

Press Release

High Court dismisses petitions seeking stay order on minimum wages for garment industry

On Monday, 19 September, 2011, the Madras High Court dismissed a batch of writ petitions filed by garment industry owners seeking a stay order on the government's 2004 minimum wages notification for the tailoring industry. This much awaited verdict is a relief to thousands of women workers who can now hope for better remuneration. The export garment industry in Tamil Nadu employs several lakhs of workers, 85 percent of whom are women. Today, the garment workers work in precarious working conditions and remain impoverished due to the low wages. After the government declared a minimum wages through a notification in 2004, more than 14 garment business owners filed a petition in the High Court seeking a stay order. In these seven years the state government made no effort to get the stay order lifted despite repeated petitions from the Garment and Fashion Workers' Union, one of the petitioners challenging the stay order.

The Minimum Wages Act, 1948 a legislation meant to protect workers and guarantee a living wage, requires the state government to appoint a committee to decide minimum wages and revise it every 5 years. However, in the case of the garment industry, the wages have effectively not been revised since 1994. Eight out of ten workers in the garment industry are women, many of whom are between the ages of 17-25 or women who are supporting families. The average worker does not get more than Rs. 3000, there are no annual increments. The real wage in the garment industry keeps falling with inflation, as the price index fixed for this sector is low.

In 2010, Garment and Fashion Workers Union, an independent union of workers in the industry was impleaded into the case. In its petition filed by Advocate D.Nagasaila, GAFWU has asked for the interim stay to be vacated immediately on the grounds that it is violative of fundamental right guaranteed by the Constitution under Article 23 and that any factory irrespective of its size or volume of business which does not pay the minimum wages has no right to exist. The petition has also challenged the claim that any agreement in effect between the industry and a particular group of workers which is lower than stipulated minimum wages is null and void.

Moreover, according to the norms of the 15th Indian Labour Conference, the minimum wage must guarantee a wage that would be support a family of 4 and include stipulated expenditure on food, fuel, rent, clothing, education, health and recreation. This was also held by Supreme Court in 1991 in the case of Reptakos Brett vs. workmen. In view of this, GAFWU's petition has also drawn attention to the fact that the minimum wages in 2004 order itself is extremely low and does not come close to meeting these standards. As per the notification wages range from Rs. 2400 for skilled to Rs1825 for unskilled workers.

The wages in the Tamil Nadu (less than Rs. 100 per day) remain much lower as compared to Gurgaon (Rs. 240 per day) and Bangalore (Rs. 149 per day) which are the other two important hubs for the garment industry in India. By the state government's own estimate, in 2008, the garment sector contributed about Rs. 2500 crores in foreign exchange, therefore, it is only right that garment workers receive higher wages in Tamil Nadu. GAFWU welcomes the verdict and looks forward to the government and employers paying attention to the wage demand of the garment workers.

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