

Wage and Work Intensity in Garment Sector: Study of Bangalore and Karnataka

I. Introduction

The garment industry in Karnataka employs an estimated 5 lakh garment workers. Most of the employment is in the city of Bangalore, although the industry is now expanding into the small towns around the city. The sector employs mainly women workers, who constitute around 90 percent of the total workforce. Wages in the sector are largely determined by the statutory Minimum Wage, with there being no instance of wages determined by collective bargaining.

The Garment and Textile Workers Union (GATWU) is an independent trade union of garment workers in Karnataka. The union has been in the forefront of the struggle for better wages in the sector. The sustained campaign of GATWU has been one of the factors responsible for the increase in the statutory Minimum Wage in the garment sector in the state. GATWU legally challenged the non-implementation of the 2009 Minimum Wage Notification, and the replacement of the notification with a fresh 2010 notification that reduced the minimum wage. The union also in 2012 and 2013 campaigned for universal applicability of the dearness allowance (DA) for all workers, including those being paid wages higher than the Minimum Wage. The campaign sought to protect real wages for workers in a sector where there wages were not much higher than the poverty wage. It targeted the major brands and claims in their brand codes of trying to ensure applicability of global norms for decent work. The successful campaign benefitted over one lakh workers in the sector, with DA to all workers becoming a customary practice in the sector since 2012.

Centre for Workers Management (CWM) is a research organisation working on issues of labour standards and labour rights in the formal and informal sector in India. CWM collaborated with GATWU in 2012 and 2013 to bring out wage and expenditure surveys. The 2015 wage survey is a continuation of this ongoing exercise to strengthen collective bargaining in the garment sector.

The following sections deal with an overview of the statutory minimum wages for garments in Karnataka; the wage survey and issues of work intensity; and some issues for discussion.

II. Minimum wages in garment sector for Karnataka

The following section highlights the history of implementation of the Minimum Wages Act in the garment sector for Karnataka.

Organised factory based garment manufacture in Bangalore city had its origins in the mid to late seventies. The first Minimum Wage notification was brought out in 1982, with a guaranteed minimum wage of Rs.12.90, without any dearness allowance (DA). Table1 gives the highlights of the subsequent minimum wage notifications. Accordingly, from 1986 onwards, workers in the sector were covered by a minimum wage that was neutralised for inflation with a DA component.

Table1: Statutory Minimum Wage history for garments

Year	Minimum wage (Rs/day)	DA formula (CPI on 1960 index)
1982	12.90	No DA
1986	14.00+DA	2.5 paise over 470 CPI
1993	28.20+DA	2.5 paise over 1167 CPI
2001	71.70+DA	3 paise over 2329 CPI
2009	88.90+DA	4 paise over 2703 CPI (not implemented)
2010	106.80+DA	4 paise over 3196 CPI
2014	220.00+DA	4 paise over 5075 CPI

Source: Labour Department, Karnataka

Some issues with this history need to be highlighted. The first Minimum Wage notification in 1982 for the sector was challenged by the industry, and was finally notified without any neutralisation for inflation. The DA neutralisation came only with the second notification in 1986.

The 2001 initial wage notification was withdrawn by the Labour department, and reissued in the year, with a reduction in the notified wage, because of a “clerical error”. The 2009 wage notification was not implemented by the industry for a whole year. In 2010 March the notification was reissued, again with the excuse of a “clerical error” by the Labour Department.

GATWU challenged the non-implementation of the original 2009 notification in the Karnataka High Court, and the Court in February 2013 held the arbitrary change in notification as illegal. The Court did not offer any judicial remedy other than ordering the Labour Department to immediately convene a tripartite meeting, with GATWU being called to the meeting representing workers' interests. The 2014 Minimum Wage notification was the direct result of this tripartite negotiation.

From 1986 to 2010 the Minimum Wage notifications came out at intervals of 7 to 9 years. The Minimum Wage Act mandates that the wage be revised at least once every 5 years. Therefore the implementation of the Act by the Government was flawed. As per the Act there should have been five notifications in the 25 years after the 1986 notification, and before 2010. Instead there were only four notifications. One notification, and therefore one wage revision was missed out by the Karnataka State Labour Department. It was only after the legal action by GATWU that the Government notified the 2014 Minimum Wage in less than five years after the 2010 notification.

Table2 gives details of the minimum wage in the sector for Bangalore city, for unskilled workers, over the past two and a half decades. We see a very interesting trend from the wage data. During the decade of the nineties, the real wage declined, from Rs.28.60 per day in 1991-92 to Rs.25.79 per day in the year 2000-01 (in terms of purchasing power for 1991-92). **There was therefore a 10 percent decline in real wages for the nineties decade.**

Table2: Minimum wage trends

Year	CPI (1960=100)	Basic (Rs/month)	DA (Rs/month)	Total wage (Rs/month)	Real wage (1991-92 prices)
1991-92	976	14.00	14.60	28.60	28.60
1995-96	1513	28.20	9.98	38.18	24.63
2000-01	2253	28.20	31.31	59.51	25.79
2005-06	2703	71.70	12.95	84.65	30.56
2009-10	3528	71.70	41.50	113.20	31.32
2010-11	3944	106.80	34.52	141.32	34.97
2015-16	6205	220.00	52.15	272.15	42.81

Note: CPI figures are for Karnataka state, Karnataka Labour Journal, March-June 2015.

In contrast, **for the decade from 2000-01 to 2009-10, the wages rose in real terms by 21 percent** from Rs.25.79 per day to Rs.31.32 per day. We see further, that **for the six year period 2009-10 to 2015-16, the real wage increase was 37 percent** from Rs.31.32 to Rs.42.81 per day. As is evident, from a situation of falling wages in the nineties decade, the workers in the sector progressively increased their bargaining strength and gained in real wage terms. There are two factors that would have impacted this change. First, the industry expanded since 2000, with the ending of the quota regime for garments and opening up of the industry. Bangalore and Karnataka were big gainers in this expansion. The workers surely benefitted from this expansion. Second, the pressure from trade unions like GATWU, especially their ability to bring pressure on global brands, also contributed to the upward movement of wages. The sector surely holds up the fact of organised labour leading to increase in collective bargaining strength of workers, even when the extent of union organisation in the industry is small.

The wage data also brings out the importance of ensuring notification of fresh minimum wage at least once every five years as mandated under the Minimum Wage Act. The 37 percent gain in real wages during the six year period 2009-16 was also because during the period there were two fresh minimum wage notifications. This was the only period in the history of minimum wage fixation for garment workers in Karnataka when there was timely wage fixation. This was definitely the result of the efforts of GATWU, and in particular the legal struggle on the non-implementation of the 2009 Minimum Wage notification.

III. Survey details

Methodology

The survey of work, earnings and expenditure for families of garment workers was undertaken in the months December 2014 to March 2015. A structured questionnaire was used for the survey. The questionnaire was prepared in discussions between union activists of GATWU and professional researchers from CWM. The selection of questions was based on the priorities of GATWU in trying to understand the impact of the present wage regime in the sector on the lives of garment workers, and to determine the demands to be made with respect to Minimum Wage in the sector. While the research questions therefore focussed primarily on wage and expenses, they also sought to engage with the issue of workplace pressure and impact on health of workers. The process also took into account the previous wage surveys undertaken by CWM and GATWU during 2012 and 2013. The questionnaire was pilot tested by GATWU activists with garment workers for ease of understanding, and standardised recording of responses.

The survey decided to focus on women garment workers, staying with families. This was as the primary objective was to engage with the issue of adequacy of the wage to support needs of a garment worker family. It was decided to focus on women workers, as first, women were seen as the responsible agents to control expenditure for needs of reproduction within the family, and second, the majority of garment workers were women.

The questionnaire was administered to 126 women garment workers living with their families, drawn from 16 factories. Of the sample, 116 workers were from garment factories located within the Bangalore city limits, while ten workers were from a factory located around 80 km away from the city. The ten workers outside the city were included in the sample to understand differences in living and expenditure pattern for workers within the city and outside.

Sample description

The average age of workers in the sample was 33 years. The age distribution within the sample would be higher than in the population, as the study focuses only on women with families and children. It would leave out many single women under the age of 20 years employed in the sector. The sample distribution is given in Table3.

Table3: Age of workers

Age range	Workers
20 to 29 years	38
30 to 39 years	62
40 years and more	26

The educational profile of the sample is given in Table4. 77 workers (61% of sample) are illiterate, or have studied up to less than class 10. It is of interest that 39% of the workers in the sample are educated up to class 10 and beyond. The sector attracts workers with some formal education.

Table4: Education of workers

Education	Workers
Illiterate	13
Less than class 10	64
10th-12th class	44
Beyond 12th class	5

It would be reasonable to expect that the sample characteristic would show higher education among younger workers. This was in fact the case, with the relationship between age and education being moderately negatively correlated, with correlation value of -0.29. We see 58% of workers in the age range of workers less than 30 years were educated up to class 10 and more, as compared to the sample average of 39%. These would be workers who could most likely get formal employment in sectors other than garments.

The average family size for the sample was 4.5. On the average there were 1.8 children per family, and 0.8 dependent parents. It was of interest that 56% of the sample workers had at least one dependent parent staying with them. While the presence of a parent staying at home would be a support in child care, and even helping with housework, this also means an additional cost. We need to evaluate this in the context of the average family size being taken as two adults and two children for calculation of the statutory minimum wage. No allowance is made for the possibility of a dependent parent staying with the family.

Table5 gives details of work experience within the sector, and number of years the worker was in the present employment.

Table5: Work experience

Years of service	Total service	Present factory
2 years or less	15	69
2 to 4 years	24	36
Greater than 4 years	87	21

The average number of years of experience of workers in the sample was 6.6 years. 87 out of the 126 workers, or nearly 70% of the sample had worked in the sector for four years or more. Seventeen workers had worked in the sector for 10 years or more. The longest work experience was 20 years. For most workers in the sector, this was not a temporary form of employment. Interestingly, the average number of years that the worker was employed in the current employment was only 2.6 years, or less than half the average total work experience in the sector. This gives an indication of the high turnover in the sector. Table4 shows 69 workers in the sample were in their current employment for less than 2 years. Of them, only 15 workers had less than 2 years industry experience. This meant that at least (69-15) 54 workers had changed employment at least once in the last 2 years. That is half among those with more than two years of work experience in the sample changed jobs at least once in the previous two years. This corroborates reports of the very high labour turnover in the industry. We shall come back to this issue later in the report.

Family income

The average monthly income, including monthly incentives for a garment worker was Rs.7066. This was more than half the average family wage of Rs.13816.

The significance of the garment worker's wage to the survival of the family is evident from the following. First, in 60% of the sample (76 workers), the woman's wage was at least half the family wage. There could be some degree of underreporting of the wage of the spouse. From the description of the occupation of the spouse, only 19 (15%) could be categorised as being in formal employment. Nearly 85% of the husbands were employed in various forms of informal, skilled or unskilled employment. Typical employment categories included "coolie" (unskilled

manual work), construction work, auto rickshaw driver, and agricultural work. The wage contribution to the family would in the situation be unstable, even if the quantum of average wage was underreported. The husband's wage would also therefore come with little social security. Second, ten women said that they were the sole wage earners for the family. For these women there was total mismatch between their earnings and family expenditure. The family income for three of them was augmented by earnings from male children. However, children would marry and have needs to sustain their own family expenses. The women would therefore have to supplement their earnings with extra earnings from work outside the factory. In the sample only nine women reported taking outside work, six as flower vendors and three as tailors.

Incidentally there were only three instances of women referring to income from source other than the spouse contributing to the family income, and all three were cases where there was no contribution from the spouse. This would indicate that even when other family members were wage earners, they were not seen as contributing to the family income as long as both the woman and her spouse were wage earners. The norm clearly limits to two wage earners per family.

What is important to the discussion is that the survey clearly refutes the claim often made by industry that wages in sectors employing largely women could be kept low, as women's income could be seen as secondary and supplementary to the main income of the man of the house. For the typical garment worker family the income is essential to sustain the household, and represents the stable family income in most cases.

Family expenditure

Table 6 gives details of average family expenditure for a family of garment workers in the sample; and separately the average for the 116 Bangalore workers and the ten workers from outside Bangalore.

The following aspects of monthly expenditure need discussion.

First, the amount spent on provisions was very low. This worked out to average Rs.834 per month per person given the average family size of 4.5. That is a food basket consumption of

Rs.27.89 per day given 30 days in a month. This is extremely low for urban areas. We discuss this further in the following section on wage adequacy.

Table6: Family expenditure

	Sample	Bangalore	Outside
	(amount in Rupees)		Bangalore
Monthly expenses			
- Provisions	3754.54	3764.91	3108.00
- Rent	2458.80	2580.60	800.00
- Electricity/water	454.09	473.66	227.00
- Transport (own)	94.24	68.02	389.00
- Transport (other)	500.00	500.00	500.00
- Entertainment	0.00	0.00	0.00
- Mobile phone	471.75	470.52	486.00
- Cable	211.87	218.15	139.00
Sub-total	7945.28	8075.86	5649.00
Annual expenses			
- Education	7216.13	6805.60	10535.00
- Health	3736.51	3075.86	11400.00
- Clothes	4565.87	4679.31	3250.00
- Festival	3777.78	3577.59	6100.00
- Cooking fuel	3175.04	3208.97	2464.00
- Others	1833.33	1383.62	2650.00
Sub-total	24304.66	22730.95	36399.00
Annual expenses/month	2025.39	1894.25	3033.25
Total month expenses	9970.06	9970.11	8682.25

The survey suggests a distinct difference in expenditure pattern between garment workers working in Bangalore, and those working in factories outside Bangalore. Rent on accommodation was significantly lower for workers outside Bangalore. All five of the 10 workers in the sample who did not pay house rent were from among the ten working outside Bangalore. Second, the workers employed outside Bangalore on an average spent 20% less than the Bangalore workers on provisions. This was reported as due to workers being able to get provisions from small rural family land holdings. In effect the family inheritance and its

sustained rural ties served to subsidise the cost of reproduction of labour. Many workers living outside Bangalore and commuting to work in the city also explained how costs were subsidised staying outside the city. This was the reason for their staying outside the city even if that meant considerable time and effort on long commute.

We see in Table7 the comparison between major heads of expenditure for the years 2012, 2013 and 2015, from the present and earlier surveys done by CWM and GATWU.

Table7: Comparison 2012-2015

Expense head	Year		
	2012	2013	2015
		(Rupees)	
Provisions (month)	3855.42	3857.78	3754.54
(% total)	41%	36%	38%
Education (month)	436.25	695.41	601.34
(% total)	5%	6%	6%
Health (month)	476.41	427.57	311.38
(% total)	5%	4%	3%

It is of interest that family expenditure on provisions (cereals, greens, meat and fish, milk) remained nearly constant over the four year period. This meant that in real terms, the worker in 2015 spent on the average around 20% less per month on commodities than in 2012-13. The share of spending on commodities of total expenditure also declined from 41% in 2012 to 36-38% for the subsequent years. One explanation could be that the sample in 2012 was drawn largely from the Mysore Road area from older garment work locations, and workers in the sample would therefore have less rural support to subsidise their expenses. This would still not explain fully the substantial decline in real terms on expenditure on basic provisions. This is a matter of real concern.

The second issue of interest is transport. Garment workers in Bangalore spent on average Rs.68 per month on transport, as compared to Rs.389 per month for workers outside Bangalore. We should take into account here that the sample of workers outside Bangalore is drawn from a single factory, and as such cannot be fully representative of the situation for outside Bangalore factories. However, this does highlight the reality of poor public transport facilities outside the

city. In the absence of public transport, and given the distance to be travelled and lack of safety of travelling on foot during late hours, women were forced to band together and take shared auto rickshaws to work. They squeezed ten to an auto rickshaw, travelling miles in very unsafe and uncomfortable conditions. The need for some form of transport facility has been raised as a demand by GATWU with this factory management, and with the state transport authorities.

In Bangalore we see a situation of women being forced to walk long distances as the city public transport is extremely costly. Women said that while they could access buses close to home to go to work, they would need to spend around Rs.30-40 per day for bus travel. Many women therefore walked in groups from their homes to the factory. They said that the city with constant people on the roads was still safer than rural areas for women to move about in groups. Still, when they had to do overtime work, they did feel anxious about walking back home in the late evening.

An analysis of the data on modes of travel to work was revealing. 72 out of the 116 women in Bangalore in the sample walked to work and back. This was 62% of the sample who walked to work, as against only five women (4% of sample) who said they used public transport to work.

Travel time for women was a significant part of their daily life. 96 women out of the sample of 126 (76%) spent half an hour or more each way to and from work. Among those who walked to work, nine women walked 45 minutes or more each way, or more than an hour and a half each day. Nine women reached home after 7 in the evening, on days when there was no overtime work. One woman who walked from home to the railway station, commuted from outside Bangalore into the city by train, and then walked from the station to the factory, left home at 7.30 in the morning, and was back home on a normal working day by 8.30 at night. She therefore spent 13 hours on her work-day. She said that she was anxious each day about the train getting delayed reaching home, as even though her home was close to the railway station, she still felt worried walking home late. She refused any overtime work in the factory.

Workers in the sample were asked to enumerate monthly expenditure on entertainment. What was referred to as entertainment was explained as going out to see a movie, eating out, or even going to a restaurant alone or with family for a cup of coffee. Uniformly the response from all the respondents was that they did not spend any money on entertainment. They said that movies were limited to what was available on the cable network. They explained how they did

not have the time for any entertainment. The daily routine did not leave them with any time for other activities than the factory and home. Seventy workers (56%) in the sample woke up before 6 in the morning. Fifty seven workers (45%) went to sleep after 11 at night. The weekend was spent either in overtime work, or in getting pending house work completed, or in just recuperating from the work week. The women also explained how the monthly expenditure did not leave the family with any surplus to spend on entertainment. Some women said that they saved through the year to make a trip to some nearby holy place with their children, travelling in a group with other garment workers. This was their sole entertainment for the year. Even this was not a regular feature, and often the money saved up could get used up for some emergency. Some women said however that their husbands might spend some part of their wages on alcohol and other forms of “entertainment”. They said that they could not give an estimate of this expenditure. We should add here that the researchers were aware that women responding to the question on “entertainment” in an expenditure survey might seek to underplay entertainment expenditure to conform to what they might feel is a desired objective of the survey to portray poverty among respondents. Therefore there was a deliberate attempt to explain the question in detail to respondents, and the issue was further discussed with groups of garment workers.

Education and health care were major heads of expenditure in the sample, both in Bangalore and for those living outside the city. It was worth noting that expenditure under the two heads of expenditure was substantially higher for the ten families of garment workers working outside Bangalore. While garment workers in the city could still send their children to reasonably good government schools, the workers outside Bangalore said that the only schools available to them were private schools. Most workers sought to educate their children in the “English medium”.

The workers outside Bangalore also said that the absence of an ESI dispensary in the town made access to good free health care very difficult. Even though the workers were covered by ESI, the nearest dispensary was 20 km away in Mandya town. Apart from the time, the bus fare for one person to Mandya was Rs.22. This meant that for a patient to go with a helper to Madya and return, the bus fare itself was Rs.88, apart from the time to be spent. For any major ailment, the worker had to spend substantially more in getting the patient treated in Bangalore. There were many such situations that required visits to Bangalore. The transport cost became a major

component of expenditure for any such visit. Here again the lack of reliable, low cost public transport became a major issue with the workers outside Bangalore.

Issues of wage adequacy

The survey data showed **per capita consumption on the food basket for the sample as Rs.834 per month per person** given the average family size of 4.5, or Rs.27.89 per day per person. This is extremely low. The report of the Rangarajan Committee of the Planning Commission in 2013 estimated the poverty line as Rs.47 per day for urban areas for the year 2011-12. The Committee further estimated per capita consumption on food in urban areas as Rs.656 per month.¹ If we were to extrapolate the poverty line food consumption for 2015 consumer price index (CPI), the CPI for all industrial workers increased from 201 in March 2012 to 254 in March 2015.² Making adjustment for the CPI variation, the **per capita poverty line food consumption at March 2015 prices works out to Rs.829**. Thus the food basket for the average garment worker family as brought out from the survey was barely at the poverty line for urban area. This is surely a matter for concern.

In order to understand the impact of wage on expenditure pattern, particularly on expenditure on food, the expenditure pattern for those families where women reported that their spouses contributed more than half the family wage was analysed. The following factors were of interest.

The average family income was Rs.14700 for families where the reported wage of the spouse was higher than that for the woman garment worker. This was 6% higher than the average family wage of Rs.13816 for the sample. For these families, the expenditure on commodities was Rs.3830 per month, or 2% more than for the sample as a whole. We see that expenditure on basic commodities does increase with wage increase, even if for this sample the increase in expenditure did not fully match the wage increase. This indicates however that families might curtail expenditure on basic commodities because of low wage, and consumption of commodities is sensitive to wage increase at this wage level.

¹ planningcommission.nic.in/reports/genrep/pov_rep0707.pdf

² labourbureau.nic.in/indtab.html

We see however that expenditure on education increased from Rs.7216 to Rs.9944 per annum (increase of 38%) and on health care from Rs.3738 to Rs.4293 per annum (increase of 15%). There appeared to be a significant sensitivity of expenditure under the heads of education and health care with wage increase. We should add here that the willingness of families to spend more under the expenditure heads might not be linked only with wage increase, but also the fact of the woman not feeling burdened that she had to be the main wage earner in the family.

The survey data clearly brought out how expenditure on basic necessities of life for garment workers was low. A striking indicator of this was that not even one worker in the sample reportedly spending any money on “entertainment” through the year. This has been discussed in detail in the earlier section. The fact that 85% of the men were employed in informal work relations would also have added to the instability of income, and hence the inability to spend adequately, except on items considered as essential necessities. Further, among 60% of the sample, the women said that their contribution to the family income was more than half. This would have put even more pressure on the women to keep a tight control over expenditure.

Work intensity

The work-day for a garment worker, from the time of leaving home to the time of getting back home, is a period of considerable physical and mental strain. Most workers walk to work, braving dust, traffic, crowds and harassment on roads, and the anxiety of getting to work on time and getting back home by a reasonable hour. The total work-day measured from the time of leaving home to the time of getting back, on an average for a day when the worker did not do overtime work was over 10 hours. Almost all the workers spent more than 9 1/2 hours each day, six days a week, outside their homes.

Table8 gives details of production time for different styles of garments. On the average, there would not be more than 3 workers doing one single operation in the production line. That means that for a daily production of 700 pieces (JC Penny T shirt) each worker would have to complete her set of 235 operations (700 divided by 3 workers) within her 8-hour shift. That means that on the average the worker would have to complete one set of operations every two minutes. The workers explained how the number of workers per batch was progressively reduced each year, leading to each worker having to complete increasing number of operations at her station. This meant the worker had to deal both with repetitive set of actions, and intense

level of concentration to ensure the sequence of operations did not vary; and all this without much break over an 8-hour period.

The work load also meant that workers were not able to take even the allowed breaks for lunch and tea. Seventy six workers (60%) reported having to regularly cut short their half hour lunch. 122 workers (97%) said that they often had to forego the tea break. Many workers said that the relentless work pressure, and the constant demand from supervisors for more production made the shop floor experience extremely stressful every day.

Labour share

The wage of the worker has in the foregoing discussions been shown as being only adequate to allow the worker's family, with both the worker and her spouse's wages being taken into account, to consume daily food requirement at barely the poverty line level as estimated by the Indian government. Wages in the sector have globally been held up as very low, with the sector becoming synonymous for sweated, low wage industry employing primarily women workers. The industry in its justification claims that the pricing along the supply chain and market conditions make it impossible for higher wages and better working conditions to be afforded.

Table 8 gives details of production and number of workers in a batch for different production lines in a few garment manufacturing factories around Bangalore. The figures are taken from detailed discussion with groups of workers from each of the production lines. The workers for a production line have been estimated as 50% more than the number of machines, to take into account helpers, cutters, and workers in finishing department. The time per piece has been estimated assuming an 8-hour work day. The direct labour cost has been hence estimated using the average wage of the worker as Rs.300 per day. The MRP has been taken from the marked price on the labels for each product.

We see from this working, **the direct labour cost per T-shirt (men/women) would therefore work out to around Rs.20, or 30 cents.** This amount would be **only around 1% of the final price** of the garment. This may not take into account all direct labour that goes into manufacturing a pair of jeans. However, this still shows how small the share of direct labour cost to the final garment price is. There is substantial surplus within the global supply chain for garments to accommodate large increase in wage of workers without having much impact on the final garment price. Low wages in the sector are therefore a matter of business practice, not

Table8: Production time examples

Brand	Style	No. of machine	Workers in line (1.5 * m/c)	Daily production (pieces)	Time/piece (worker- mts)	Direct labour per piece (Rs.)	MRP (label price)	Direct labour to MRP
IZOD	T-shirt (men)	30	45	600	36	22.50	\$41.00	0.9%
METALAN	Top (ladies)	32	48	600	38	24.00	Eu6.00	5.7%
Walmart	T-shirt (child)	24	36	1600	11	6.75	\$4.44	2.5%
KOLLS	T-shirt (men)	30	45	800	27	16.88	\$32.00	0.9%
CK Jeans	Top (men/ women)	26	39	700	27	16.71	\$29.50	0.9%
C&A	Top (ladies)	36	54	600	43	27.00	\$49.90	0.9%
JC Penny	T-shirt (men/women)	32	48	700	33	20.57	\$30.00	1.1%
KAPORAL	Shorts (cargo)	90	135	350	185	115.71	Eu49.00	3.4%
Banana Republic	Lined jacket	120	180	350	247	154.29	\$129.00	5.2%
H&M	Midi skirt	66	99	1000	48	29.70	\$24.99	1.0%
H&M	Ladies top	56	84	700	58	36.00	\$29.99	2.0%
H&M	Ladies top	56	84	700	58	36.00	RMB299	1.2%
Old Navy	Denim shirt	64	96	800	58	36.00	Y2490	2.9%

Note:

1. Conversion rates taken for 1 US\$ at Rs.60; for 1 Euro at Rs.70 for 1 Japanese yen (Y) at Rs.0.50 and for 1 Chinese RMB at Rs.10.

2. Labour cost calculated based on wage of Rs.300 per day.

solely dictated by imperatives of profit margin. We would instead argue that the wages are kept low to ensure a vulnerable and hence pliant workforce, who will allow management practices that give them total agency over production schedules and productivity.

The last two rows in Table8 are of interest. We see production from factories in India being sourced for Japanese and Chinese markets. In particular it is interesting that H&M tops are being sold in the Chinese market at a price higher than in the US market (in terms of current exchange rates). Chinese wages have been going up with the country becoming the largest global base for manufactured goods. There could be a growing market in China for up-market garments with general wage increase. Further, wage increase could gradually push out low wage garment sector from the country, and it could become a net importer for garments. In that case, the south Asian garment industry could significantly increase its own bargaining capacity.

Impact on health

All except two workers said that they were not well one time or another during the previous year. The average number of times a worker reported unwell in the year 5. The most common reason for the worker reporting unwell was back ache, followed by leg ache. The list of the most commonly reported ailments is given in Table9.

Table9: Type of ailment

Back ache	99	78.6%
Leg ache	85	67.5%
Gynaecological issues	26	20.6%
Eye problem	19	15.1%
Allergy	12	9.5%
Fever	8	6.3%
Asthma	6	4.8%
Others	59	46.8%

The work stress was seen as the immediate cause for chronic ailments, even by workers who had recently joined the industry. Only six workers in the sample said that they did not suffer from any chronic, work related ailment.

The most chronic ailments are listed in Table10. It is significant that a tenth of the workers said that they constantly suffered from fever and tiredness. The constant fatigue and fever would also lower worker immunity and make them susceptible to more serious forms of chronic complaints, including tuberculosis. The closed work environment, crowding of workers and poor nutrition would all contribute to making TB a possible work related health hazard in the sector.

Table10: Chronic ailments

Fever and tiredness	13	10.3%
Back ache	60	47.6%
Leg ache	42	33.3%
Other body pain	19	15.1%
Stomach issues	8	6.3%
Gynaecological issues	7	5.6%
Others	12	9.5%

It is also significant that 20% workers were unwell with gynaecological issues as is evident from the previous year (Table9), and over 5% of the workers complained of this as a chronic problem. The long term effect of working in the garment industry for women can be very damaging to their health. This is an area for serious study from an occupational health point of view.

Table11: Cause for health issues

Workplace pressure	61	48.4%
Pressure workplace & home	12	9.5%
Standing 8 hours	30	23.8%
Sitting 8 hours	20	15.9%
Dust	15	11.9%
No breaks	15	11.9%
Others	7	5.6%

The main reasons reported by workers for ailments are listed in Table11. The most important reason given by the workers was workplace pressure, followed by pressure at workplace and at home. This is not at all surprising given the very long work-day, starting for many workers with waking up before 6 in the morning, completing house work before setting out to work, coming home after 7 in the evening to complete the house work, and in some cases even taking

on extra work at home, managing to sleep by only around 10-30-11 at night. The stress would contribute also to the major chronic ailments, making it difficult for the garment worker to carry on work in the sector for any length of time.

Workers also stressed the long hours spent in one position without any change as one major reason for ill health. The need to maintain one position at work through the long work-day, difficulty in taking breaks from work when the work pressure is high, all would contribute to body ache, and to more long term gynaecological ailments.

Issues for discussion

1. Two issues were brought out from the survey. First, for most workers work in the garment industry was not a temporary, short term occupation. The average work experience in the industry was 6.6 years for the workers in the sample. Seventeen workers had worked in the industry for 10 years or more. Second, however, the turnover in the sector was very high. 43% workers in the sample had changed jobs at least once in the last two years. These two factories need to be brought to the foreground for any meaningful discussion on working conditions and employment regulation in the sector.

2. The garment wage is still at an extremely low level. In the survey we saw that the average garment family in the sample drawn primarily from Bangalore city, and also from the surrounding areas had a food consumption level that was only at the level of poverty level consumption for the country. The comparison with earlier surveys conducted in 2012 and 2013 seemed to indicate decline in expenditure on food in real terms. This is a matter for grave concern.

3. The survey data indicated that expenditure on food increased with increase in average wage, even though the rate of increase in expenditure was lower than the wage increase rate. This clearly showed that with better wages the family consumption on food would also increase. What was more significant was that expenditure on education and health increased at a much higher rate than wage increase. The pressure to spend more on education in private institutions in cities in the absence of good public facilities is clearly brought out. This is also true with regard to health care, despite the fact that most garment workers are covered under the ESI scheme.

4. High cost of state run bus transport facility was a major issue with garment workers. This forced most workers to walk to work even though they were already faced with an extremely long work-day in addition to being responsible for the house work. The demand for subsidised women-only buses from specific garment worker localities to factories has been raised by garment workers and unions, but while the government states it would consider the matter favourably, it has not taken any steps to extend this facility to the sector that employs the largest number of women in formal employment in the city.

5. The majority of garment worker families had at least one dependant adult (most cases one parent of either the worker or her spouse) living with them. While this would be a great help to the family for child care and even sharing in house work, the family cost would also increase. This should be factored into the present formula for calculating the statutory Minimum Wage using the Shantappa Committee norms, which currently assumes the family comprising of two adults and two children.

6. Work intensity is a serious issue. Garment workers claimed that work intensity was also the main reason for harassment at the workplace. Work pressure was the most common factor brought up by the workers for chronic work related ailments. This is a matter that brands should address seriously if they are at all concerned about ethical employment standards. Factories should also be forced to conduct regular health check-ups of workers on factory premises, and the management should be made to take responsibility for work related ill-health.

7. The data on work intensity indicates that the direct labour cost to manufacture a standard item of garments like a standard T-shirt is very low. There is substantial surplus within the global supply chain to allow large wage increases without impacting the profit margin. The management logic behind low wages might actually be for engaging with a vulnerable workforce who would not resist management pressure. Organised workforce pressure and bargaining across the supply chain could therefore bring about substantial wage increase.

8. The argument of the manufacturers that the garment sector wages cannot be raised further given the imperative for maintaining competitiveness and the absence of adequate margins is surely not borne out from the data for the supply chain. We see that the direct wage cost for a

standard T-shirt is only around Rs.20 or 30 cents, and represents only 1 percent of the marked price of the garment. Given that manufacturers are not capable, or willing to give the cost push to allow for better wage in the sector, the push will necessarily have to come from the government in fixing the minimum wage for the sector. The continuous campaign pressure of workers' organisations is necessary for this.

9. In the event of the garment industry gradually moving out of China because of significant wage increases, the industry in India and in the south Asian region can benefit substantially in terms of competitiveness. This is an opportunity for wage increase, as well as for improving working conditions in the sector. This will however be possible only with increasing organisation of workforce in the sector.