural and urban areas where production is largely home-based and takes place within households of the city slums. Domestic work, rickshaw pulling, street-food selling and various personal services in the towns and cities are provided by migrants. Human Development Report of 2009 has shown that in India the major migrant-employing sectors are construction, textile, small industry, brick-making, stone quarries, salt-panning, fish and prawn processing and hospitality services. Migrants are poorly endowed with limited access to physical, financial and human capital. In India the first destination for all out-migrants is

always the relatively more developed neighbouring states; among the far-off destinations within India, Maharashtra, Gujarat and Haryana rank higher up in the list. Uttar Pradesh and Bihar are the two largest sending economies followed by Orissa, Rajasthan and Jharkhand. Rural-rural migration still dominates and accounts for 53.5 million of migrants and rural-urban accounts for 20.5 million (NSS 55th Round). Most of the migrants have little or no education and are engaged as unskilled workers. The recruitment of migrant labour is still organized through contractors in brick-fields, plantation and construction work, where debt- bondage mechanism predominates to initiate a circular movement at an interval that coincides with the fluctuations of labour demand. Classical push factors that mark the bulk of inter-state migration to take place are: long term draught situation, hilly and dry land cultivation, land fragmentation, poverty and debt. Aridity and low productivity of land historically motivated men to move out and even today it is one of the significant causes of temporary migration in India. It is reinforced by fragmentation of agricultural land for over generations, ultimately leading to permanent drift and short-term mobility either of the whole family or some of its members to distant places in search of jobs. Besides, debt-induced migration had always been and still is the most important factor for circular migration for poor Indian households.

With economic reforms in the 1990s, new push-pull factors are emerging in the economy. Global competition in its 'race to the bottom' and in out-sourcing of production to smaller firms has resulted in flexibilization of the labour force. The price of informal labour has declined and greater number of casual, contract, irregular jobs have been created. Cross-border migration has emerged as the most easily available pool of cheap labour. In India the effects of structural adjustment measures can be easily read as the causes that have instigated short term migration in the recent past. In agricultural sector two direct economic measures that have had their influence on the rural economy to push people out of agriculture and to look for short term non-farm activities in other regions can be identified. They are: i) increase in production cost due to reduction of subsidies and ii) de-restriction of transport that allows interstate import of cheaper products.¹ Further, national institutions which govern the labour-markets are rendered less-effective by internationalization of markets – or creation of “regulatory deficit” according to Campbell – that has created a deficit or gap between labour standards and actual labour market situations. The loss of national autonomy regarding 'rolling back' of welfare benefits and withdrawal of subsidies has influenced employment of labour and work conditions negatively. Labour in general and particularly informal labour has to live with enhanced risk and loss of well-being generated in the process. In this situation, circular migration is the natural consequence of structural requirement in modern industrial economies across national boundaries. Strong incentive to migrate and also continue with local employment, are not mutually exclusive possibilities adopted simultaneously to diversify risks. Migration has emerged as a mechanism of unemployment insurance in absence of social security. To protect families from risk the less-poor section is also taking up migration to provide a self-insurance against income-loss.

The first aspect of migration that is important today with regard to well-being is the identification of factors leading to circular movement initiated in recent times. Second is the

¹ Research by Ghosh and Harriss-White (2002) shows that as an outcome of the above effects, in Birbhum and Bardhaman districts of West Bengal paddy producers are facing heavy losses as prices have fallen sharply by over 50 percent since 1999 because cheaper paddy is being allowed to enter from Bihar, Jharkhand and Orissa where distress sales were occurring.

aspect of opportunities and constraints specific to the different groups of migrants and lastly, the aspect of assessing the differences between promised labour standards and the hard reality of the migrants in their home and host economies. We have organized the paper to look into the three aspects related to the upsurge of circular migration in two informal economic activities emerging in recent times. With West Bengal as the sending economy, we have identified migration corridors that have links to the global markets and are opening up job opportunities for skilled labour of the state. We find that short term migrant workers, less reluctant to bargain, are readily accepting the new opportunities to seek a route out of poverty. The outsourced production and work contracts render them insecure and vulnerable but with higher income. Well-being and labour rights are highly compromised. While the policy makers are involved in bridging the gap between labour standards and labour distress the notion of 'decent work' proposed by ILO gains currency. Bearing this perspective, we look into the nature and extent of 'regulatory deficit' that is affecting the specific groups of circular migrants from Bengal and deserves immediate attention of the policy makers.

Migration in West Bengal

Kolkata has been a destination for migration from different parts of India since the early colonial period. With the process of industrialization and urbanization from the beginning of early nineteenth century, economic migration was a significant phenomenon both for the poor people of the districts as well as the neighbouring states of Bengal. As the city grew, labour from the hinterland – largely from Bihar, Uttar Pradesh and Orissa -- crowded in. Permanent migrants settled down in the migrant-friendly city and over time became part of the formal and informal sector workforce. Seasonal migrants worked in the jute mills, brick-kilns and small manufacturing industries. In the ILO city study on Calcutta, Harold Lubell had pointed out in 1972 that of the only two big industries that continued to persist in Bengal, the Hoogly jute mills engaged migrant workers of Bihar and Uttar Pradesh in large proportion and the Howrah engineering works depended more on local Bengali workforce. It was not surprising that the seasonal migrant workers in the small slum industries of the unorganized sector kept circulating between the origin and destination, conveniently shifting from agriculture to industry, to earn a regular income. But that the migrant labour of the large-scale industries such as textile (Bombay) or jute (Calcutta) maintained a strong rural link and in a pattern that matched the labour recruitment procedure of the two industries, did not escape the notice of the labour historians. The rural root of the industrial working class in India and their observance of community-culture at the place of destination have been explored with due attention and excellence (Chakrabarty, 1989; Chandavarkar, 1998).

The economic migrant preferred to live at the place of work. While jute lines – the labour quarters --sheltered the migrant wage-workers of the jute industry, the street food sellers, leather workers and petty traders for whom migration was a survival strategy, lived in the city slums and used their rooms also as a work unit. The spatial configuration of low-income accommodation of the *basti* population in Kolkata reveal distinct migratory streams that have developed over time, so much so that people of the same village and district can be identified to have followed the same route into the community clusters of the city-slums for over hundred years (DeHaan, 1994). The casual construction workers or the seasonal workers of the brickfields continued to live in temporary make-shift kind of arrangements at the worksite that remained largely isolated from

the local settlements. However distinct they were, compared to the mobility pattern of other seasonal workers who crowded into the city-life for a short while, they occupied a specific place in the migratory map of the city in their repeated to and fro movement over centuries.

In-migrants have always been accommodated within the Bengali populace without much resistance or objection. They constitute 24.68 percent of the total population in West Bengal (NSS 1993). Undocumented in-migrants constitute and contribute towards significant portion of the informal labour market in West Bengal but it is difficult to estimate their numbers or their contribution in exact terms due to scarcity of data. Gumla and Palamau districts of Jharkhand are highest senders of seasonal migrants to West Bengal who work largely in the brick-fields and road construction (Jharkhand News 2008). In 1999-2000 the districts of Madhubani and Gopalganj in North Bihar respectively sent 7.02 and 12.65 percent of their migrants to West Bengal (Karan, 2003). West Bengal receives 40 percent of the Bangladeshi immigrants in India whether engaged in illegal cross-border trade or as 'sweat labour' in road and irrigation construction work or as domestic maid in middle-class homes (Rita Afsar 2008). Bangladeshi immigrants constitute around 2.7 percent of the labour force in West Bengal. The notion of '*deshe gechhe*' as left for the village for nearly a month-long break from work for a Bihari and Oriya worker, or '*asha-jawa*' – coming and going of the Bangladeshi cross-border migrant, are popular cultural connotations that mark the respective nature of circularity that ranges from a few days to a few months of absence for the in-migrant.

Ben Rogaly et al (2001), have traced the pattern of circularity of agricultural labour in West Bengal in recent times which is intra-district and largely debt-induced. The features of seasonal migration facilitating surplus accumulating production for the employer in the agriculturally advanced districts have been wonderfully depicted in their study. The patterns of in-migration from the less-developed districts of Purulia and Murshidabad in times of peak demand to high productive green revolution area of Bardhaman are two outcomes of inequality. The instance of withdrawing migrants from the labour-force for pressurizing the employers to change the terms of contract in favour of the workers, taken up by the more organized group of out-migrants of Purulia, has also been cited in their study.²

Recent Trend

West Bengal has been a migrant-receiving economy for a long time. In the last 20 to 25 years, there has been a new dimension in the pattern of circular migration which is not a stray movement of just a few but a steady flow of skilled workers in considerable numbers and across regular routes, out of the state. This is relatively a recent phenomenon. West Bengal playing the role of a migrant-sending state in terms of highly skilled professionals and migrant-receiving state for unskilled labour, is still the prevalent model. It is already an established fact that the highly educated and qualified professionals are leaving West Bengal to relatively faster growing areas in the country and abroad (Maharatna 2003), what is new is that skilled labour too is migrating out

² The agricultural labour in Purulia could pressurize the employer with their out-migrating trends in creating labour shortage in times of high demand. This led to favourable change in the terms of contract for their recruitment while the migrant labour in Murshidabad travelling unsolicited in groups to get hired faced great uncertainty. If the Murshidabad group could reach the recruiting area on a day with high employer-employee ratio, only then they would be in a better bargaining position. (Rogaly and Rafique)

of the state, not in search of job but for better earnings to more developed urban economies. Out-migration from peri-urban districts of the state is becoming a significant trend for the skilled and semi-skilled workers of the informal sector for whom short-term migration is an alternative source of earning against income risks arising from irregular employment at home.

The steady flow of women migrants from the informal economy of Bengal who leave their home to work as domestic help in the upper-middle class homes of Delhi, Bangalore, Mumbai and other metropolitan cities has already been documented. In fact, West Bengal ranks as the largest 'feeder state' of domestic helps in Delhi (Neetha 2004, Deshingkar, 2006b). This movement of unskilled women from the rural and semi-urban districts of West Bengal has been identified as 'poverty-induced' migration. Single women work as domestic servants and send remittances regularly to support their families back at home. Studies show that either it is planned migration of the married and elderly women through known and established contacts in the city (Mukherjee, 2004) or migration of single unmarried women often landing up unaware to work as house-maids permanently uprooted from the origin through various clandestine arrangements of intermediaries. At present the number of single women working as domestic-help is increasing and the steady flow out of the state has acquired certain new characteristics over time such as migration through institutionalized agencies, contract-migration etc.

In this paper, we would rather focus on male skilled artisans whose out-migration from West Bengal is emerging as a distinct feature in the last two decades. Such type of short-term circular migration has largely escaped the official statistical records which primarily focus on out-migration of women with marriage as the primary reason followed by male out-migration in high-paid jobs. While out-migration of labour from the other states is usually marked to be predominantly male, West Bengal has gained male population and lost female population through migration (Chaudhury, 2003). Out-migration of skilled labour observed recently does not show strict masculine trend and is rather unprecedented in West Bengal.

The recent trend of single male migrants moving out of the state shows that it is usually the young skilled labour of the informal sector opting for new avenues of employment. It is interesting to note that it is from the relatively economically better positioned districts of West Bengal – Hooghly and Howrah – located within a maximum distance of 40 km from Kolkata that skilled workers are migrating away. Their destinations are Mumbai and Delhi. The cities with higher income potential are providing better job opportunities to skilled labour of Bengal who is not a destitute in any sense and can fairly earn a minimum living staying at home. Further, these migrants are joining the lowest tier of informal production chains of industries with large domestic and global market and yet the job provides them with a chance for horizontal and vertical mobility. The skilled out-migrants from Bengal are recruited as piece-rate workers for the numerous sub-contractors of the global production chain, without any formal status at work or a job-contract. Though the work they perform is no less exploitative and insecure as any informal sector job but economic and social mobility generated for the individual worker becomes the main motivating factor for out-migration.

This is a study based on two migration streams of skilled labour that has gained momentum in the last twenty years, one in Hooghly and the other in Howrah districts in West Bengal. The study includes interviews of 60 out-migrants, 36 in Domjur area of Howrah and 24 in Arambag area of Hooghly districts. As evident from the study, the regular flow of migration from Domjur is linked to the gold jewellery industry of Mumbai and the migration flow from Arambag is directed to the embroidery and zari work in the garment industry of Delhi. Apart

from interviews of the workers, information from the family members of the migrants left back in the villages, members of the community, eminent persons of the area and Block Development Offices and secondary data have been used as required.

Informal Industry	Location/District	Number of Respondents
Embroidery and Zari work	Arambag, Hooghly district	24
Gems and Jewellery work	Domjur, Howrah district	36
Total	Two	60

Case-Studies

Out-Migration from Hooghly

In the Arambag block of Hooghly a regular stream of out-migrants move out to work as labourers in the embroidery and garment industry of Delhi. This pocket is in the Harinkhola and Shahbag-Imamgunj, Batanal and Arandi I and II Gram Panchayat areas. Hooghly is largely an agricultural area with few small industries such as handloom weaving, poultry and food processing. The thriving jute mills and the automobile industry of the past have streamlined their workforce. Rice, jute, potato and vegetables are the major crops of the district. But traditional agriculture can no longer sustain the increasing population who are shifting away from agriculture to casual employment. Adverse land-man ratio, large family size and high cost of production have failed to provide regular income to the increasing number of workers of the present generation. Without a steady income in agriculture along with indebtedness, their only option is to work as casual labour in various non-farm activities. Arambag is primarily a rural block where rice, potato and sugarcane are cultivated, all of which have high cost of production. With no large-scale industry, poultry and animal husbandry could have provided casual employment for the agricultural labourers, just as it had been in many other pockets in the locality, but the poor Muslim workers of Shahbag-Imamgunj had no access to poultry farming. Possibly the already saturated poultry and farm business with its rigid trade union activities did not allow further entry of casual wage workers. Instead of joining the pool of casual construction workers or rickshaw pullers with further irregular and insecure income, the Muslim workers, chose to develop their traditional skill in needle work and tailoring and adopted home-based machine embroidery work.

They started working for the small entrepreneur-cum-middleman known as the *ostagor*, who organises production of machine-embroidered saris in the locality contracting out small orders to individuals. The *ostagor* is proficient in the craft and has money to invest. Production is home-based. Each family owns a metal frame for mounting the cloth which is embroidered. The contractor or the *ostagor* supplies materials, designs and machines for zari/silk embroidery. Payment is at piece-rate. The *ostagor* procures order for supply of zari and embroidered cloth from the businessmen in the wholesale market of *Barrabazaar* in Kolkata and collects the pieces from individual *karigar* or worker in the village. *Karigar* has no direct access to the market. An alternative to bypass the *ostagor* would mean selling the product in the wholesale market. But in the wholesale market most of the time his payment is deferred and he has to make a deposit of Rs. 20,000 for each piece with the buyer before he can procure a supply order for the next lot. It is

easier for him to depend on the *ostagar* for work assignments and payments which is more or less regular. Saris with little embroidery work fetch Rs.70 to 100 per piece, medium work is priced between Rs. 100 and 150 and intensive embroidered ones, range from RS. 400 to 600 per piece. On an average, three little-embroidered or two medium or one intensively worked sari can be completed per week per family. The highest wage a worker can obtain is Rs. 2400 per month. But volume of work locally available is not sufficient for a steady income throughout the year.

While working for the local subcontractor the informal workers develop links with Delhi embroidered garment industry. With about two years of apprenticeship in local home-based production the worker learns the skill required and aspires for a better livelihood to work under a bigger sub-contractor in the garment industry of Delhi who provides a higher wage. Although Muslim workers from Bengal, already proficient in machine embroidery are easily accommodated in times of peak demand, volume of work available in embroidery and zari work is irregular. Demand for skilled labour is therefore seasonal and circular migration is best suited for the purpose. The Muslim skilled labour of Arambag take this chance to out-migrate initially alone and later with their families. Women and young boys could very well be absorbed during boom season although at a cheaper wage rate. A migration corridor thus develops between the hub of India's fashion industry in North India and Hooghly in West Bengal.

Migration to Delhi for embroidery and zari-work is an opportunity for earning higher income for the workers of Arambagh. The hand-embroidered sari and other cloth materials fetches exorbitant price in the national and international markets. At Sundernagari in the east of Delhi and Shahpur Jat area in south Delhi the informal production units of the lowest end of the global garment chain are located. The migrant workers are employed by the myriad sub-contractors and petty contractors as and when they procure supply orders from the bigger proprietors from the other end of the supply chain that serve European and US retail garment companies. Delhi alone accounts for nearly 60 percent of Indian garment export (Ramaswamy and Davala,). Work is organised through a network of subcontracting and ultimately produced by the numerous informal workers in the small and congested workshops. Migrant labour works at piece-rate at a lower price than what local labour demands and this prompts skilled workers from UP, Bihar and Bengal to crowd in where various tasks are available for each one of them.

Muslim women of Arambag who initially had merely accompanied their husbands to the new destination take up part-time jobs in the industry to earn an additional amount of money. While male members are assigned to do machine embroidery with computerized designs supplied by the contractors, the women workers are allotted the needle work part of the job. It is customary in North India that machine jobs are offered to men, even if it is embroidery. The general perception for employing women in hand-embroidery, apart from nimble finger is that women are less-skilled and ill-suited for machine-expertise. The piece-rate wage is therefore low for women workers who earn something between Rs, 3000 to 3500 per month. For men the income is around Rs.5000 to 6000 per month which is almost double the amount received at home. Besides, the boy child of the family also gets to learn the skill and earn around Rs 1000 per month during the stay and within a few years learns the nitty gritty of the trade to get back home and organize a fresh team of out-migrants coming to Delhi during the peak production season.

Gold Jewellery in Howrah

Howrah the 'industrially developed' district in West Bengal, with foundries, locomotive, small engineering and paint industries that still survive today, cannot provide sufficient job in factory production. The once-glorious engineering industry of Howrah barely survives. Agriculture still sustains a small section of the rural population and the people of the semi-urban areas have no option but to seek job in the informal industries. One such area is Domjur block of Howrah in the vicinity of Kolkata. Among the different informal industries such as furniture, wig, garment etc., the jewellery industry of the region is particularly significant because of the skill and dexterity of the local people in making gold ornaments which flourished in the area since long time back.

In the Domjur area a significant proportion of the population presently engaged in non-farm activities are characterised by poor socio-economic condition and a deliberate shift away from agriculture. In Domjur block, Salat Gram Panchayat I and II and Bankra Gram Panchayat I II and III are particularly distinct for craft work in gold jewellery, gem polishing and imitation jewellery. The local gold jewellery industry offers the highest income to skilled and semiskilled workers to the extent of Rs 4000 per month on an average. There is a local market for gold ornaments with 25 to 30 relatively big and established units and numerous micro production units that work with skilled labour of the locality. These shops of the local jewellery market serve as retail counters for the own-account production units employing as many as five to seven casual workers in each workshop. The existing employment in the industry has been estimated to be around 45,000 (Arjun Sengupta 2006) but only few workers have more than 180 days job and the remaining, much lower than 180 days. This includes the skilled, semi-skilled, apprentices and other casual workers associated with the trade.

Primary survey reveals that the Baruipara area of Domjur in Howrah district, which had traditionally been a pocket of betel-leave cultivators, has become an area of out-migration that sends workers to Mumbai and Vadodara. The younger generation of the cultivator families are no longer depending on agriculture as a part-time employment but have taken up wage-work in gold industry. Skilled artisans from the Wadipur, Keshabpur, Rudrapur, Tulagarh, Deulpur, Kolra villages are migrating to Mumbai for the sake of earning a high regular income which is rarely available at home. Two major reasons responsible for the shift from agriculture to informal industry can be identified. One is that the highly competitive betel-leave production is seasonal. It is a perishable commodity that needs constant care during production and has high storage cost. Small farmers are unable to bear the cost and risk from its cultivation and are choosing to shift from agriculture to a steady income flow from wage-work in industry. The other is that, extensive land fragmentation renders income from betel-leaf cultivation as too little to sustain a large joint family. Although betel-leaf is a commercial crop, male members alone are allowed to work at the -- *paan boroj* -- according to social convention. Had all family members participated in cultivation, or land had not been fragmented, it could have fetched a high return.

As an alternative, hoping to earn better wage, circular migration has surfaced from Domjur to Zaveri bazaar in Bhuleswar area of south Mumbai. It is short term migration of workers involving a period of eleven months to two years. Skilled *karigars* establishes link to the industry that has a big domestic market and is the largest gold exporter in India. There are around 15,000 Bengali *karigars* in the sweatshops of Zaveri bazaar "who make sure that Mumbai remains the largest exporter of gold jewellery in India" (Frontline 2001, Vol. 18, No. 22). Exports of gold jewellery from Domestic Tariff Area in Mumbai amounted to \$266 million or 41 percent of the exports of the entire DTA in the country (Gem and Jewellery Export Promotion Council, 2001).

There are around 1500 units in Bhuleswar that are registered under Shops and Commercial Establishment Act, 1961, but the sweatshops are run in informal and clandestine ways. The workshops are housed in residential rooms owned by goldsmiths or small entrepreneurs of the informal jewellery industry in three or four story *chawls*. The near-100-squarefoot rooms double as workplace for crafting of jewellery and live-in quarters for labourers. Out-migrant worker from Domjur works for twelve hours a day in Mumbai. The conditions of work remain no less severe in Zaveri bazaar, but the global linkage fetches a higher return for the migrant at the destination than at the place of origin.

In the initial years, a worker earns around Rs 9000 per month in Mumbai, which increases with experience to the tune of Rs 12000 to 14000 per month. At home the worker at most fetched a sum of Rs 3000 to 3500 per month and a skilled and experienced worker earned a maximum of Rs 4500 to 5000 after spending a life time in the industry. Besides, a rigid division of labour practised at home with each worker getting to learn only a part of the whole process that is split in at least six to seven steps is more flexible in the host economy. A worker who is accomplished in all the split tasks could acquire a command over the process and find a better job prospect in the hierarchical network of the industry. Those specialized in the art of smelting of gold as well as deft in carving out intricate designs are paid highest wages. Opportunity of acquiring skill is high, with experienced and skilled workers often huddled together with new-entrants in the small sweatshops to work as a team for the *seth* or the employer. Experience of working in the jewellery production units of Zaveri Bazaar also enhances economic mobility. A worker who could make a fortune out-migrating to Gulf countries from Mumbai such as Bahrain, Qatar or Dubai, fetched a sum of Rs. 22,000 to 25000 per month.

Once the migration route has been established, hundreds of workers from the villages of Domjur area leave for work in Zaveri bazaar in spite of the hardships at the destination. They are little educated and young, mostly in the age group of 14 to 20 years. They send remittance after the first phase of migration and when they return they bring back cash, apparels and electronic goods from Mumbai. Working in the film city of India also earns them a higher social status back at home. A better wage and promise of a Mumbai life-style act as pull factors that have a strong snow-balling effect. When a worker leaves for his next trip, he is usually accompanied by a few others from his village. The remittance from out-migration has changed the socio-economic condition of the villages in the Domjur area. In the last twenty years, most of the houses with one or two male migrants to Mumbai have been restructured into brick-walled, one or two storied buildings from the previous kuchcha structures. Motorcycles, television and refrigerators are common gadgets in the households. Girls are observed to be completing school education with the hope that it would ultimately lead to a low amount of dowry to be paid at their marriages. Possession of cell-phones has to some extent reduced the psychological cost of living in a far-off land for a long duration for most of the migrants in recent times.

New Features

The two streams of migration out of West Bengal is not distress migration, where one is forced to move out with family. Neither are the two labour-sending areas typically poor and agriculturally backward. Circular migration is more a better remunerative option for the migrants and less a livelihood strategy of the last resort. The movement of skilled labour at both the places did not vary with agricultural seasonality but depended on fluctuations in demand for the respective

products in the global export markets of gold jewellery and embroidered garments. Such migration flow remains unaffected by policies that aim to provide rural employment such as the National Rural Employment Guarantee Programme (NREGP) in their districts. Our study shows that both the migration streams have been able to escape poverty without participating in the employment opportunities created in the rural economy through NREGP. Other case-studies confirm the trend when they observe that in certain pockets of West Bengal, out-migration has emerged as a way of accumulating a useful lump sum, rather than simply a surviving strategy (Rogaly and Coppard, 2003 in Deshingkar and Anderson, 2004).

In contrast to direct push factors, the migrants we find, are pulled by higher economic growth at destinations. This pull of the “agglomeration economies” (World Development Report 2009, migration issue) develops in the cities with better opportunities of communication and infrastructure and leads to increasing returns obtained through clustering of skills and talents.³ As a result specialization skill enhances. Linkage effect boosts up local economy. Further employment opportunities emerge that pull more migrants. In situations such as this, we find, certain migration routes developing between sending and receiving economies where a few contiguous villages or blocks in Domjur or Arambag send skilled workers/artisans through specific channels of contact. The migration streams swell up along definite rail-routes, connecting two relatively developed areas of the country.

However, the role of middleman in organizing group migration of such skilled labour is limited. The former pattern of labour movement where the *aarkathi* or *thekedar* took the responsibility to supply labour, often through the debt-bondage system is not prevalent for skilled contract labour migrating to get employed in the export market. New recruitment is most of times through skilled and experienced worker and travel cost is borne by the migrant family. From both Domjur and Arambag, supply of seasonal labour is maintained directly through the migrants who entered the market earlier.

The migrants of Domjur and Arambag did not come from the very poor dalit families. It is a mixed crowd, although predominantly from backward and minority communities with large joint families and little education. For them out-migration was not an escape or ‘exit choice’ as it is with the historically disadvantaged groups of scheduled castes and tribes who migrate outside village to work with dignity and freedom away from the rigid caste hierarchies of the villages. For the skilled labour migration provided an alternative source of finance for improving their standards of living. Migration for them makes possible investment in cultivation, buy live-stock, lease-in land, repair house and arrange for expenditure towards dowry. Consumption and creditworthiness of migrant families increase. Remittance sent by migrants protects their families from risk of irregular income and opens up the opportunity for economic mobility.

Indebtedness on account of dowry, marriage, illness etc., is still the most significant cause of circular migration and large part of the remittance is spent on repayment of loans. Remittance provides for better house, better access to food, health and education of children and enables faster escape out of poverty which is more prominently visible in Domjur than in Arambag. In Domjur, all male members of a family, starting at an early age, left for Mumbai. The period of stay was longer and urge to earn higher income was evident in their being dispossessed

³ Domjur, is in fact, identified as one of the clusters in eastern India with potential for growth and promotion of employment opportunities by the Growth Pole Programme of the National Commission for Unorganized Sector Enterprise Development, Government of India, 2009.

from land completely (except the *bastu* land). On return, past-middle age they planned to invest in the local jewellery industry as an *ostagor* and not in agriculture. In Arambag the migrants often owned a piece of cultivable land with some members of the family still involved in agriculture. Support of larger family enabled short-term migration, initially of single male members and later with wife and children, to fall back upon in times of no work. For them migration helped to diversify risk and remittance acted as a buffer against income loss arising from crop price fluctuations.

Sub-Human Conditions of Work

The overall condition of work for the migrant workers is extremely exploitative with no legal recognition as workers, job security, old age pension, health insurance or provident fund in both the industries. Subcontract system involves long hours of work and no implementation of the minimum wage norm. Embroidery work affects adversely the eyes of the workers and blurred vision due to long hours of work is not uncommon. Embroidery workers who work on large frames also get other problems from the peculiar crouching posture in which they sit for long hours including soreness of back, shoulders and knee joints. Gold diamond and precious and semi-precious stone polishers inhale the dust of the stones, the smell of acids causing respiratory problems.

In the congested chawls of Zaveri bazaar the karigars mostly sleep on lofts, with no ventilation. The building owners have used every inch of space to construct more and more rooms. Even areas under the flights of stairs are rented out for workshops. Since the karigars work with valuable materials, the rooms have doors of grill and wood. Some workshop owners allegedly lock the workers inside the rooms at night. At the workplace inflammable substances are stored in the room, cooking materials are kept alongside sulphuric acid, nitric acid and other hazardous chemicals needed in jewellery-making. Sometimes food is cooked in the corridors as the rooms are crowded with personal belongings, equipment and tools (Frontline, 2001). Anupama Katakam reports about an accident from which 24 *karigars* died:

Some workshop owners allegedly lock the workers inside the rooms at night. The victims of the June explosion had not been locked up, but the sheer narrowness of the passageways and the highly inflammable nature of the substances stored in the room made escape impossible for them. The workers were unwilling to speak about the accident.

The sweatshops of Zaveri Bazaar in Mumbai account for a major portion of India's gem and jewellery export, but workers toil and live here in risky conditions. Added to this, they face the threat of displacement. "Almost all the karigars are from West Bengal's Howrah and partly from Medinipur districts, best known for their fine craftsmen. The younger they are, the more nimble their fingers. This makes it easier to train them." The unorganised workforce of Zaveri Bazaar has been driven by extreme poverty to work under harsh conditions. The *karigars* will not speak out about their working conditions because the Seth would easily find replacements for them. (Frontline, Oct. 27 - Nov. 09, 2001)

Most of the production units in Shahpur Jat village on Delhi's south are small unregistered units that function with no legal backup. The contract work being seasonal, production is dismantled when there is no work. Located in crowded area, working conditions are poor with little lighting and inadequate ventilation.

In its investigative report detailing on textile factories of Shahpur Jat village in south Delhi that produced garments for the global market, *The Observer* mentioned that children less than ten toiled in conditions 'close to slavery' from dawn to late evening in dimly lit rows of garage like tailoring units "flowing with excrement from a clogged toilet" (28.10.2007). This was followed by largest police raid rescuing 77 boys in the age-group of 8 to 14 years embroidering saris and wedding clothes in dingy rooms of the small workshops of embroidery factories 14 of whom came from West Bengal and the rest from Bihar, brought to notice by journalist Dan Macdougall.

One of the most controversial industries that thrive on child labor across the sub-continent is zari work and intricate embroidery that has become immensely popular in American and European fashion stores, reports Dan Macdougall in *Ethisphere* (May 2008). Sweatshop owners prefer to employ children because their thin, nimble fingers can work quicker on intricate ethnic designs. By the time the youngsters reach their mid-teens, their fingers and hands often are badly damaged and their eyesight weak from long hours of tedious work in dark rooms. Their growth is often stunted by years of sitting in uncomfortable, hunched positions at the bamboo framed workstations. Child workers have no fixed hours of work, nor is there any trade union to fight for their cause. "For those children 'lucky' enough to get paid, the combined wages of five unskilled child workers is less than that of a single unskilled adult." Woeful tales of torture, sexual abuse, unhealthy working conditions, and cruelty by employers are only part of the hellish narratives of these child workers.

The fight against child labour is becoming increasingly dangerous, says Bhuwan Ribhu, a lawyer and activist for The Global March Against Child Labour. "It is an impossible task to track down all of these terrible sweatshops and factories employing children, particularly in the garment industry, when you need little more than a basement or an attic crammed with small children to make a healthy profit," Ribhu said.

A sequel to high incidence of child labour in the industry is use of women labour at a discriminatory wage. Work itself is casual and informal and women work as invisible home-based worker. Very often they do not know who the principal employer is and supplies order to the agent of the petty-contractor. Much of their work consists of sewing, button-stitching and hand-embroidery. For them payment is often delayed and products rejected. Most of the women in garment industry are home-based workers. Since they work from their homes, they often do not perceive themselves as workers but as mothers and wives, while the employer ends up making more profits by paying lower wages as well as saving the cost of operating a workplace like rent, electricity, water, equipment and other maintenance costs. Additionally, they regularly suffer from health hazards like backaches and failing eyesight.

The most alarming aspect of their work was their decreasing piece rates. Sheba Farooqui reports in *People's Democracy* from a survey on home-based women workers in Delhi, most of whom were members of migrant families.

While the piece rates for 43.01 percent women have remained the same over time, only 16.06 percent had experienced an increase in piece rates. As high as 40.93 percent women claimed that their piece rates had decreased, i.e., they were compelled to do the same amount of work at a lower rate. For example, the rate for making embroidered stuffed toys has decreased from Re 1 per piece to 75 paise per piece, the rate for zardozi embroidery on suits from Rs 80 per suit to Rs 50 per suit, the rate for making frocks for dolls from 30 paise per frock to 25 paise per frock, the rate of making bead coasters for export purposes from Rs 9 per coaster to Re 1 per piece, etc. Yet, most of these women also claimed that they could not object to this reduction because they feared antagonising their contractors and losing their work. (March 16, 2009).

In unorganized production of embroidery and zari or gold jewellery work the end-jobs are farmed out to numerous workers, largely migrants, who mostly remain invisible. Ensuring basic worker's rights in the global chain organised through subcontracting or home-based production is nearly impossible. The worker rarely gets to interact with the principal agent. When payment is piece-rated there is no clearly established employer-employee relationship and usual labour laws covering wage-workers are not applicable, "often *de jure* and almost always *de facto*" (Mukhopadhyay, 1994)

Apart from work conditions, there is the constant fear of closure of units. Any attempt to organize the workers is followed by job loss for the worker or units are closed down and relocated somewhere else.⁴ Frequent closure results in the return of the migrant worker back to the place of origin and remain without work for several months. Today, home based workers, especially in export oriented units, are bearing the brunt of the global economic crisis. They are facing shrinking work availability on the one hand and a progressive reduction in piece rates on the other. The cut-price stores in the West can only reduce prices by ordering in bulk, which is no less exploitative. But along the chain of suffering and exploitation added insecurity grabs the workers when bulk orders get cancelled or products are rejected.

"The key thing India has to offer the global economy is some of the world's cheapest labor, and this is the saddest thing of all: the horrors that arise from Delhi's 15,000 inadequately regulated garment factories, some of which are among the worst sweatshops ever to taunt the human conscience, are unspeakable and largely unreported" (McDougal 2008)

Contract and home-workers are therefore the least protected section of the working class with neither a clearly defined work day nor clear norms regarding their labour. The workers subsidise capital costs of exports by using their space, water, electricity and family time and yet cannot claim any health, maternity, education, old-age, retirement benefits. The contribution of home-based work is not part of official statistics and hardly any allowance is made on home-based work. A vast majority of workers are making substantial contributions to exports but their entitlements in national resources are negligible. The relevance of domestic policy in the days of rolling back of the state and a complete reliance on markets cannot be underscored. The question is how to regulate the flexible labour market's outcomes in a globalised economy.

International Labour Organization

Protecting workers against the risks of loss of earning capacity was part of the International Labour Organization's (ILO) agenda when it was created in 1919, and series of conventions and recommendations were adopted to that end since then. These first-generation standards were geared toward social insurance, protecting specific groups of workers against an initial list of risks (medical care, sickness, unemployment, old-age, employment injury, family, maternity, invalidity, death). Since World War II, the International Labour Organization (ILO) has played a significant role in promoting *International Labour Standards*. In 1944, the conference of Philadelphia adopted the Declaration of Philadelphia, which restated the fundamental aims and purposes of the ILO regarding labour standards. Several rubrics have been used to describe labour standards such as fair labour standards, minimum labour standards, basic or core labour standards

⁴ Only SEWA could organize a about 500 home-based workers at Sundernagari in Delhi, making a direct payment to the women workers at a higher piece-rate by eliminating a few subcontractors in the process.

etc. Several factors have also been attributed to non-observance of labour standards such as unfair trade and labour practice, state of underdevelopment, absence of work place co-operation and so on (Mishra,2001). Labour standards protect workers in various sectors. They include freedom of association, equal pay for equal work, safe working conditions, abolition of forced labour, provision of social security, protection of migrant workers, elimination of sexual harassment of women workers and others. These international labour standards were formulated and few of them were amended several times between 1919 and 1978 and through tripartite arrangements between employers, workers and state, ILO tried to legislate and execute labour standards in the member countries.

The world summit on social development held at Copenhagen in March 1995 tried to establish the basis for a minimum level of *social protection* by creating an international consensus on fundamental minimum labour standards. Since its inception ILO has adopted 181 legally binding conventions and 188 recommendations aimed at improving labour standards across the globe. It includes Declaration on Fundamental Principles and Rights at Work, which changed the normative context with respect to social security. This was followed by a list of four principles concerning the fundamental rights, – the second generation standards. The four categories of rights are:

- i) Right to freedom of Association and collective bargaining
- ii) Elimination of forced labour
- iii) Elimination of child labour
- iv) Elimination of discrimination in matter of occupation and wages.

There are important seven conventions (Convention No's 29, 87, 98, 100, 105, 111, and 138). These Conventions are also known as social clause, labour clause, social concerns etc. These are the instruments in the hands of ILO to improve the living and working conditions of working class in the third world. But this list sanctioned by WTO does not include social security or even protection of health at work.

In face of globalization, ILO's response is precisely the *Decent Work Agenda*. The word "work" is used in a wider sense than employment or a job. Work includes not only wage employment, but also self-employment and home-working. This includes the wide range of activities in the formal and informal economy. It includes women and men in the home, factory and street. It reflects a broader notion of participation in the economy and the community. The Decent Work Agenda has four main dimensions:

- work and employment
- rights at work
- social security and protection
- representation and dialogue

The *employment* goal is best expressed as adequate opportunities for productive and meaningful work, in decent conditions – with fixed working time and work intensity, the need for a living income, the possibilities for personal development all included. The second dimension concerns *basic rights at work*. These have been expressed in the ILO's core labour standards: freedom of association, freedom from discrimination, freedom from forced labour, freedom from child labour. These rights are widely flouted in informal production systems. The third dimension concerns *social security*. Much work is insecure, either because it is irregular or temporary, because income varies, because it is physically risky or vulnerable to disease and

eviction.⁵ The fourth dimension concerns *representation and dialogue*. The ways in which people's voices can be heard are a crucial aspect of decent work.⁶ It is through social dialogue that widespread support for the other three dimensions of decent work may be built (ILO, 2000c). Each of these four dimensions of decent work is closely interconnected. They contribute jointly to societal goals such as social integration, poverty eradication and personal fulfilment. The problem with the Decent work agenda is that it is applicable to different development situations. It may be argued that all dimensions of decent work, barely offer benchmarks which can guide progress, and against which progress can be measured.

If there is a uniform level of decent work to be achieved, how to decide what is decent in each situation? And how can this concept be applied in the extremely varied levels of development? Two important points have been suggested by Rodgers (2001). The first is that decent work has a floor, but no ceiling. The second is that decent embodies universal rights and principles, but reflects the values and possibilities of each society so that the threshold advances. Some would argue against universality on the grounds of infeasibility -- that rights are meaningless without the means or the agents to enforce them -- and for many, the notion of universality is incomplete -- workers of the informal sector are always already under-represented if not totally excluded from meaningful social dialogue.

Bearing in mind the founding role played by ILO in the history of labour law, this Agenda is fiercely criticized: where trade in goods is subject to a "hard" law and the fate of men to a "soft" law. The rhetoric of the decent work agenda further reveal that apart from labour rights related to child labour and gender equality, the fundamental social and labour rights could neither be incorporated in the rigid World Bank programmes, nor could their implementation be made statutory for the member countries.⁷

Besides, the international labour laws that guide the formulation of labour laws in most countries are typically restricted either on the basis of establishment size or formal registration under some state legislation and thus are applicable only to the organised workforce. Looking at India's record in adhering to international labour conventions, we see that India has a commendable record of ratifying some 37 ILO conventions. But what is particularly revealing is which of the conventions have not been ratified. These include certain critical key human rights and labour policy conventions, namely:

87: Freedom of Association and Protection of the Right to Organise

⁵ ILO estimates suggest that only a fraction of the worlds' workers have truly adequate social protection. Over 3,000 people die every day as a consequence of work-related accidents or disease. Social security can be achieved in a variety of ways - through formal social insurance systems which provide for contingencies such as illness, unemployment or old age; through informal mechanisms of solidarity and sharing; through investment in work- place safety; and through labour market institutions and policies which protect workers against fluctuations in employment - legislation or collective agreements to discourage layoffs, for instance, or training systems which offer routes back into the labour market. The effectiveness of these systems varies widely.

⁶ For workers, the classic route to representation and dialogue is through trade union organization, but if decent work is to include work beyond wage labour, it will often encompass other forms of organization, at the community level, or of the self- employed. The organization of employers is equally important. (Your voice at work, ILO, 2000c).

⁷ ILO does not enjoy a formal observer status at the WTO. For critique of ILO's Policy, see Kaufmann C. *Globalization and Labour Rights*. 2007

- 98: Right to Organise and Collective Bargaining
- 105: Abolition of Forced Labour
- 122: Employment Policy
- 129: Labour Inspection (Agriculture)
- 138: Minimum Age

Interestingly, the most important stated reason for the non-ratification of these conventions is that these laws are not easily applicable to the informal sector, with its unclear and changing employer-employee relations, hidden work premises, imprecise number of workers and temporary work contracts that are often not written down. In this grand tautology, a large majority of workers are not covered by protective laws because they are a part of the unorganised sector and they are unorganised because they cannot be brought under protective cover. Hence the need for a national policy which will bring contract and home-based workers under some legislative form and gain access to benefits.

State Response

There is a compelling argument for a domestic policy that safeguards the interests of these workers by recognising their worker status, bringing working conditions under the ambit of labour laws and providing social security. After independence, India has adopted various labour policies in order to improve working conditions of workers in the unorganized sector. But the problem is that in India, two counter claims run parallel regarding the impact of globalization on labour. One is that globalization requires dilution of the labour standards, since rigid labour laws impede efficiency and profitability of the corporate sector. The argument is that any obstacle to competitiveness drives away capital to other attractive places in their perpetual *race to the bottom* and hinders not only foreign investment and growth in the country but also blocks the employment opportunities that could have been created in course of time. The other claim affirms that in pursuit of capital and growth, labour rights and livelihood of the people are under assault. The state, with its international trade mandates, can not but plays an indifferent role to restrict flexibilization of the labour market. In effect, the strategy of rolling back of the welfare policy reduces the bargaining power of labour and enhances insecurity.

We find that in the current wake of the dubious situation, the government with its electoral commitments has come up with certain recommendations to reform labour laws. First in 2001 in its Report on Task Force, the Planning Commission of India and again in 2002 the Second National Commission on Labour (SNCL) formulated recommendations. The task force has pointed out the various problem areas in the labour legislation where immediate reforms are needed. It focuses on the three main Acts and their features and has suggested changes. The three main acts that are the cause of contention are the Industrial Disputes Act (1947)⁸, the Contract Labour (Regulation and Abolition) Act (1970)⁹ and the Trade Union Act (1926).¹⁰ But these

⁸ In 1976, a special chapter (Chapter V-B) was introduced in the Industrial Disputes Act which made compulsory prior approval of the government necessary in the case of lay offs, retrenchment and closure in industrial establishments. The inclusion of Chapter V-B and its consecutive amendments was construed as causing rigidity in the labour market.

⁹With respect to the Contract Labour Act, the Supreme Court ruling (1972) says that if the work done by a contract labour is essential to the main activity of an industry, then contract labour in that industry should

legislations are all about the formal sector labour force. There are also various labour laws for workers in the unorganized sector but implementation is mostly ineffective. Until now Child labour Prohibition and Abolition Act 1986, Bonded labour system (Abolition) Act, 1976, Maternity Benefits Act, 1967, Equal Remuneration Act, and other labour laws have not been implemented effectively in order to cover the workers in the unorganized sectors.¹¹ Some of the issues where policy could make a difference have been elaborated in the Draft National Policy on Home-based Workers (2000) put together by the Indian Planning Commission. These include making home-based work socially secure and improving their health and safety which is related to the nature of their work. The problem is that circular migrants, such as those in embroidery or jewellery work, are not included as regular home-based worker. Being seasonal workers at destination, their entitlements often fall short of the bare minimum that is provided to the local home-based worker. The status of being unorganised and seasonally migrant worker doubles their vulnerability.

In December 2008, *The Unorganised Sector Workers Social Security Act* was passed by both houses of parliament. The act goes no further than accepting in principle that social security should be provided to unorganised sector workers. No new schemes have been announced and no specific financial allocation has been made (Farooqui, 2009) to do away with the nature of vulnerability of home-based workers, not to speak of the migrants. The act is no more than a statement of intent and leaves the task of formulating social security schemes to state governments and subsequent union governments. The migrant worker's lot within the unorganised sector is left unattended either way.

Exclusion and Inclusion

In India two forms of policy response with regard to migration has been identified at the national level (Desingkar, 2009). The first is to increase rural employment with the idea of stemming migration and second is an indifferent position in making migration enabling. Policies that aim to increase rural employment such as National Rural Employment Guarantee Programme (NREGP) or policies that aim to reduce poverty through rural construction or irrigation schemes such as Jawahar Rozgar Yojana (JRY), in effect intends to reduce out-migration of the rural jobless people. But those who migrate for higher wage than that available at home are seldom attracted by short term employment provisions of these schemes.¹² The second set of policies adhering to

be abolished. It was this ruling that that creates dispute. The workers claim, if contract labour is abolished they should be absorbed in the firm, while the employers think that this law affects flexibility in case of outsourcing or in hiring unskilled labour.

¹⁰The Trade Union Act introduced in 1926 legalized trade unions, but there is no nationwide law that recognizes trade union and also there is no compulsion for the employers to enter into a collective bargaining. So even though there is a right to form an association or form a trade union, it is not mandatory for an employer to recognize it.

¹¹ To give an example, The Abolition of Bonded labour Act (1976) did not go beyond addressing forms of agrarian bondage. But new forms of labour bondage can also be found in rural or urban based industries like rice mills, small-scale carpet workshop, gem processing etc. In all these cases, labour bondage is a feature of the employment modalities of vulnerable segments of the workforce in the informal sector of the economy and so far has remained ineffective (Breman, 2008).

¹² NREGP promises 100 days wage labour per adult member of a rural household for unskilled work.

the position of 'non-response' towards migrants arises because economic benefits of migration are never recognized and migrants are seen as a menace that over-burdens urban economies. Therefore, access to public services, sanitation, housing, health and education for children are restricted for the migrant population. Basic entitlements such as ration cards for subsidised food and fuel are lacking. Illegal housing and lowest tier jobs are reserved for migrants. Exploitative and discriminatory work conditions wait for the cheap, flexible and non-unionized migrant workers.

The migrants in most of the cases are under the clutches of the contractors – the *aarkathi* or the *thekedar* or *mukkaddam* as they are popularly known in different places– who provide them with job opportunity, debt-advance and wage-payment. The contractors are almost never registered with the government, although they are required to do so under the Inter-state Migrant Workmen Act (ISMWA) of 1979. The Act also makes it mandatory for contractors to provide workers with food, decent accommodation, crèche facilities, access to healthcare and minimum wages, which is ignored as inessential paper work not to be pursued in reality. Activists and researchers of labour laws say that it is extremely difficult to prosecute agents of one state in another state when there is a violation of law. Although it is well known that the ISMWA has not been properly implemented, there is no political commitment to improving this situation. The lack of political interest can be explained from the fact that seasonal migrants are for most of the times not a part of the electoral constituency that can effectively influence the results anywhere within the country. They are at the destination and origin temporarily, and shifting between the two alternately, rarely has voting rights or powers from any other modes of organised negotiations that would be of consequence for politicians and industrialists.

Besides, migrant workers are not always aware of their rights. Although according to the Directive Principles of State Policy of the Indian Constitution, the state is required to secure for the citizens, right to an adequate means of livelihood, equal pay for equal work for both men and women, protection against abuse and exploitation of workers, protection of their health and protect children against exploitation, right to form association, right to freedom, cultural and educational rights, etc. However, in reality migrants receive 'partial citizenship' rights. They are often discriminated against non-migrants, having to live under the threat of eviction and harassment of the police. On account of their being migrant they are more exposed to sexual abuse as well as infectious diseases. There are no strong trade unions of migrant workers in the unorganized sector. The bargaining power of these migrant workers is almost non-existent.

Effective support structure is necessary for circular migrants. The Human Development Report 2009, grounds migration on the bedrock of basic rights and freedoms and concludes by highlighting six core policy recommendations to overcome barriers to migration. These include, opening entry channels for more workers, especially those with low skills, ensuring human rights of migration and access to social services, protection from discrimination, lowering the cost of migration as well as easing internal migration within countries. The surprising assertion in HDR 2009 – “being able to decide where to live is a key element of human freedom” but appears as a “bolt from the blue” says Economic and Political Weekly editorial (October 10, 2009) rather sceptically. The argument is that most governments view migration negatively: an unwelcome

event caused by underdevelopment and violence and as a source of trouble, poverty and joblessness. In India “we witness this most clearly in the treatment and representation of Bihari migrants or international Bangladeshi aliens” (p.5). Thus mere endorsement from the influential body like the United Nations is not sufficient in this regard and we have to keep our fingers crossed until reality shows a line of hope with regard to the position of the migrants. Recognition of migrants as an important force in economic development policy and to secure the rights of a migrant are the foremost steps to be taken. This is to be followed by proper enforcement of the legislations that already exist, such as the Inter-state Migrant Workers Act, the Contract Labour Act and the welfare norms of several labour laws ensuring ‘complete citizenship’ rights for a migrant.

In the meanwhile, the NGOs in association with local and state governments are coming up with ideas of extending support to the numerous circular migrants in India (Bird and Deshingkar, 2009). The following is the list of measures that have already been attempted and implemented to some extent successfully by different agencies in different contexts of employment of migrant workers which may be followed in other cases as well to bring immediate relief to the workers.

- Issue of Identity cards to ensure safety and accessibility rights for migrant workers at the place of work by the employer (as in Madhya Pradesh, Rajasthan)
- Issue of mobile ration cards at the place of destination, even for a regular circular/seasonal migrant (as in Rajasthan)
- Skill training at destination to access stable jobs and increase employability (as in Madhya Pradesh and NGO mediated in Rajasthan,)
- Assist children to continue education – arrangements of on the job site-centres for education and/or seasonal home-stay with local families (NGOs in Orissa, Uttarakhand, Gujarat and Maharashtra)
- Insurance service and money transfer to help migrants manage remittance , safely and with little transaction cost (NGO- Orissa)

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Negotiating Rights within Falta Special Economic Zone

Ishita Dey

Introduction

The emergence of special economic zones in India needs to be contextualized within the broader understanding of the global economic restructuring in general and the liberalization of Indian economy in particular. The shift from “fordist” mass production to “post-fordist” networked flexible production created new links across the globe. Under the “flexible production”, “transnational production networks” were instrumental in shaping the new economy. One of the manifestations of transnational networks is the proliferation of outsourcing industry in the developing countries. This clearly shows a shift in the notion of “global capital” and “labour services”. “In the early phases of globalization, the manufacturing jobs moved from “industrialized economies” to “low cost locations in the third world; now it is primarily service jobs that are migrating...”(Upadhyay and Vasavi 2008:12). In other words the shift in production networks have given rise to “new types of working arrangements such as temporary, part-time, sub-contracted and self employed which will produce social inequality(Walby 2000). These working arrangements can become mutually alterable and particularly so in case of special economic zones, as the line blurs between formal and informal working conditions and “today’s organised labour can become tomorrow’s unorganised, or the unorganised of the past can be the organised labour of tomorrow”(Samaddar 2008: 24). The shift of production processes to “third” world developing economies is primarily due to availability of cheap labour which reduces the cost of production. Most of the labour intensive industries have adopted sub- contract process to cope with competition and higher cost of labour. The Government of the developing countries further supported this initiative through instituting legal mechanisms for newer economic zones, Free Trade Zones, Export Processing Zone or Special Economic Zones. “Governments in the USA and Western Europe also took action to facilitate relocation of production, modifying their tariff provisions to provide for duty-free re-entry of goods assembled abroad from parts and components exported from the developed country. Governments of Third World countries set up Free Trade Zones, and provided a wide range of incentives for firms to locate in them” (Elson and Pearson 1981 :90)

It will be important to understand how “rights” have acquired a new meaning in the context of SEZs as the Act carries provision of ensuring the rights of developers, the SEZ authority, but nowhere mentions the rights of the people working in SEZ, apart from issue of identity cards which implies control and surveillance. The transition of Falta EPZs to SEZs clearly shows the way for contractualisation of work at its maximum to reduce the cost of production. The need for creating “economic zones” and to declare them “public utility services” with no index of security schemes for the workers shows that the main aim of the neoliberal state

“is to create a “good business climate” and therefore to optimize conditions of capital accumulation no matter what the consequences for employment or social well-being”(Harvey 2007: 25). Thus when we talk about labour and citizenship rights in SEZ , Harvey (2005) reminds us that we need to remember “rights cluster around two dominant logics of power : that of the territorial state and that of capital”. This essay will deal with how special economic zones have produced differentiated citizenship rights through “techniques of state and governance for differential administration of localities in the interest of accumulation, and these techniques are made possible precisely because of globalisation within a national context” (Samaddar 2008). The third and fourth section of the essay will deal with the how “the resurgence of accumulation” is not only by dispossession¹ but also through strictly administering and control of surplus labour in the zones². Special Economic Zones, in other words, is another space of accumulation to ensure “secret of the durability of the unorganized state of labour” as the situation in Falta Special Economic Zone reveals (ibid: 24). It will be interesting to see how contractualisation and feminization of unskilled workforce in the wake of globalization produces contradictions of rights and claim making processes in an SEZ making it a successful experiment of neo-liberal mantra of cheap production to ensure economic growth.

SEZs and Emerging Scenario of Citizenship

Citizenship is commonly understood in relation to the membership of a state enjoyed by a community. In other words, the state, through its coercion and restraint defines a “citizen” and differentiates the “non-citizen”. “Traditionally, citizenship meant a particular set of political practices involving specific rights and duties with respect to a given political community. Democracy became an effective mechanism to promote collective interests and to enforce on the rulers a mandate to pursue the public good. To ensure a stable political framework and implement activities, some regulators were necessary such as the bureaucracy, legal system and judiciary” (Krishnaraj 2009:43). The categories of regulation are constantly shifting as economic, social and political rights are often influenced by the market forces. Globalisation has induced new forms of economic control and relaxations which have propelled states to redefine their economic policies. The newer regulations, particularly economic regulations, have affected citizenship rights in the specially designated economic zones across the world.

The citizenship rights within the special economic zones in India needs to be contextualized within the broader understanding of the global economic restructuring of the world in general and the post-liberalization era of Indian economy in particular. These exclusive economic spaces are seen as a departure from the Indian nation state’s participatory nature of development process as outlined in the First Five Year Plan, where it was stated, “planning in a democratic state is a social process (in) which, in some part every citizen should have the opportunity to participate”(Oommen 1990) . Thus popular participation in state policies was seen as an integral part of the responsibility of the “citizen”. The engagement with state policies was encouraged by the Indian nation state and “state policy, by definition became the articulated expression of people’s aspirations; the dichotomy between state and people became obsolete. Consequently popular participation in development administration came to be viewed as not only necessary but also desirable” (ibid: 154).

Creation of a zone leads to creation of a new set of political institutions. “The nature of these institutions is crucial, for three reasons. First, they will implement the required economic

policies, by deciding on incentives, regulating economic activity and so on. Second, they will deal with all other questions of governance within the zone as well. Third, as new political institutions they will require adjustments and changes in the existing institutions of the state, such as tax and customs departments, police, etc., in order to adapt to them. Indeed the social and political critiques often made of zones – regarding workers' rights, environmental destruction, displacement, etc - are all intimately related to the question of this institutional structure and its ability to respond to, and protect, the rights and interests of other sections of society.” (Gopalakrishnan 2008:12)

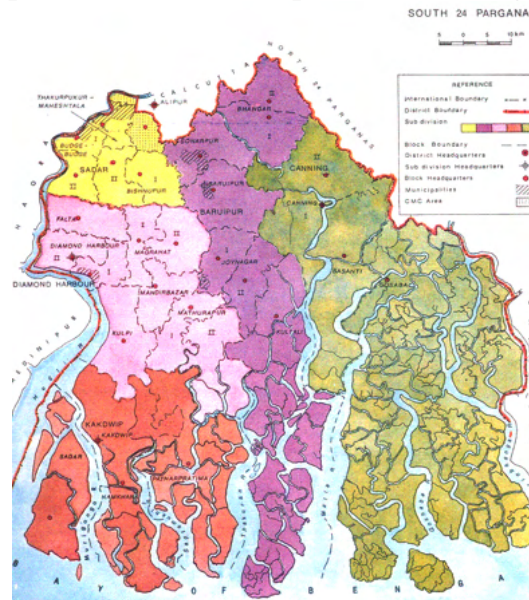
SEZs in India have produced differentiated meaning of citizenship in two significant ways; firstly through the legislative clauses and amendments that states like West Bengal, Maharashtra, Gujarat etc carried out in its state SEZ act to “attract investors” at the cost of rights of the people which shows how practices of citizenship is resplendent with policies of inclusion and exclusion in the state – citizen relationship. Thus the question that emerges is “citizenship” a status or is it a role? Secondly, the unique governance structure of special economic zones carries the potential of SEZs turning into sovereign mini-centres of power as the power of entry and exit is restricted and the permission to enter this well guarded city has to be obtained from the Development Commissioner, an officer appointed by the Central Government.

Background and Context-Falta EPZ to SEZ

Falta SEZ is located at a distance of about 55 km from Kolkata in South 24 Parganas District (See Map1). It is situated in Mouza Bisra (J.L. No.1) under the Police station Ramnagar. Falta SEZ comes under two Panchayat jurisdictions, Kalatalahaat Gram Panchayat and Bhadura Haridaspur Gram Panachayat. Falta SEZ comprises the northern portion of two villages namely Nainan and Gazipur covering Sector I and Sector II . Gross area of Falta SEZ is 280 acres (of which 87 acres have been acquired and 193 acres have been transferred from Calcutta Port Trust). The southern portion encapsulates the Industrial Development Centre and comprises Sector III and Sector IV. Falta SEZ is the largest SEZ in Eastern India and one of its kind as it is a multi-product SEZ. The history of Falta SEZ traces back to the setting up of export processing zones in India. India set up its first Export Processing Zone (EPZ) in 1965 in Kandla followed by Santacruz EPZ in 1973. These EPZs did not enjoy fiscal and custom incentives like the SEZs and the foreign direct investment rules and regulations were also strict. The Tandon Committee Report in 1981 argued that free trade zones would generate export if they are exempted from various controls and regulations in place. Following this recommendation four EPZs came up in 1984 at Noida (Uttar Pradesh), Falta (West Bengal), Cochin (Kerala) and Chennai (Tamil Nadu). Another EPZ was set up in Vishakhapatnam in 1989 (Shalti Research Group 2008). Post liberalization in 1991, the EXIM Policy, (1997-2002) introduced a new scheme from 1 April 2000 to revamp and restructure the “production” sites for export oriented services in the form of special economic zones. After five years, in May 2005 the Parliament passed the SEZ Act, which received Presidential assent on the 23rd of June, 2005. After extensive consultations, the SEZ Act, 2005, supported by SEZ Rules, came into effect on 10th February, 2006, providing for drastic simplification of procedures and for single window clearance on matters relating to central as well as state governments. Following this Act, the Government of India, through a notification dated 1.1.2003 declared Falta EPZ into a SEZ. This has now come under the purview of the SEZ

Act & Rules with effect from 10th February, 2006 in terms of Government of India Notification No. S.O.195(E) dated 10.02.2006³.

Map 1 Administrative Map of South 24 Parganas



Source: <http://s24pgs.gov.in/>; Accessed on 10 February 2010

The transition of EPZ to SEZ reflects the shifting nature of the policies of the Indian state, attempts to redefine “citizenship” rights specially in the proliferation of economic zones where there is a conflation of public and private interest which is a clear departure from the nation-state’s ideal of participatory citizenship where the state through the SEZ Act clearly outlines a separate rule of law and governance to aid private capital in the name of public interest; mainly to generate economic growth. Before we go to the functioning of Falta SEZ it is important to examine the SEZ Act to understand the governance mechanism of the new economic space. SEZ Act 2005 consists of eight chapters. SEZ Act 2005 has three defining features firstly it outlines the process of setting up of SEZ in Chapter II and III, secondly it deals with the functioning of SEZ and thirdly it outlines the benefits enjoyed by the developers and functioning units of SEZs.

The major thrust of the SEZ Act 2005 is targeted at the investors as the preamble to the act states:

An Act to provide for the establishment, development and management of the Special Economic Zones for the promotion of exports and for matters connected therewith or incidental thereto.

The shift to “market- oriented” policies is evident in the way elements of privatization, financialisation, management and manipulation of crisis and state redistributions are couched in the SEZ Act 2005. According to David Harvey (2006) the neo-liberal economic policies are resorting to “accumulation by dispossession” through the four elements of privatisation, financialisation, management and manipulation of crisis and state redistributions. These four elements form key process of setting up and functioning of SEZs. The SEZ Act 2005 states that

“Special Economic Zone may be established under this Act, either jointly or severally by the Central Government, State Government, or any person for manufacture of goods or rendering services or for both or as a Free Trade and Warehousing Zone”. This very clause shows how these zones are being created to generate “export” oriented growth through private developers. In other words, the state guided development under private investment and infrastructure is evident in the above provision. The role of the Development Commission justifies the financialisation and management and manipulation of crisis implicit in the neo-liberal policy as this act suggests. The Development Commissioner appointed by the Government of India will be responsible for “speedy development of the Special Economic Zone and the promotion of exports there from” [Clause 12 (1)] apart from guiding the entrepreneurs and monitoring the performance of the developers.

SEZ Act 2005 according to Naresh Kumar Sharma (2009), has introduced a strange phenomenon. He argues, “instead of the firms competing with each other, as suggested in economic theory the states are competing with each other in a sort of rush to the bottom, by promising cheap land, tax incentives and other facilities to attract companies to set up SEZs ” (ibid: 19). According to SN Tripathy (2008), “the state governments of Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh and Maharashtra have proposed to seek relaxation in some provisions of the central laws, so as to facilitate the setting up of SEZs and Special Enclaves in their respective states. These proposals broadly relate to regulating the working hours, empowering the Development Commissioner to fix minimum wages, making provisions for allowing women workers to work night shifts, etc.

In fact a comparative analysis of the amendments in legislations in West Bengal, Maharashtra, Andhra Pradesh and Madhya Pradesh reveal certain interesting features. A) Both Maharashtra and West Bengal declares units and establishment in SEZs as “public utility services” under the Industrial Disputes Act, 1947⁴. According to Industrial Disputes Act, 1947, ‘public utility service’ means

- (i) any railway service 2*[or any transport service for the carriage of passengers or goods by air];
- 4*[(ia) any service in, or in connection with the working of, any major port or dock;]
- (ii) any section of an industrial establishment, on the working of which the safety of the establishment or the workmen employed therein depends;
- (iii) any postal, telegraph or telephone service;
- (iv) any industry which supplies power, light or water to the public;
- (v) any system of public conservancy or sanitation;
- (vi) any industry specified in the 4*[First Schedule] which the appropriate Government may, if satisfied that public emergency or public interest so requires, by notification in the Official Gazette, declare to be a public utility service for the purposes of this Act, for such period as may be specified in the notification:

B)Both Gujarat and Maharashtra Governments allow the units to submit annual reports to the Development Commissioners instead of periodic updates regarding the guidelines and provisions enacted in the labour legislations:

- (i) Factories Act, 1948;
- (ii) Payment of Wages Act, 1936;
- (iii) Employees State Insurance Act, 1948;

- (iv) Workmen's Compensation Act, 1923;
- (v) Maternity Benefit Act, 1961;
- (vi) Payment of Bonus Act, 1965;
- (vii) Minimum Wages Act, 1948;
- (viii) Child Labour (Prohibition and Regulation) Act, 1986.

C) Both Uttar Pradesh and Maharashtra have declared that The Contract Labour (Regulation and Abolition) Act 1970 will not be applicable in units of SEZs.

D) Amendments related to trade union activities is evident in the provision of setting up of trade unions as sanctioned in the Maharashtra SEZ Act. None of the existing laws related to trade unions like The Trade Unions Act, 1956, the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1947, the Bombay Industrial Relations Act will be applicable in the SEZs and the Tenants in the Zone shall be permitted to form Trade Unions, subject to the following conditions:

- (a) Not more than one trade union can be set up for each unit in the Zone.
- (b) Such union shall have not less than 50% of the workmen employed by such Tenant as its members.
- (c) All the members and office bearers of a trade union shall be employees of the unit for which the trade union shall be set up.
- (2) The Development Commissioner shall register trade unions that satisfy the criteria mentioned in sub-section (1) and the process of registration shall be as prescribed by the Regulations.
- e) In Andhra Pradesh, Section 18 of the Minimum Wages Act is non-applicable in SEZs, thus encouraging the employers not to keep any records of the working hours or any particulars of the people employed in the units of the zone.
- f) Maharashtra and Madhya Pradesh are also proposing for exempting the principal employers in SEZs under the Employees State Insurance Act, particularly from any responsibility towards those employed indirectly within the zones.
- g) Fiscal benefits provided through exemption from taxes are endless.
- h) Lastly the environmental clearance certification is again vested under the supervision of Development Commissioner in case of Maharashtra. West Bengal Government has listed twenty nine projects which require clearance from the Ministry of Environment and Forest, India but in cases where the Ministry delegates the power to the Commissioner the Development Commissioner may grant such clearance.

Through SEZ acts the state governments are not only contending for the foreign investments but also in a way redefining state responsibilities towards citizens. The concept of "equal" citizenship is almost non-existent and the pressures of globalization on the political system, as we have seen, produce differentiated practices of "citizenship" status. In this case the developer is privileged over the rights of the labour violating the international human rights standards which are otherwise guaranteed in the state legalizations. Nation state has played a key role in the development of social systems – educational and economic systems. "In this sense, the modern nation-state can be described as an appropriate organizational form for accommodating universal rights to the regionally and historically divergent conditions of their enforcement" (Halfmann 1998). Halfmann argues while economic, educational systems have moved from local to global; "the political system is still dominated by the ambition of the nation states to control the "national" segments of these system" and this often contradicts the universalist inclusionary

membership rules of the economic system as the political system is guided by “sovereign” states and peculiarity of “citizenship” lies in the fact unlike membership in other social systems it is not acquired but it is ascribed status either by birth, location or other factors again determined by the state. Thus, “the attribution of citizenship status is a precondition for the practice of the citizenship role” (ibid). The citizenship roles, as we have clearly seen, demarcate the boundaries to be played out in practices of citizenship. The states through the amendments create two parallel practices of “citizenship” roles through ascription of two coexisting forms of laws under the same clause in a special economic zone and a non-special economic zone.

Governance Structure of Falta SEZ

According to SEZ Act 2005, “Every person, whether employed or residing or required to be present in a Special Economic Zone, shall be provided an identity card by every Development Commissioner (DC) of such Special Economic Zone, in such form and containing such particulars as may be prescribed”. All the workers (skilled, unskilled and others) carry an identity card which is issued by the DC Office within the Zone. In other cases , the DC Office, Ministry of Industry and Commerce Office, Kolkata issues a visitor’s pass on receipt of a application and purpose of visit. Mr. Arun Kumar Bit, Development Commissioner of the Falta SEZ granted me permission for field work of ten days (20 October -30 October 2009) to visit the units. The D.C. office issued a gate pass which was to be shown at the time of entry and exit from Falta Sector I Gate / Falta Sector II Gate.

The parallel practices of citizenship rights are further reinforced in the governance structure of the SEZs through the delegation of all powers in the Development Commissioner of the SEZ. The governance structure of special economic zones is a clear departure from the democratic process of governance; where the Development Commissioner and the SEZ Authority have the power to address matters which under other circumstances would have been addressed by the panchayats/ municipal bodies, this privatization of governance clearly demarcates these zones of exclusivity in terms of citizenship rights; particularly from the vantage point of participatory nature of citizenship rights propagated by the state policies preceding Special Economic Zones in India.

C.R Bijoy (2008) argues that the model SEZ Policy advocated by the Central Government for the state governments states that: “The State Government will declare SEZ as an Industrial Township and if necessary, relevant Acts would be amended so that SEZ can function as a governing and autonomous body as provided under Article 243(Q) of the Constitution.” (Item 10) In line with this, and because local governance is in the State List (List II of Seventh Schedule of the Constitution), various state policies on SEZs such as those in Andhra Pradesh, Gujarat, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal envisage the notification of these zones by the governors of the respective states as 'industrial townships' under Article 243Q of the Constitution. This exempts them from the provisions of Part IX of the Constitution, which provides for elected local governments, that is, municipalities. Instead, an industrial township authority is constituted having the same powers and duties as a municipal body with nominees from the developer and the state government, with powers including licensing, the provision of infrastructure and planning. The developer constructs the zone and, effectively, controls the local government”.

The states have amended the respective municipal acts to allow autonomous self rule of SEZs. SEZs in West Bengal under the West Bengal Municipal Act 1993 will be regarded as “Industrial Township” and special autonomous rule of the township is guaranteed through the following Section:

“Notwithstanding anything contained in clause (b) of sub-section (1) of section 385B of the West Bengal Municipal Act 1993, every industrial township so declared under sub-section (1), the concerned authority shall also perform the functions of an Industrial Township Authority as specified in the West Bengal Municipal Act, 1993.

Upon the publication of such notification, the provisions of the West Bengal Town and Country planning and Development)Act, 1979, and the rules, regulations, notifications, if any, framed here under, shall have no application in the area of a Special Economic Zone”.

Similarly in Maharashtra, SEZs are declared “industrial townships” and the SEZ authority comprises of chairperson (nominated by the developer), two members to be nominated by the developer, one member from the tenant and one member nominated by the Development Commissioner. The term of office of these members is for five years. In case of West Bengal, the members of the Special Economic Zone Development Authority are Development Commissioner, two members nominated by the developer, two members nominated by the state government and the chairperson of the Committee is usually the development commissioner. The role of the Development Commissioner is extremely crucial to as he is responsible for bringing in industrial units to SEZs, for issuing various clearance certificates to the SEZ units and acting as the labour commissioner. Is this possible?

Thus, the central SEZ policy and state amendments completely negate the power of the local governance bodies like the Municipality and Panchayats in case of SEZ area. By declaring SEZs ‘industrial townships’, there is a tendency to view “industrial growth centres” as epicenters of urbanization that only creates tensions and fragmentation as evident in the Nehruvian era through creation of satellite industrial centres in different pockets of the country. The pattern of industrial urbanization adopted during Nehruvian era was through “state” capital hence the laws of the land had to be uniform; in case of SEZs with the entry of private capital the laws have to be amended to create “special” enclaves with “special” political measures to secure economic growth. The “special” political measures include complete absence of democratically elected government to control SEZs which may be of various sizes. The parallel co-existence of panchayats immediately outside the doorstep of Falta Special Economic Zone in West Bengal, Sector I and II shows the contradictory pattern of “local governance” in play which produces different citizenship status and roles the moment a contract wage labourer from a nearby Panchayat area steps inside the Falta Special Economic Zone.

Is citizenship becoming limited and further bounded with newer notions of territoriality through Special Economic Zones as the Development Commissioner, Developer and the Government enjoys responsibilities not only in the setting up of the zone and creating a favourable business climate for “private” capital but also entrusted with the local governance. The collapse of the two has led to “centralization of power” and according to Gopalakrishnan(2007) “it is complimented at the legal level by the power of the Central Government to repeal or modify any law that it wishes. Read together, this amounts to building a structure of governance where every arm of the state, be it police, judiciary, public services, local government, or regulation, are all brought under the control of the Development Commissioner, the Developer or the Central Government. The schemes of separation of powers and division of responsibility, not to mention democratic accountability, are entirely ignored”. Tapas Das⁵, Local Union Leader based in Falta

points out, “one cannot expect that DC (Development Commissioner) will bring business, generate profit and will be emphatic towards labour conditions”. He further adds, “The Development Commissioner of Falta SEZ is responsible for all the SEZs of the Eastern Zone. For each zone in Eastern India, an Assistant Development Commissioner has been assigned as in charge of the Falta Special Economic Zone. He visits the zone once in a month. We have to go down to Nizam Palace if we want to report any grievances”. Currently 78 units are functioning in Falta Special Economic Zone and the local Development Commissioner’s office is managed by Mr. A.C. Ghosh. Shri Sankar Pal, Assistant Development Commissioner is in charge of Falta Special Economic Zone.

Managing Labour in Special Economic Zones

As on November 2009, the employment status within Falta Special Economic Zones indicate that 14,956 people are employed within the zone. According to official source⁶

- No. of Permanent Male Staff members : 2284
- No. of Permanent Female Staff members : 157
- No. of Temporary Male Staff members : 4261
- No. of Temporary Female Staff member : 6837
- No. of Construction Labourers : 1417

Apart from these, according to the Union representatives and official source, there are approximately 4000-5000 workers who have been hired on a contractual basis. Globalisation has been responsible for shift of manufacturing jobs to the neo-liberal economies like India and elsewhere through the creation of special economic zones where workers are absorbed on a contract basis with no work no pay regime which relieves them from accountability towards basic rights of the workers. One of the increasing trends of the free trade zones is feminization of labour force susceptible to various vulnerabilities and risks. Dina Siddiqi (2000) in her study on garment industry shows how feminization of workspace and “gendered division of labour within the factory reveals a profound cultural irony”. Though most of the professional tailors in Bangladesh are men the preferred workforce within the factory are women; particularly in the sewing section as seventy percent of the work in the garment industry is concentrated around sewing; this section of the production process has to be “cheap” hence the concentration of female workforce in this section is high. Studies also revealed that more the number of female operators; lower are the cost of production. Similarly in Mexico the zones (known as *maquiladora*) are located near the Mexico- U.S.A. border where there is no bar on recruitment of foreign employers but “hourly labourers” have to be Mexicans have reportedly employed sixty percent female workforce in its industries (Palit and Bhattacharjee 2008: 13).

Both the instances in Bangladesh and Mexico reflect violation of labour laws and international safeguards at the cost of economic growth. In the case of India it is no different and the draconian legislative amendments that the state and Central Governments undertook at the cost of GDP reflect how the democratic nation state in its failure to create a pocket friendly regime in “normal” situations as they are forced to function under democratic laws through the enactment of SEZ creates zone of exception which produces different meanings of citizenship rights and duties shared by the state. Falta SEZ is no exception to this pattern. The web page of

Falta SEZ makes a special note of “availability of semi-skilled/unskilled work force, from the vicinity at a relatively low rate”⁷ in the section on infrastructural facilities. Most of the workers come from densely populated villages like Nainan, Gazipur and other neighbouring villages.

Table 1: G.P. Wise Population Figure as per Census 2001 from Panchayat Chalchitra⁸

Sl No	Name of Gram Panchayat	No. Sansad	Total Population	Male	Female	SC	ST	Others
1.	Bhadura Haridaspur	12	16794	8624	8170	4544	7	12243
2.	Kalatalahaat	11	20611	10614	9997	8604	0	12007

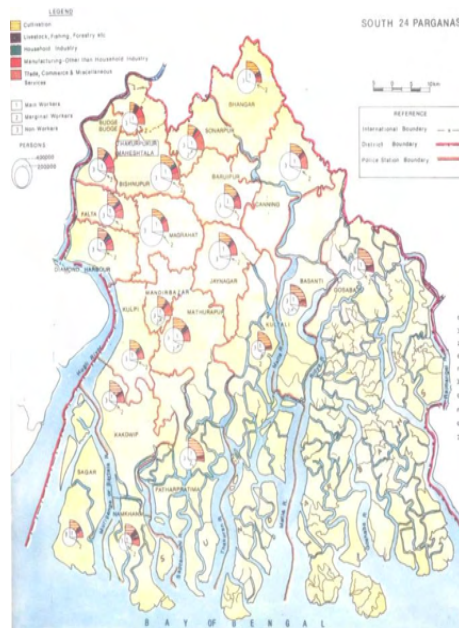
The main livelihood of the people prior to setting up of Falta Free Trade Zone was cultivation and fishing. The primary occupations as the administrative map (See Map 2 and 3 for details) on occupation of people of South 24 Parganas indicate that apart from manufacturing industries are agriculture based.

Falta Special Economic Zone is one of the largest economic zones in Eastern India and it is a multiproduct SEZ. According to official source there are 78 functioning units of which I chose 24 units with approximately equal representation of garment units, plastic units, engineering units, textile units, tea units and others.

The Units that I visited are:-

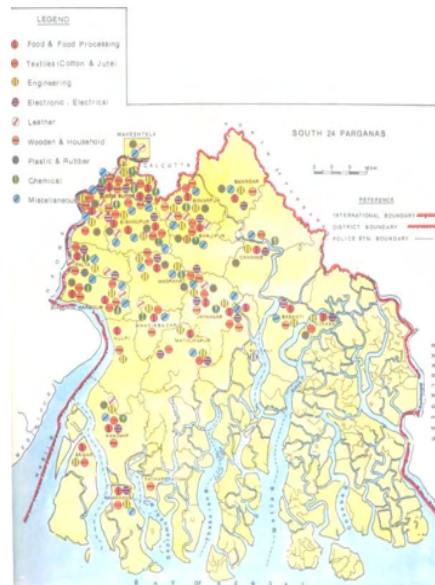
1. Engineering Unit : Cresmac Foundry Pvt Limited, Kansan Technosystems Pvt Limited and Patton International Limited
2. Food and Agro Industries : Sonitpur Agro Industries (P) Ltd
3. Plastic/ Rubber : MCD Nitrile India Pvt. Ltd, Krypton Industries Limited, Precision Polyplast Pvt. Ltd. (Earlier name as Promising Estates & Traders Pvt. Ltd, Transworld Business Corpn., Jai Bharat Plastics
4. Sports and Leather : Deltmal Safety shoes
5. Textile : Kariwala Green Bags(Unit-III) of Kariwala Industries Ltd. Kariwala Towers, Acknit Knitting Ltd, Eastern Silk Industries Ltd, Cheviot Co. Ltd, MNR Exports, Sarat Exports, V.SF. T Quilts and Pillow Pvt Limited
6. Others : Linc Pen & Plastics Ltd(Pen), Gupta Infotech (Compact Fluorescent Lamp Emergency Light GLS Lamp), Hi-tech Information & Marketing Pvt. Ltd(Mica Chips/Mica Waste)

Map 2: Occupational Pattern of People in South 24 Parganas



Source: <http://s24pgs.gov.in/images/image008.jpg>; accessed on 5 February 2010

Map 3: Industries (Small) in South 24 Parganas, West Bengal



Source: <http://s24pgs.gov.in/images/image010.jpg>; Accessed on 9 February 2010

Despite a large presence of workforce the stringent laws through declaring SEZs under “public utility services” despite the fiscal privileges of tax holidays and other tax benefits have been responsible for the control and management of skilled, semi skilled and low skilled workforce. The right to abstain from work or to strike as a form of protest is curbed through SEZ act specially by declaring it as public utility services. The workforce of a “public utility service” is expected to follow certain guidelines as stated in the Industrial Disputes Act, 1947.

22. Prohibition of strikes and lock-outs.- (1) No person employed in a public utility service shall go on strike in breach of contract--

(a) without giving to the employer notice of strike, as herein-after provided, within six weeks before

striking; or

(b) within fourteen days of giving such notice; or

(c) before the expiry of the date of strike specified in any such notice as aforesaid; or

(d) during the pendency of any conciliation proceedings before a conciliation officer and seven days after the conclusion of such proceedings.

(Source : Industrial Disputes Act, 1947)

Industrial Disputes Act, 1947 has been one of the effective legislations to safeguard labour rights as the Case No. VIII – 203/2001 an industrial dispute between M/s Antartica Limited at Export Processing Zone, Falta and five workmen shows. The case of 5 workmen, as the Third Industrial Tribunal Award by Hon’ble Judge Shri S.N. Sarkar in his report states was a case concerning refusal of employment. “The case of 5 workmen in short is that Smt. Snehlata Mondal, Smt Menoka Adhikari, Smt. Abeda Bibi, Smt. Saida Bibi and Smt. Namita Safui under reference was working with the company since 1997 as unskilled labourers doing the job of cleaning, packing, and unloading job of printing materials to the company. They used to get Rs 1040 plus overtime amounting to Rs 1300 per month by signing in wage register. As they approached the management for increase of wages and introduction of other legal benefits in the month of January 2001 the management refused their employment with effect from 10.02.2001 and they were not allowed to resume their duty from that date. Accordingly they approached the Labour Commissioner through union for settlement”. The company in the first place tried to portray the workers as working on “no work no pay basis” and said they were working on daily rate basis and they do not qualify for the terms and conditions of “Section 25 F of the Act before termination of the service of the workman as a result of the non-renewal of the contract of employment between the employer and the workman concerned on its expiry or of such contract being terminated under a stipulation in that behalf contained therein; ...”.

There were constant attempts to establish that the workmen were not regular employees of the company where as the workmen could provide evidence of attendance register at Exit 1 and Identity card of Exit 2. Both documents bear the seal of Antartica Ltd. The photocopies of the attendance register proved that they have been working since 1997 which entitles them to section 25 F of the Act before termination. The award clearly states that “it is well settled that the status of the employee has no relevance in the context of the applicability of Section 25 F of the Act”. It further states that “the provisions of Section 25 F are to be complied with by the employer in case of retrenchment of workmen irrespective of the fact that the workmen are permanent or temporary or casual or daily wage earner”. The Company in this case was directed to reinstate the aforesaid workmen. Certain interesting debates and issues regarding management of workforce springs up from here. One of the reasons behind the termination cited by the company was the

irregular nature of demand of job owing to decreasing export and the workmen were offered employment as and when opportunities cropped up. Most of the workers in Falta SEZ today will be familiar with this labour management discourse. Secondly, the constant attempt to negate any direct relationship with the workmen to reinstate that the workmen were not regular employees reflects the advantages of the company to hire labourers on contract basis where they are not directly accountable and the basic premise of the employer – employee relationship is invisible as the worker in most cases do not know for whom is s/he producing or who is the consumer. Two issues emerge here: firstly with the transition of Falta export processing zone to special economic zone; and encouragement of contract work within the zone: is there any scope for collective rights? Secondly, Falta SEZ like any other SEZ or Free Trade Zones across the world has a higher proportion of female labour. Has feminization of unskilled workforce in Falta SEZ been responsible for feminization of rights?

Flexible Accumulation, Contract Work and Rights in Perspective

In Falta SEZ, the “flexibilisation” of employment relations led to greater use of irregular and informal workers within the formal sector alongside downsizing of permanent workers (Mazumdar 2007: 38). The flexibilisation of employment takes place at two levels, firstly, through enhanced flexibility, where the same worker is used for different tasks and secondly, numeral flexibility, which refers to the ability of firms to adjust the aggregate quantity of labour used in production more easily and quickly, in response to fluctuations in demand for individual products, through greater use of overtime, part-time employment and temporary workers (Atkinson 1985 in Gertler 1988). Flexible accumulation according to David Harvey (1988) rests on “a startling flexibility with respect to labour processes, labour markets, products, and patterns of consumption. It is characterized by the emergence of entirely new sectors of production, new ways of providing financial and business services, new markets, and, above all, greatly intensified rates of commercial, technological and organizational innovation” (pp 8). Drawing from Harvey, Gertler argues that in the fordist era the emphasis was on mass production of standardized goods made by highly unionized and highly paid labour and dedicated rigid machines; the post fordist era of specialized production is marked by flexible machines and flexibly deployed (and in most cases non-unionized workforce. This is evident in the shift of labour policies from Export Processing Zone to Special Economic Zone. The industrial dispute case cited above clearly showed that the employees were directly under the employer and thus could resort to claimmaking process. With the increasing flexibilisation of production process there is invisibilization of workforce. The increasing complex nature of sub contracting in various networks has led to a web of employer and employee and often in most cases there is no direct relation between the worker- product – immediate employer and selling unit. For instance even in Sarat Exports one of the textile units in SEZ, where all 49 workers work under the company at a piece rate basis, the worker is dissociated from the means of labour and this dissociation is disguised and the worker is “free” to enter into direct contract with their employer as the company does not hire labourers through contractor. As Mr. Bimal Sen⁹, Management Representative of Sarat Exports clearly points out, “I did not allow labour contractors to enter this place. The moment I would allow a contractor within the factory premises the wage payment process would be a complex network”. In this case, there is a clear indication of the pitfalls of contract based work as the worker has no direct relationship with the employer in terms of wage

payment process or wages he receives as the company will have no control over the wage payment process once the company makes payment to the contractor. The workers in Sarat Exports receive wages on a weekly basis.

During the time of this field work, they were making shirts to be exported to U.S. There are 56 workers and everybody has been trained on-site to work on rotation basis in every step of the production process. The production process involves cutting, collar band pasting, stitching line, buttons, mending, checking, pressing, packaging and shipment. He also reported that the working hour is from 10 am-6pm and the workers usually receive weekly payment of Rs 1200-1600. The workers are paid on the basis of piece rate which varies from Rs 14-30. Most of the workers have been working for more than six to seven years. There is one worker who helps in carrying raw material who is called "Labour Boyman". He receives wage on a daily basis. Around 10-12 workers come from local villages while most of the workers come from other districts. The company has made accommodation arrangement for workers within the factory premises. Uttam Das¹⁰ an employee with Sarat Exports has been working for 6-7 years. He earns Rs 3500 per month. "I stay here from Monday to Saturday. By Saturday evening most of us go back to our respective native places and return on Monday". Here the production process is based on enhanced flexibility because of absence of any heavy machinery. The worker here is dissociated from the final product except in industries like Linc Pen & Plastics Limited where there is a strict categorization of employment of skilled and unskilled workforce in the production process. The production process in Linc Pen & Plastics Limited go through the following chain; firstly the raw material is checked, followed by part moulding, quality checking, assembling, final quality checking and packing and selling. The unskilled contract workers are mostly employed in the assembling process.

According to Jaynaddin Seth (a labour contractor by profession)¹¹ there are almost 200 labour contractors in the zone. "I have been in this business since 1996 but still I feel that contract labour is a bad system. Labour control and labour management deprives the labourer and reduces the accountability of the manufacturer towards the labourer". Jaynaddin Seth supplies labour to some of the plastic units. Prabir Pramanik of KP Construction started out as civil contractor and now supplies labour to five industries; Babaria, Jai Bharat, MNR Exports, Gupta Infotech and Infinity. The workers working under them receive the wage by 10th of every month and the workers receive their wages from KP Construction Office. There is a handful of units within the SEZ which does not employ contract workers. They are Krypton Industries and Sarat Exports.

The proliferation of contract workers reflect the state support of "no work; no pay" regime. The contractual workers suffer from various problems. Many a time the contractual worker receives his wages from the contractor's office. Apart from Eastern Silk Industries and HI- Tech, the wage payment process usually does not take place in the factory premises. Each factory has its own regulations regarding the attendance and preparation of worksheet based on which workers receive wages. Two systems are currently in place: in some cases the worksheet is prepared by the contractors based on which the contractors receive the cheque and pay the wages of the workers in their office; and secondly the worksheet is prepared by the company and the contractors pay the wages in presence of factory management. The contract worker is entitled to receive hourly payment in case of non availability of eight hours' work. The contract workers usually receive refreshment expenses/ refreshment in cases of overtime along with extra wages. Since the basic premise of contract work is "no work; no pay" as one of female employee with Plastolene pointed out "for us, any holiday is a loss specially if we have missed out on

opportunities due to festivals. It would be great if we could get work for 30 days”. The contract workers are under constant pressure to perform because of the availability of “surplus” labour.

The constant availability of “surplus” labour from neighbouring villages in Falta SEZ has also its impact on fixation of minimum wages in SEZ. The minimum wages of the unskilled labourers in FSEZ was revised in 2006 when Shri M. L Dutta, Assembly Committee of Commerce & Industry, Govt of West Bengal visited the Falta Special Economic Zone and expressed dissatisfaction over the non-payment of minimum wages. The Chairman of the said committee pointed out that the minimum wages for agricultural labour is Rs 68/- per day whereas the unskilled labourers are receiving Rs 55 per day which needs immediate revision. The meeting organized by Export Promotion Council for EOUs and SEZ Units on 14 June 2007 decided that the unskilled labourers should be paid Rs 68 per day effective on 1 May 2007 for unskilled labourers working at FSEZ¹². It was also decided that all units in Falta SEZ will be requested to obtain labour license and daily wages of a machine man would increase by Rs 5 per day. In a Memorandum (No 1(39)/2007/ 546 issued by Ministry of Commerce & Industry, Falta Special Economic Zone) it was clearly stated an unskilled worker working in the zone is entitled to receive Rs 68/- per day which may be made by weekly or monthly basis. If the wages are paid on monthly basis it should be paid by 10th of every month¹³. The wages were revised and currently an unskilled labourer is entitled to receive Rs 81 per day from 1 July 2009¹⁴. Though none of the memorandams override the ruling of the minimum wages of the State Labour Department, still there is a disparity in the wages received by unskilled workers in the zone. The minimum wages that an unskilled worker in the zone receives is lower than the daily average wage of Rs 84 (approx) guaranteed under National Rural Employment Guarantee Act. Currently unskilled workforce (male and female) receive Rs 81 per day and for the semi skilled workers receive Rs 97 per day and machine operators and supervisors receive a minimum of Rs 110-120 per day depending on their work experience and workload¹⁵.

Thus what we see here is that the new working arrangements are bound to reproduce new social inequality. The disparity of the wages in the world reproduces socially unequal transnational spaces and if we want to avoid less exploitative transnational production there is a need for a consensus to develop general labour standards to be followed in transnational production chains without violating the legal labour safeguards in place. Though the Development Commissioner of Falta SEZ has issued a notice of minimum payment of Rs 81 to an unskilled worker in the zone, the workers (both contract and permanent employees) in VSFT Quilts and Pillows Pvt Limited are entitled to a minimum wage of Rs 120 per day as they have to follow their buyer IKEA’s IWAY Standard: Minimum Requirements for Environment and Social & Working Conditions when Purchasing Products, Materials and Services which the supplier (in this case V.S.F. T Quilts and Pillows Ltd) has to follow despite its location in SEZ. The surveillance mechanism that IKEA has set for its supplier is crosschecked by surprise social audit exercise where the worker is interviewed on-site in absence of management staff. The very first chapter titled “IWAY Must” outlines prevention of child labour, forced and bonded labour and prevention from severe environment pollution, safety hazards and maintenance of transparent and reliable system of working hour and wages and provision of accident insurances that the supplier must comply with before IKEA enters into a contract. Chapter Nine of the document highlights the wages, benefits and working hours of the workers at the IKEA Supplier. There is a strong emphasis on maintenance of records regarding the payrolls and attendance with detailed information on leave and working hours at the time of employment with appropriate breaks for

meals and break. The Supplier should also have a canteen for the workers at the premises. V.S.F.T strictly follows the following guidelines and it also reflects that the pressures of global market can work in creating transnational labour safeguards to avoid exploitation of workers in SEZs/ EPZs. The company management indicated, because of stringent IKEA guidelines, fire drills and safety awareness programmes are held at regular intervals during the work hours. The safety guideline notices in English and Bengali are pasted at close proximity to each of the production lines. What is interesting to note here is that at the very entrance of the factory the following legislations in Bengali and English have been pasted on the notice board : Contract Labour (Regulation) and Abolition Act 1970, Factories Act 1948, West Bengal Factories Rules 1958 and Payment of Wages Act 1936. At the time of the field work there were around 50 permanent staff and approximately 150 contract labourers working under three contractors who work mostly as helping hand and in the stitching line of the production. Shyampada Bera works for V.S.F.T quilts as a contract worker. He has earlier worked in factories outside SEZ. He comes to Falta cycling for one hour fifteen minutes. Unlike his colleague Alok Mondal, a company employee he is not entitled to lunch in the canteen. He gets his own tiffin. VSFT Quilts and Pillows have to follow a labour guideline set by their buyer – IKEA. In this context it interesting to look is though Shyamapada Bera and Alok Mondal¹⁶ have equal access to hot and cold water, newly constructed bathroom and fire safety aids and fire drills; while Alok Mondal, a permanent worker enjoys paid leave there is no concept of paid leave for the contract worker. From the above instances it becomes evident that with “production systems being made more flexible in response to variations in product demand and ‘market turbulence’, reductions in the full-time workforce and increasing weight of part-time, temporary and contingent workers led to a generalized erosion of job security”(Majumdar 2007: 8). According to Indrani Majumdar (2008) a huge proportion of these contingent workers were women.

Nimble Hands at Work - Feminisation of (Unskilled) Workforce

The discourse on feminization of labour took predominance in 1980 with increasing proportion of women workers in export-oriented garment and electronics industries and feminization of labour became a central concept in which much of the gender debates on globalization came to be addressed. In this context Indrani Mazumdar (2008) argues that the conception of feminization of labour should be discussed from two perspectives. One of the arguments was that the female labour replaced male labour due to rapid expansion in manufacturing sector. Secondly, the increase in feminized work was part of the larger “flexibilisation policies, or the trend of the employers to respond to market uncertainties” and “the attributes of ‘flexible’ labour resembles “characteristics associated with women’s historical pattern of labour force participation” (ibid: 34).

Jerokom kaaj kori sherokom maine pai...Barir Kaajer shonge taal miliye afternoon shift tai bhalo (I get paid according to the work we do ... afternoon shift is the most feasible option as I can balance my household chores)

(Reflections of female unskilled workers working in Plastone; Interview on 29 October 2009)

In Falta SEZ women workers are employed in plastic units, particularly in the sorting section. As the Factory Manager of Precision Polyplast says, this task requires immense patience and is a soft skilled job. Women are employed in almost all soft-skilled jobs particularly which requires immense concentration and patience. Most of these jobs are in sitting position which is a

familiar physical posture associated with “women’s work” in rural domestic households. Are women recruited in export related industries because women are familiar with these jobs in their domestic space? While some activities like sorting, sweeping, dusting are part of domestic duties often unskilled women are hired in the electronic export industries? Why is it so? The reason behind feminization of workforce in export oriented market moves beyond the natural division of male and female labour. While on one hand we might argue that the activities women get involved in SEZ is an extension of domestic work we need to also introspect that “the reproduction in world market factories of the sexual division of labour typical in labour-intensive assembly operations in developed countries must therefore rest upon some differentiation of the labour force which makes it more profitable to employ female labour than male labour in these jobs” (Elson and Pearson 1980:92).

The feminization of workforce in SEZ is based on three assumptions. Firstly, gendered division of labour, secondly, lack of organizational capacity and thirdly it goes beyond ideology; “it is a material process which goes on not just in our heads, but in our practices” (Elson and Pearson 1980:94). The material process of wage differentiation in labour market of SEZ is a reality. Every unskilled worker in Falta SEZ is entitled to receive a minimum wage of Rs 81 per day from 1st July 2009. While every worker is entitled to receive Rs 81 as the minimum wage; the labour contractors I have interviewed during the course of my field trip revealed that minimum wage they have been paying the female workers is Rs 81 per day and minimum wage for male workers is Rs 92 and the nature of work varies.

The demand for female workforce is based on the assumption that women are “naturally more docile and willing to accept tough work discipline, and naturally less inclined to join trade unions, than men; and to be naturally more suited to tedious, repetitive, monotonous work”. As one of the management representatives from Deltmal Safety shoes point out, “Women are more reliable; no *unionbaji* for women... Absenteeism is high among male workers. They are young. They will say that let’s drink and enjoy and skip work”. Despite the increasing number of unskilled women workforce, there is no significant union leadership from women. Tapas Das, a local Centre of Indian Trade Unions (CITU) Union leader points out that women in recent years have come together in meetings, marches and rallies. It is a positive sign. While it might be true considering the huge presence of women workers in a protest rally outside of Gate No. 2 of Falta SEZ on 24 October 2009 to protest against the death of a 32 year old woman working for MNR Exports on her way back home when she was hit by a carrier. But instances like these cannot justify women’s participation in union activities. Most women I interviewed pointed out that though they are aware of union activities and at times join rallies still it is a “male” job. They feel “shy”.

The demand for young female workforce is also pointed out by Haleema and Ujjwala Das¹⁷; age 50 years, who pointed out often “the company prefers young women workers to old workers as we are slow ; we cannot use our hands as fast as they can. The problems that we face that are often we come and we realize that there is no work and we have to go back. We end up paying Rs 11 for our travel”. The demand for young workforce is evident in Padmashree Vohra’s¹⁸ reflection who comes from Nainan Village to work in the Sonitpur Tea Promoters. She walks for twenty minutes to reach Falta SEZ. She gets out by 8.20 am so that she reaches her workplace by 9.00 am”. Similarly Pakija Khatun and Firoza Khatun¹⁹ both 16 years old have been working in the plastic industry for 2 years. They walk down from Highland. They carry their own tiffins to save money. Aloka Majhi²⁰ has been working in Kariwala Green Bag for four years. She

comes from Rampurnagar under Mullickpur Panchayat after cycling for one hour fifteen minutes. She earns a monthly wage of Rs 3500. She is happy with the work culture and money she earns. She says if the demand of work is constant then she can earn a decent living. She works in the stitching line of the production process.

Repetitive and monotonous work like the finishing line of Deltmal safety shoes, or in the CFL Bulb industry of checking, packing and wiring is usually done by women. These tasks are often couched and explained through gendered division of labour derived from essentialist interpretations of men and women's natural abilities, where as these abilities are socially acquired (Jayasinghe, Daphne in Cynthia Barrow - Giles and Don D Marshall(Eds) 2003: 191). Despite a large presence of female workforce, the unionization of the workers particularly CITU lacks any strong female leadership which leads to the question how feminization of workforce in Falta SEZ has affected their individual lives. Bhanumati Mondal has been working in the Zone for seven to eight years. She has two sons and her husband works in the zone. He works for Bisra Mazdoor Society, who contracts work of loading and unloading trucks and carriers in the zone. She joined work when her husband was ill and was bedridden for two and a half years. She is thankful that plastic units do not require educated workforce. She says she has been able to repair the house after working in the zone.

Most women preferred to work in the afternoon shift from 2-10pm as they could cook the lunch, do the household chores and then come to work. Most of the women were unaware about crèche facilities within the zone and none of them bought food from the canteen as it was time taking. Women working in Falta SEZ have developed their own survival strategies. Women coming from distant areas like Saharahaat have hired auto-rickshaws who charge Rs 330 per month to ferry them from their homes to the entry gate of the zones. They have to report to their respective contractor at least half an hour before their respective "shift" begins. One of the major problems faced by women while commuting is scarcity of buses after their afternoon shift. One of the workers complained that one day the company had made them work for four hours and after tiffin hours (around 6pm) they asked women to leave as they completed their work. It was difficult for women who commute on monthly arrangements of shared autos to spend extra money on returning from work. They said the company should have told them while reporting and they would have made alternative arrangements²¹. Local women prefer working in SEZs as it is more secure workspace if you can manage at least 20 working days compared to agricultural or domestic servant as a former worker with Acknit who now helps her husband in his business points out, when you work in SEZ you do not have to worry for eight hours about what is happening in your home. Your life is much more organized whereas when you do outside work *kaajer kono shesh nei aar keu kono mulyo day naa*²² (*There is no end to work and often the work has no monetary value*).

SEZ and Scope of Democratic Accountability

Democratic accountability comes about with democratic monitoring and surveillance. In case of SEZs in India the democratic accountability is put to rest to facilitate foreign direct investment. The limitation of the democratic accountability begins with fiscal relaxations and ends with various instances of labour rights violations. The report by Citizen Research Collective on Nokia SEZ in Tamil Nadu reveals certain interesting characteristics. The Ministry of Commerce,

Government of India and Tamil Nadu Government have upheld Nokia SEZ as one of the exemplary models of successful SEZs.

“Ministry of Commerce Secretary GK Pillai has been the main supporter of the SEZ policy all along and Nokia has been one of his most frequently cited cases of why SEZs are good. At a seminar in Delhi the secretary explained this by saying that “by 2004, the private companies like Mahindra World City and Nokia wanted to invest in SEZs as they had intimation that formulation of legislation was in process. There were around 17 SEZ proposals when the Act was notified on 10th Feb 2006, of them 7 SEZs were government and 10 private. The Act, acted like a catalyst for the investments to come in for SEZs. From less than Rs. 3,000 crore [629 million USD] between 1965 and 2004, the investments have raised to Rs.65,000-Rs. 70,000 crore [13.6 – 14.7 billion USD] at present”²³. On the other hand “Nokia President in Pekka Ala-Pietilä declared in a more neutrally worded press release when signing the agreement with the Tamil Nadu Government, that the company chose Tamil Nadu because of the “availability of skilled labour, friendly business environment, support from the State Government, good logistics connections and overall cost-efficiency”²⁴. The report is interesting as it uses the Right to Information act as the methodological tool to unravel information related to Nokia SEZ. State Industries Promotion Corporation of Tamil Nadu (SIPCOT) acquired the land for the SEZ. The state Government of Tamil Nadu made amendments to the Contract Labour (Regulation and Abolition) Act, 1970 which was enacted to put in place to limit the number of contract workers in manufacturing. The report suggests that Tamil Nadu Government has weakened the provisions of the Act through Tamil Nadu Labour & Employment Department, GO No. 1138 dated 30/8 2004 which allows IT companies self certification to declare they do not use contract labour putting the actual implementation of the act in serious doubt but the use of contract labour remains banned in manufacturing. Thus in Nokia SEZ contract labour is employed wherever possible for instance as warehouse staff, security personnel, drivers, cleaners etc. Various multinational companies have been supplying contract labour in the above categories in Nokia SEZ. Trade Union Representative in Chennai indicated at the presence of contract workers, mostly women, in manufacturing units of Nokia vendors like Salcomp. Like Falta the Development Commissioner works in the older Madras Special Economic Zone in Chennai but has jurisdiction also over the other SEZs in the city including Nokia SEZ.

Most of the SEZs have been declared “public utility services” under the Industrial Disputes Act. “The term ‘public utility service’ is defined under Section 2(n) of the ID Act. It includes the railways, motor-transport, air transport, ports or docks, post, telegraph, telephone, water and sanitation services as public utility services. Workers, employed by the public utility services, have restricted rights under the ID Act. They cannot go on strike during conciliation proceedings and without giving six weeks’ advance notice. A strike by the workers of public utility services would become illegal if it is in contravention of Section 22 of the ID Act” (Iyer 2008). The conflation of public and private interest through labour regulation and control of movement in SEZ area shows another aspect of differentiated citizenship rights. The control of movement is monitored through issue of identity cards issued by the Development Commissioner. The worker is expected to produce the identity card at the time of entry and exit.

The SEZ Act 2005 and the State Acts are silent on the minimum wages in SEZ hence each SEZ has its own rule. In case of Falta, the current minimum wage is Rs 81 per month for a contract worker apart from ESI and PF benefits. On the other hand the Citizen Collective Report suggests that “the minimum wage of for the electronics industry in Tamil Nadu is Rs. 108 per

day, which on a monthly basis of 25 working days becomes Rs. 2,700 (54 USD). Even adjusted to the different purchasing power of India compared to Finland the global average employee has a salary more than 10 times than that of the Chennai workers indicating that there is an enormous gap between the different employees of the global Nokia family.”²⁵

Thus in the name of public utility services, the special economic zones are not only encouraging entry of global capital but also facilitating and ensuring the supply of sweatshops for the private players through Special Economic Zones. Considering the eligibility criteria for “public utility services” in terms of land size required to create a SEZ makes it susceptible to misuse as the land size varies from multi-product to service sector and other. Multi-product SEZs are required to have a minimum area of 1,000 hectares, service sector zones can be only 100 hectares, while single product zones such as for IT and gems and jewellery can be as small as 10 hectares and the only binding condition is that the unit must be a net foreign exchange earner in three years. A new politics of rights is emerging in the context of SEZs in India with the flexibilisation of production process as evident in the new forms of working arrangements be it the contract based work and feminization of workforce.

Notes

¹ David Harvey (2006) uses the phrase “accumulation by dispossession” to illustrate” the continuation and proliferation of accumulation practices that Marx had treated as ‘primitive’ or ‘original’ during the rise of capitalism

² Ranabir Samaddar (2008) argues that the process of primitive accumulation in India in the first decade of twenty first century was aided and facilitated by “the existence of surplus labour and the administrative strategy of creating the special economic zones as spaces of exception to the “normal” process of capitalist accumulation and development. In this differential use of space for accumulation, we have one more secret of the durability of the unorganised state of labour. This durability is made possible through techniques of state and governance for differential administration of localities in the interest of accumulation, and these techniques are made possible precisely because of globalisation within a national context” (pp 24).

³ Source: <http://fsez.nic.in/overview.html>, Accessed on 19 February 2010.

⁴ See Annexure 1: The Government of West Bengal Labour Department IR Branch, No. 1459-IR. EIL/ 1A-11/98

⁵ Interview with Tapas Das on 3 September 2009.

⁶ <http://fsez.nic.in/glance.html>; Accessed on 20 February 2010

⁷ <http://fsez.nic.in/infrastructure.html>; Accessed on 21 February 2010

⁸ http://zps24pgs.gov.in/pro_2.pdf; Accessed on 21 February 2010

⁹ Interview with Bimal Sen, Management Representative, Sarat Exports, 27 October 2009 within the factory premises

¹⁰ Interview with the author on 27 October 2009

¹¹ Interview with the author on 27 October 2009

¹² Minutes of the Meeting organized by EPCES held in “Conference Room “ of FSEZ, Falta on 14 June 2007, EPC/ ERO/M- MWAGES- MTG/07-08, Dated : 25 June 2007 (See Annexure 2 for details)

¹³ Memorandum on Fixation of Minimum Wages of unskilled labourers in FSEZ w.e.f 01.05.07, No 1 (39)2007/546, 8 May 2007(See Annexure 3 for details)

¹⁴ Memorandum on Fixation of Minimum Wages of unskilled labourers in FSEZ w.e.f 01.07.09, No. 1(39)/2009/1442, 26 June 2009 (See Annexure 4 for details)

¹⁵ The information is based on interview with Prithyish Majhi of SN Enterprise and Pamphlet distributed on the occasion of “ Falta industrial zone labour convention” , 23 October 2009. Venue: Shramik Bhavan, Gate No.1.

¹⁶ Shyamapada Bera is a contract worker and Alok Mondal is a company employee. Interview with the author, 29.10.2009

¹⁷ Interview with Haleema and Ujjwala Das, 27 October 2009

¹⁸ Interview with Padmashree Vohra, 28 October 2009

¹⁹ Interview with Pakija Khatun and Firoza Khatun, 26 October 2009

²⁰ Interview with Alok Majhi, 21 October 2009 within SEZ

²¹ Group Discussion with Workers under S.N Enterprises within SEZ, 27 October 2009

²² Interview with a former worker on 21 October 2009

²³ Presentation at Panos South Asia-Kalpavriksh Media Dialogues, 26 February 2008 in Citizens’ Research Collective. 2009. The Public Price of success .The costs of the Nokia Telecom SEZ in Chennai for the government and workers. www: <http://sez.icrindia.org/>; accessed on 1 September 2009; pp1

²⁴ Nokia home page, (April 6 2005), Nokia selects Chennai for manufacturing mobile devices in India, www.nokia.com in *ibid*; pp1.

²⁵ *ibid*;pp 9

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Annexure 1

GOVERNMENT OF WEST BENGAL
LABOUR DEPARTMENT
I.R. BRANCH

No. 1459-I.R.
EIL/1A-11/98

Dt. 29.7.03

NOTIFICATION

WHEREAS the Governor is satisfied that the Public interest so requires that the Industrial Establishments located in Falta Special Economic Zone, P.O. Falta, Dist. South 24-Parganas should be declared as Public Utility Services;

NOW, THEREFORE, in exercise of the power conferred by Sub-clause (vi) of clause (n) of Section 2 of the Industrial Disputes Act, 1947 (14 of 1947), the Governor is pleased hereby to declare the Industrial Establishments located in Falta Special Economic Zone, P.O. Falta, Dist. South 24-Parganas to be Public Utility Services for the purposes of the said Act for a further period of six months with effect from the 19th April 2003 to the 18th October, 2003.

By order of the Governors
Sd/-
(S.P. Majumder)

No. 1459/1(4)-I.R.

Dt. 29.7.2003.

Annexure 2

Export Promotion Council for EOUs & SEZ Units
Ministry of Commerce and Industry, Govt. of India

Regional Office (Eastern Region)
Office of the Development Commissioner
Falta Special Economic Zone
Mount Palace, 2nd Bldg. Building, 4th Floor, 33rd A, S.S. Road, Salt Lake, Kolkata - 700 050
Tel: 033-25191212/25191213 Fax: 033-25191213
E-mail: epces@epces.com

(P Sanyal
Regional Director

EPC/RO-M-MWAGES-MTC/07-08
Date: 25-06-2007

To
Shri. Tapas Kumar Mondal
EPF & ESI Representative,
Ch. 55/56/2,
Falta

Sub: Minutes of the Meeting (organised by EPCES) held in the "Conference Room" of FSEZ, Falta at 2.30 P.M. on Thursday, the 14th June, 2007 for review on the payment of Minimum Wages along with EPF & ESI etc., to the unskilled labours in FSEZ.

Dear Sirs,

Enclosed herewith kindly find a copy of the Minutes on the captioned subject, for your kind perusal and ready reference.

Thanking you,

With regards,
Yours faithfully,
(R.P. Sanyal)
Regional Director.

Encl: As stated above.

Export Promotion Council for Export Oriented Units & Special Economic Zone Units
Ministry of Commerce and Industry, Govt. of India
705, Bhikajy Centre Road, Bhikajy Centre Plaza, New Delhi - 110066
Tel: 011-26105912/26105913 Fax: 011-26105912
E-mail: epces@epces.com
Visit us at www.epces.gov.in

Committee and as per subsequent discussions with the units concerned, the minimum wages was fixed @ Rs.68/- per day effective 1st May, 2007 and under no circumstances, the minimum wages can be reduced and the members present agreed to honour this decision.

The following points were discussed in this meeting :

01. Compulsion of taking labour licence by the Units in FSEZ as well as Contractors:

Shri R.K. Sinha, Assistant Labour Commissioner posted at Falta pointed out that so far very few units in FSEZ have taken labour licence. He had also explained to them about the importance of obtaining the labour licence. For obtaining the same, an application form is required to be submitted. Every Unit in FSEZ is required to apply for registration for establishment under Rule 23 (1). On the basis of their registration, contractor's licence will be given.

Accordingly, it was decided that all units in FSEZ may be requested for obtaining labour licence from the Office of the Assistant Labour Commissioner at Falta. Representatives of Units present in the meeting agreed to comply with the request in obtaining the said licence.

02. Review of minimum wages to the skilled workers in Plastic Recycling Units:

With the enhancement of the minimum wages of the unskilled labours, it was observed that a discrimination has arisen in this regard. For instance, the daily rate of Machine man is Rs.75/- per day. With a view to ensuring a parity in the System for satisfaction, it is felt necessary that the wages of machine man and other skilled workers should be increased proportionately. Thus, it is decided to increase the wages of such skilled workers by atleast Rs.5/- per day for skilled labours of Plastic Recycling Units.

MINUTES OF THE MEETING (ORGANISED BY EPCES) HELD IN THE "CONFERENCE ROOM" OF FSEZ, FALTA AT 2.30 P.M. ON THE 14TH JUNE, 2007 FOR REVIEW ON THE PAYMENT OF MINIMUM WAGES ALONG WITH EPF & ESI ETC., TO THE UNSKILLED LABOURS IN FSEZ.

A separate List of Attendance is enclosed herewith as Annexure "A".

At the outset, Shri Sudesh Kumar Sonthalia, Regional Chairman (EPCES) welcomed the Member Units, Government Officials, CITU Representative and Contractors and thanked them all for making it convenient to attend this important meeting. He had also explained to them about the importance for holding this review meeting on the payment of Minimum Wages as well as for evolving a mechanism regarding ascertainment of quantum of deductions on account of EPF & ESI etc., based on a rational approach. In this context, he emphasized for holding the next Review Meeting especially inviting the Senior Officials also from the Offices of EPF as well as ESI respectively. He pointed out that the Minimum Wages was fixed at the rate of Rs.68/- per day effective 1st May, 2007 for unskilled labours working at Falta Special Economic Zone.

Shri M.L. Dutta, Asst. Development Commissioner explained the reason for fixing the role of minimum wages of the labours. Incidentally, he mentioned that in November, 2006, Assembly Committee of Commerce & Industry, Govt. of West Bengal visited the Falta Special Economic Zone and have expressed their dissatisfaction over the non-payment of minimum wages. The Chairman of the said Committee pointed out that minimum wages for agriculture labour is Rs.68/- per day, whereas the wages at FSEZ to the unskilled labours are being paid @ Rs.55/- per day, which needs to be reviewed immediately. With a view to honouring the views of the Assembly

:P1:



03. Increase in Productivity:

Shri S. Kumar, Managing Director of M/s. Promising Exports Ltd., pointed out that per shift productivity of the workers in FSEZ is about 32 to 40 Kgs., whereas in Kandla SEZ, it is about 55 to 60 Kgs. In order to increase the productivity of the workers in FSEZ, this matter was brought to the notice of Shri Tapas Kumar Mondal, Labour Representative from CITU, who had given assurance to take care on this issue.

04. Issue of Identity Card to Labours/Staff of the Units:

Shri Sudesh Kumar Sonthalia, Regional Chairman (EPCES) had also pointed out that it is absolutely necessary to mention the "Blood Group" in the Identity Card. As such, it is decided that Identity Card will be issued with Photograph indicating "Blood Group" also.

05. Mechanism regarding ascertainment of quantum of deductions on account of EPF & ESI etc:

Shri S. Kumar, Managing Director of M/s. Promising Exports Ltd., raised this point in the meeting. Shri Sudesh Kumar Sonthalia, Regional Chairman (EPCES) and Shri M.L. Dutta, Assistant Development Commissioner (FSEZ) had assured Shri Kumar that this issue will properly be taken care of, in consultation with the Senior Officials of EPF & ESI Authorities.



:P3:

with reference to the validity of Wage Agreement, as raised by Shri Kumar during the course of discussion, it is agreed amicably in presence of Shri Tapas Kumar Mondal, Labour Representative and Contractors that a Wage Agreement would be made to this effect, which will remain valid for a period of 3 (three) years. Daily unskilled workers will get an upfront wages of Rs.60/- per day in cash from the contractors and it will be the responsibility of the contractors to deposit directly to EPF & ESI Authorities the total contributions, as applicable, on account of the unskilled workers, as mutually agreed upon in presence of Shri T.K. Mondal, Labour Representative and contractors.

06. Initiative for reduction of Bus Fare from Sarishahat More to FSEZ/ FSEZ to Sarishahat:

It was pointed out by Shri Tapas Mondal, Labour Representative from CITU that workers coming from Sarishahat More to FSEZ are subjected for payment of bus fare @ Rs.16/- (for Up & Down). He is under impression that there is possibility of reducing the existing bus fare by Rs.2/-, if the "Identity Card" with Photograph can be shown. As such, under the prevailing circumstances, introduction of Identity Card has become absolutely necessary for each and every worker. In this context, Shri M.L. Dutta, ADC, FSEZ has pointed out that I-Cards with Photo are issued. He has also suggested that a Chartered Bus Service may be arranged for bringing the workers to FSEZ (to and fro) and thereby the cost of transport for the workers may be reduced at affordable means.

Thereafter, the meeting concluded with a vote of thanks to the Chair.



:P4:

Annexure – "A"

ATTENDANCE SHEET

- | | |
|--|----------|
| 01 Shri S.K. Sonthalia, Regional Chairman (EPCES) | Chairman |
| 02 Shri R.K. Sonthalia, Vice Chairman (EPCES) | |
| 03 Shri A. Aimal, M/s. H-4 U Exports Pvt. Ltd. | |
| 04 Shri A. Jeloka, M/s. Sai Industries Pvt. Ltd. | |
| 05 Shri P. Khaikar () M/s. Sukhi India Pvt. Ltd. | |
| 06 Shri Dinesh Karnani () | |
| 07 Shri S. Choudhary, M/s. Transworld Business Corpn. | |
| 08 Shri S. Kumar, M/s. Promising Estates & Traders Pvt. Ltd. | |
| 09 Shri S. Maity, M/s. Promising Exports Ltd. | |
| 10 Shri Santosh Sengupta, M/s. Amarnath Enviroplast Ltd. | |
| 11 Shri R.G. Ganerwal, M/s. Promising Exports Ltd. | |
| 12 Shri Bikramjit Sen, M/s. LTS Plastics (I) Pvt. Ltd. | |

Government Officials:

- | |
|---|
| 13 Shri M.L. Dutta, Asst. Development Commissioner, FSEZ |
| 14 Shri Shankar Pal, Asst. Development Commissioner, FSEZ |
| 15 Shri R.K. Sinha, Asst. Labour Commissioner, Falta |

Contractors:

- | |
|---|
| 16 Shri Bablu Kumar Mondal, M/s. India Construction |
| 17 Shri P. Majhi, M/s. S.N. Enterprise |
| 18 Shri Prabir Kr. Pramanik, M/s. K.P. Construction |
| 19 Shri M. Shaikh, M/s. Mahalaxmi Enterprise |

CITU Representative:

- | |
|----------------------------|
| 20 Shri Tapas Kumar Mondal |
|----------------------------|

EPCES (ER):

K.P. Sanyal, R.D.



Annexure 3

led Attn: —
Shankar Pal, ADC

Government of India
Ministry of Commerce & Industry
Falta Special Economic Zone
2nd MSO Building, 4th floor, Nizam Palace
234/4, A.J.C Bose Road, Kolkata - 700 020

Tel.No.2287-2263/7923, 2287-4092; Fax: 2287-7923
E-mail:fepz@wb.nic.in (Internet); dc-fepz@x-100.nicgw.nic.in (Ninet)

No. H.30V/2007/ 546 May 08 2007


MEMORANDUM

Sub : Fixation of minimum wages of unskilled labourers in FSEZ w.e.f. 01.05.07.

In order to ensure payment of minimum wage as suggested by National Commission on Rural Labour as well as from the available data on minimum wages structure specified for different industries in different regions of West Bengal, it has been decided that minimum wages to the unskilled labourers should be Rs 68/- per day and this will now be effective from 01.05.2007. It was also decided that payment of wages may be made by weekly or monthly basis as may be agreed upon between the concerned management and labourers. In case of monthly basis, payment of wages must be paid on 10th of every month.

2. However the minimum rate related to different type of industries will be as per schedule notified by the State Labour Department. But in no case, the rate shall not be less than @ Rs 68/- per day.

Shankar Pal
(Shankar Pal) 08/05/07
Asstt. Development Commissioner



Distribution:-
✓ (i) All SEZ units. → M/s. Midas Int'l
ii) Notice Board.

Annexure 4

Government of India
Ministry of Commerce & Industry
Falta Special Economic Zone
2nd MSO Building, 4th floor, Nizam Palace
234/4, A.J.C Bose Road, Kolkata – 700 020

Tel.No.2287-2263/7923, 2287-4092; Fax: 2287-7923
E-mail: fepz@wb.nic.in (Internet); dc-fepz@x400.nicgw.nic.in (Nicnet)

No.1(39)/2009/ 1442

June 26, 2009

MEMORANDUM

Sub : Fixation of minimum wages of unskilled labourers in FSEZ w.e.f. 01.07.09.

Consequent upon the revision of minimum wages of unskilled labourers by Govt. of West Bengal, it has been decided that the minimum wages to unskilled labourers engaged in the units at Falta SEZ will be Rs.81/- per day, to be effective from 1st July, 2009. The payment of wages may be made by weekly or monthly basis. In case of monthly basis, payment of wages must be paid on 10th of every month.

2. However the minimum rate related to different type of industries will be as per schedule notified by the State Labour Department. But in no case, the rate should be less than @ Rs.81/- per day.
3. This issues with the approval of the Development Commissioner, Falta SEZ.

Sankar Pal
(Sankar Pal) 26/06/09
Asstt. Development Commissioner

Distribution :

1. All SEZ Units :
- ✓ 2. Notice Board
(Nizam Palace/Falta SEZ, Falta).

