Chapter 6

Conclusion

Labour Relations in Global Circuits and Formation of Secondary Circuits

6.1 Introduction

The global production networks have witnessed the processes of feminisation, informalisation and privatisation of labour standards in their production centres across the borders. The present study is an attempt to understand the variations in labour relations in the local resource points of the different industrial circuits. It examines the nature of labour negotiations, scope of trade unions and labour rights in the resource points of these circuits. It also analyses the prominent roles played by social networks of family, caste, religion, ethnicity and other identities and NGOs in influencing and shaping the labour relations. This concluding chapter, thus contextualises the conceptual framework (i.e., the global circuits) based on the findings from the study. The concept of global circuit gives room for outside workplace dynamics in the labour relations studies. The concept ‘secondary circuit’ is coined to illustrate the processes by which the migrant labourers from Odisha are recruited to the garment unit at KINFRA Apparel Park in Thiruvananthapuram. It also helps in demonstrating the informal household processing of cashew nuts being practiced in Kollam district. Thus, the current study of the local resource points of global circuits is very relevant in understanding the variations in labour relations across different circuits of global industrial production.

6.2 Global Circuit and Secondary Circuit

For the present study, two such global circuits namely, garment making and cashew processing circuits are identified in the state of Kerala. The state is known for its higher
development experience compared to any other states in India. It has achieved higher literacy rate and better health indicators of the population. The state has also seen a turnaround growth in income during the 1980s (Kannan, 2005). The people are more aware of the labour rights, and there are active organisations even among the unorganised workers (Heller, 1996; Kannan, 2002). The state is facing labour shortages to do unskilled, hard labour and experiencing inflow of labour from other states like Odisha, Jharkhand and Bihar (Business Line, 2013; Kerala Development Report, 2008).

Thus, attempting to examine labour relations in the local resource points in the state helps exploring variations in the labour dynamism. The local resource point selected to examine the changing nature of labour relations of the global garment circuit is the KINFRA Apparel Park at Thiruvananthapuram. One of the large garment units from the Park was selected for the study. This ensured in-depth study of the workplace and observations were made on various events and processes during the study period. The presence of migrant workers from Odisha in the unit was studied further to capture the flow of internal labour migration. This led to the conceptualisation of ‘Secondary Circuit’. The next local resource point selected for the study is the cashew nut processing units in Kollam. One large unit functioning under the KSCDC was selected for the in-depth workplace study. The household processing of cashew was traced, and one such network was identified during the study. This led to an extension of the concept of secondary circuit to understand the nature of informality perceived at large, under the context of globalisation of production.

The global production circuits link multiple geographically diverse spaces, and influence various economies (both formal and informal) and societies. The resource points of such circuits ensure processing and production of final goods to the command and control centres. The production centres of the global circuits can operate in the formal or informal economies. For example, the garment circuit has multiple local resource points catering to the world class buyers. These local resource points are located predominantly in developing countries like India, China, Pakistan and Bangladesh. The lower cost of production in these countries is the primary reason for setting up of such production nodes. There are many garment factories directly linked to
such circuits of production. There are also increasing trends toward subcontracting and putting-out outside the formal factories to the households (Nagraj, 1984; Unni et al., 1999). Such forms of production often have no accountability to the domestic labour laws. For example, in Jan Breman’s work on Gujarat, he elaborates on the nature of informality in the ground, and the inability of state agencies to provide adequate protection to this heterogeneous sector (Breman, 1996).

Figure 6.1: Global Circuit and Secondary Circuits

Figure 6.1 explains the nodes of global circuit and the emerging secondary circuits identified during the field study. Global circuit is cross-national, linking multiple resource points of production to the command and control centres. For example, the garment circuit is a buyer-driven commodity network in which there are numerous
players involved including large retailers, marketers and branded manufacturers (Gereffi & Memedovic, 2003, p. 3). Similarly, the local resource points of production within a national border can exhibit a secondary circuit of resource flow. This is elaborated in Chapter 3 with an example of how the resource points act as the command and control centres of labour mobilisation. Such a process is conducted through formalised government-industry partnership incorporating agencies like Panchayat, NGOs and industrial houses (Level 2). The Level 3 in Figure 6.1 represents the system of production that is informal. The secondary circuit operating within the national borders can also be informal in nature. It interconnects households in the production process, and it is largely unaccounted in the existing legal system. The household processors in the cashew nut industry reflect the informal secondary circuit. The nature of workers involved and the informalities in such circuits are elaborated in Chapter 5.

The present study of labour relations in the garment circuit and cashew nut processing circuit built a strong case for acknowledging the variations in different global circuits and its effect on labourers. The study necessitates the need to enquire into the external factors influencing the labour by looking beyond the workplace. The concept of secondary circuit both formal and informal introduced in the present study reiterate the need to extend labour relations studies beyond the workplace and to look for processes under the global production networks.

6.2.1 Garment Circuit

The global garment circuit interconnects developed and developing countries through its production, distribution and consumption networks. India is an important resource point in the garment production circuit. With the advent of globalisation of production and outsourcing, many states in India have been competing with each other to attract global investment opportunities. These global investments will help in the establishment of industrial production centres and will provide various employment opportunities for the youth in these states. The state of Kerala too sought to present itself as an attractive location for manufacturing units catering to the demand for outsourcing from the advanced world. It recognised the role of government as a facilitator rather than as a
direct financier. The state has set up Apparel and Textile Park in Thiruvananthapuram to attract foreign direct investment and provide employment opportunities for the labour that did not belong to the professionally educated group. The KINFRA Apparel Park in Thiruvananthapuram comes under a centrally sponsored scheme—“Apparel Parks for Exports” (APE)—which aims at involving the state governments in promoting investments in the apparel sector.

Garment industry predominantly employs female workforce. In the present sample, 94% of the workers are females, and only six percent of the workers are male in the study unit. Male workers are engaged in relatively better jobs like supervisor, cutting marker and safety officer. This explains the wage variations between female and male workers. The male workers who are in the operating sections receive the same wages like the female operators. The female workers in the unit can be categorised into three namely, workers from the same district, workers from the other districts within the state and workers from outside the state. In the sample, 48% of the workers are from the same district, three percent are from other districts and 49% are from outside the state. Outside state workers are from the state of Odisha. The presence of 49% of female migrant workers from the state of Odisha in the present study unit reflects the local picture of a larger process of feminisation of labour and migration of workforce that has resulted from the globalisation of production.

The presence of migrant workers also reflects the increasing demand for young, unmarried and first-time job seekers. It was observed in the study that the majority of the total female workers are in the young age group. The sample data shows that 76% of the female workers are under the age of 30 years (see Table 2.4). Besides, there are considerable differences in age, marital status, education and job experiences of the local and migrant workers from Odisha in the study unit (see Table 2.2 and Table 2.3). The migrant Odisha workers are younger, unmarried and first-time job seekers compared to the local workers. Among the migrant workers, 55% are under the age of 20 years and 94% are under the age of 25. It shows that the garment unit employs a very young age group. In the sample, 65% of the total female workers are unmarried. The
HR representative mentioned that the reason for the less number of married women is that when the young worker’s marriage gets fixed, they stop coming to the unit. Among the migrant workers, 95% of them are unmarried whereas, among the local workers, 37% are unmarried. The married local workers are not willing to do overtime beyond the regular factory working hours. It shows the garment unit’s general preference towards young and unmarried workers. The HR representative has mentioned that the number of overtime also declined with the migrant workers’ recruitment. Hence, there is no pressure of not meeting the target on time.

The garment unit is functioning six days in a week. The unit has regular eight hours working day. The working hours start at 8.30 am and ends at 5.15 pm with 15 minutes break for tea and half an hour break for lunch. Work is based on target production per hour. There is a monitoring board in each batch about the production target. Each batch has a supervisor. A worker has to keep producing the whole day consistently to meet the hourly target. There are no union activities inside the campus. When asked about why there is no union among the workers most of them replied they do not have time to unionise. On the other hand, there are notices put up on the walls of the factory about the codes of conduct and the labour rights to be followed in the local resource points that are monitored by the global buyers. The important role of social networks of family and friends in finding jobs are exhibited among the local workers (see Table 2.7). Among the local workers, 56% got to know about the job through their friends and neighbours, 18% came to know through their family and 11% through advertisement and campus selection. The company uses different methods of canvassing the workers including temple and church announcement of job vacancies. The HR representative mentioned that they were finding it difficult to recruit workers and have constant labour shortage. Among the migrants, majority are recruited through the training centres at Odisha. The wage negotiations are done on an individual basis in the unit most of the time by the workers. The relation between workers, HR and Welfare Officer is informal. The workers approach them for leave, wage hike and resignation or rejoining. There are incidents of individual workers going to the HR representative and asking her to discuss with the manager about the wage hike.
Focusing on the conditions of workers’ outside the factory gate is essential to get a complete picture of labour dynamics of the global garment circuit. For this purpose, the information regarding the workers’ household and family members were collected during the study. The information on assets, roof type, access to water, sanitation and family members’ occupational pattern can be used as a proxy for understanding the socio-economic situation of the workers. The data shows that the migrant household has fewer assets showing their low economic condition compared to the local workers. Among the migrant workers, 98% do not have toilet facility at their home in Odisha, whereas among local workers, only two percent do not have toilet facility. Among the migrant workers, 82% of them mentioned that they have migrated because of poverty. Rest of them stated that they migrated in expectation of a better job outside their state as there are no job opportunities for women. They want to support their family by earning and also earn enough for their dowry. The migrant workers belong to poorer households compared to the local workers. They have less access to sanitation and water facilities than the local workers. The roof types and asset index of the migrant workers reflect the low economic status of the household. The comparatively larger family size of the migrant workers and the larger number of dependents in the household add to the pressure on young women to migrate in search of a better standard of living. The migrant household depends on agriculture and allied activities as a source of income as well as on the migration of the youth to other states (see Table 2.11). This pressure of poverty also facilitates migratory phenomenon of the female workforce to the garment factories.

Examining a globalised workplace involves understanding the processes of labour migration, flexibilisation, labour standards and codes of conduct and feminisation of work. There has been an increase in the labour migration to local resource points of global circuit within the national boundaries. The presence of migrant Odisha workers at KINFRA Apparel Park reflects this pattern. At times of labour shortage in the local resource points, the inflow of migrant labour fills the vacuum. The study of labour relations inside the garment unit and the presence of migrant workers throw three fundamental questions: How does the local resource point of a global circuit ensure a
constant supply of flexible labour? Does the local resource point act as command and control centres of labour recruitment? Is there a possibility of formation of internal ‘circuit’ of labour supply within the national boundaries?

The local resource points of global circuits are the production centres with a large number of young and single female labourers. These workers are docile in nature, flexible and willing to work overtime at times of emergency. These local resource points of production need to ensure a constant supply of such labour force. When there are processes of labour demand, supply and migration of labour to the production centres occurring, this has to be treated as a continuation of the larger process of globalisation of production in which the local resource points of global production circuit become the centres of labour mobilisation.

While treating it as a continuum, the process of labour migration of Odisha workers to the garment unit can be better explained as ‘secondary circuit’ of labour mobility. The training centres at Odisha are established under the government scheme called SEAM. This revealed the presence of a secondary circuit that is operating as an extension to the global garment circuit. The difference between the resource flow of global and its secondary circuit is that the latter is operating within the national boundary. Such a circuit helps in formalising the processes of labour supply within the national boundary. It ensures that the global factories receive the flexible labour, as well as there is accountability on the labour rights and labour standards from the industries in return. The training centres at Odisha (present case Hinjilicut) act as a local resource point of labour recruitment and supply to the garment unit in Kerala. In the local resource points of the secondary circuit, there are mobilisers and recruiters of the workers. These tasks are mainly carried out by the Panchayat, Anganwadi Teachers and NGO like clubs and charitable organisations. The training is conducted through the public-private partnership to ensure the supply of flexible labour and for meeting the specific skills requirements of the garment units. Therefore, the creation of flexible labour required for these command and control centres of production is undertaken by the local resource
points of the secondary circuit. The local resource points in particular are the labour creation points which are situated far from the command and control centres.

The inter-linkage and movement of labour from the local resource points to the command and control through formalised channels reduces the risks of informal migration of workers to the garment units. Studies have indicated the harassments and violations of labour rights at many garment factories across nations. In the present case, people who are willing to migrate and work in the garment factories are mobilised and recruited through the training centres. They will be given training in the centre, monitored by the trainers and employed by the agents of the resource points. This process of mobilisation, recruitment, training of labour to global factories itself is a circuit of resource flow leading to the creation of labour to the garment factories. It supplements the processes of global production networks. Therefore, a secondary circuit can be defined as a supplementary circuit of the global cross-national circuit. Such circuits are engaged in the circulation of surplus labour to the global resource points but confined within the national boundaries. The survival of this secondary circuit is based on the existence of global circuits of production. At the times of the exit option of the global circuit from the national boundaries, the command and control centres of the secondary circuit become non-operational.

To conclude, the studies on labour relations in general, tend to focus on labour within the workplace. Using the concept of global circuit, the present study has extended the focus of labour relations studies beyond the workplace. In doing so, the study could capture processes of feminisation, migration, labour standards and labour negotiations within the workplace. It could also examine the outside workplace factors including the socio-economic condition of the workers. It could unearth the processes by which conditions inside the workplace are getting affected by external factors. For example, the present study of the garment unit gives descriptions of labour relations of a local resource point producing for a global production network. It argues the need to look at labour beyond their workplace. It is evident from the study that the company depends on the migrant workers who stay inside the campus at the times of meeting target
production. The concept of secondary circuit used in the study aptly explains the
dynamics of labour mobility across state borders. The migrant workers consist of a very young age group, single and with no prior work experience. The recruitment mechanisms of local and migrant workers are entirely different. The wage or any other negotiations within the workplace is largely on an individual basis. Group organisations for wage bargaining are completely absent in the unit. The workers have informal relation with the HR representative and supervisors. Thus, the present study on labour relations inside the workplace not only explores the nature of labour and labour rights, negotiation and organisation, work and workplace interactions in the local resource point of a global garment circuit but also examines the processes of labour migration through the secondary circuit to the garment production centres.

6.2.2 Cashew Circuit

The cashew nut processing industry is a traditional agro-processing industrial circuit. It provides employment to a large number of female workers and accrues foreign exchange to the developing economies. The cashew tree was a native of Brazil and introduced by Portuguese travellers in the 16th century in India (Wadkar et al., 2007). The commercial production and export of cashew kernels started in India during the 1900s. Cottage processing in houses on a small scale basis was the common practice. The cashew industry in an organised manner was started by Joseph Pereira, who conceived the idea of processing the raw nuts on a factory basis, and marketing the finished kernel on a commercial scale in Kollam district, in the state of Kerala, India (Chirayath, 1965). The Kollam district of Kerala was the first place to start commercial processing of cashew nut for the export market in India. The geographic concentration of cashew nut processing in the district began as early as 1920s. Though the production of cashew nut spread across the state, majority of the cashew processing units are situated in Kollam district of South Kerala. Currently, the share of export value from the Cochin port in Kerala is 53% that is more than half of the total export share from India in the year 2011-2012.
To understand the workplace labour relations in a concise manner and examine the specific processes influencing the labour, narrowing down to one large unit was necessary. In Kollam district, there are large numbers of private large, medium and small units operating. The study needed in-depth analysis of workplace and workplace relation from the factory and understanding of the outside workplace. The permission was sought in a large processing unit employing around 800 workers. This unit is under the KSCDC, and the manager of the unit granted permission to conduct the study and do survey of the workers, interviews and observation inside the unit. The size of the sample is 259 in which, 93% of the workers are female, and seven percent of the workers are male.

It was observed during the study that there is a prominent role of social networks in the cashew factory. It was observed that there is dominant presence of lower caste groups in the unit. In the study unit, 78% of the female workers came to know about the information through their friends, eight percent through family members, six percent through caste groups and SHGs, seven percent through the management and one percent through union leaders (see Table 4.4). Among the male workers, majority of them received the information through the unions and management. In the study unit, 89% of the female workers belong to Hindu, five percent to Christian and six percent to Muslim community. Among the male workers, 95% belong to Hindu religion and five percent to Christian. Among the female workers, 41% belong to SC and ST, 20% to OBC, and 38% to UC.

The shelling, peeling and grading are the three major sections where there is a dominant presence of female workers. In the three major sections in the unit, majority of SC are in the shelling section (see Table 4.7). The peeling and grading section are dominated by upper caste women. In the shelling section, 95% of the worker’s mothers were also employed in the shelling of cashew nuts (see Table 4.8). During the interviews, many of them mentioned that they have learned shelling from their family members. The same pattern is also reflected in other sections. This shows that workers are used to this work through their family mainly from mothers. A minor presence of lower caste in peeling
and grading section in the unit is also evident, though they are mostly concentrated in the shelling section. This could also be the result of acquired skills overtime through their family. This also indirectly implies that caste is consolidated through family skills.

The unit has strong influences of trade unions. There are mainly four unions operating in the unit during the study (AITUC, INTUC, UTUC, & CITU). These unions have political affiliation, and they often receive support from the respective political parties. In the sample unit, 56% of the female workers are members of CITU, 24% in AITUC, 11% in INTUC and eight percent in UTUC. There are only one percent of the workers who do not have membership in any of the unions. When workers do not get wages on time, union leaders interfere in negotiating with the management and getting their prerogatives. At times of disagreement with the manager, workers seek help of the union representative to resolve the issue.

The factory functions on eight hours working day. The working hours in the unit start at 8 am, and the closing time is at 5 pm. At 10 am, there is 15 minute break, 12 pm, one-hour break and three pm, 15 minute break. The factory gate remains closed during the working time. In the shelling section, the workers have fixed quota of work to finish every day. Wages in the shelling section are based on piece rate. The workers have social security benefits like ESI, PF, pregnancy leave, housing loans and child care facilities. The unit has a crèche for children. It was observed during the study that the worker absenteeism is very high in the unit. It was mentioned that many workers are old, and they take sick leave. Many of them mentioned that they have backache and could not sit the whole day in the unit and work. The studies have shown that the workers in cashew processing belong to poor socio-economic background in general.

One of the interesting points noted in the study is that apart from union memberships, these workers are also active in outside-workplace organisational activities. It was observed during the study that the formal cashew workers are active in SHGs and caste organisations outside the workplace. Among the female workers, 49% of the workers have membership in Kudumbashree. Five percent of them have membership in their
respective caste organisations, and seven percent of them have membership in both organisations. This shows that more than half of the female workers are participating in non-work related organisations other than trade unions. These organisations can also be used as an effective instrument of mobilising the workers or channelling any welfare policies to reach out to the female workers.

Focusing on households brings to notice many issues and constraints faced by the workers. The information on roof type, access to water, sanitation and family members’ occupational pattern were collected during the study for understanding the socio-economic situation of the workers (see Table 4.12, 4.13 and 4.14). Among the total female workers, 51% of the workers’ family members are in the no-job category (includes children, sick people and housewife), two percent are Gulf migrant, eight percent are in the cashew processing units, and 40% are engaged in other jobs which are casual jobs (includes farming, daily wage, construction labour, auto driver, fisherman and painter) without any social security. Many female workers mentioned that they were in debt due to meeting the expenses of sons going to Gulf countries and paying dowry for their daughters’ marriages.

To understand the global circuit and its impact on local resource points, it is essential to go beyond the formal workplace. There can be external factors operating within these networks of production. The nature of each circuit can vary based on the nature of resources involved and players engaged in each node. For example, in the case of cashew processing, despite the efforts to formalise the industry, cottage processing is operating in a clandestine manner (Harilal et al., 2006). While the informal sector has always existed in the developing economies, there is ample evidence that globalisation has exacerbated the process of informalisation (Sanyal & Bhattacharyya, 2009). Primary field survey was conducted to identify informal household processing at Kollam district in Kerala. To capture the informal network of cashew nut processing, 28 households were covered (see Chapter 5). This particular network engages in the grading of cashew nuts. Field study is limited to tracing one such network of informal processing.
The field study identified an informal network with a private agent acting as the intermediary between the workers and the formal factory. He is the link between formal to the informal. Majority of the informal workers in this network are female. The male members who help in the work are very old or disabled and not engaged in any other outside work. The informal workers observed in the study ranged from housewives to retired public or private workers in the cashew factories, workers who are presently working in cashew nut factories and others (other household members, sick and unemployed). In the present case of cashew workers, working informally at home is the result of restricted choices or options. Their mobility to the factories can be restricted due to reasons like, being sick, old and retired; being married and having responsibility of domestic care. Informal work becomes a constrained option, when workers are not able to go out for a job (the case of housewives, sick and old). Contrary to this, when workers can choose between factory and household, the informal work becomes an additional option enhancing the work choices. For example, there are cases of female private agent who have taken up the informal processing to earn additional income; there are also instances of public cashew factory employees working at home and MGNREGS workers. Hence, the informal processing of cashew nut in the households holds up as a case of work option with constraints of lack of social security benefits and absence of accountability on labour welfare from the employer. It points to the directions in which actions are needed so as to make this section of workers accountable under the legal system. This process of integration of workers at household can be made accountable through SHGs like Kudumbashree that is very functional in the state of Kerala.

The study reflects the formation of informal secondary circuits within the national borders and its possible unaccountability from the legal frameworks. The informal circuits can form in any of the local resource points of the global formal circuits. Hence, the informal circuit is not a separate entity rather an extension of the cross-border formal circuits. It represents the resource flow, which is not formal and accountable to the existing legal framework, but productive and engages multiple players including household workers, private sub-contracting agents and final clients either domestic or
The informal circuit will have acting command and control centres and these roles are done by the local owners of processing units or sub-contracting agents in the cashew nut processing industries. The local private agents collect cashew nuts for processing from them and distribute to the informal workers in the households. The informal workplaces (mainly household) become the local resource points that engage in the processing function of an informal secondary circuit. This circuit is coexisting with the formal circuit and incorporating it within the legal system is becoming more and more complex due to the multiplicity and dynamism of workers in this form of informality.

The present study of cashew circuit examines labour relations within the workplace. The workplace study helps in understanding multiple dynamics under operation inside the factory gates. Such a study is essential to explore the different aspects of labour relations, such as the nature of negotiation between workers and management, the work culture and work organisation, the role and influence of trade unions and the processes of social networks. At the same time, focusing on the conditions of workers outside the factory gate is essential to get a complete picture of labour dynamics of the global garment circuit. The tracing of informal secondary circuit goes beyond the formal workplaces. Thus, while trying to understand labour and labour relations under the context of globalisation of production, attempt should be made to look beyond the workplace and the effects of the external factors in shaping the labour to the global factories.

### 6.2.3 Garment Circuit versus Cashew Circuit

The local resource points of garment circuit and cashew circuit identified in the study have certain similarities as well as differences. Both these resource points predominantly employ female labour. The workers identified belong to poor socio-economic backgrounds. These workers require only basic school education to be part of these circuits. For example, the minimum educational requirements of the garment unit put up in the advertisement are eighth standard. Majority of the workers in the cashew unit has only had elementary education. In both these workplaces, men who receive
higher wages are mainly engaged in supervisory role or permanent staff position. In the cashew unit, men in the roasting, borma and loading section are permanent staff members. They receive monthly payment. The female workers in the processing sections receive payment on piece rate on a weekly basis. In the garment unit, male staff (mainly in supervisory role, or employed in cutting, marking of fabrics and safety engineering) are qualified and receives higher salary. Female workers in the operating section receive piece rate payment (There are a few male operators, especially Odisha workers and they also receive piece rate payment. This can be the result of feminised operations in the assembly (Standing, 1999)). Thus, in both the circuits, there is an increasing feminisation of the basic processing operations of the final product.

Despite the dominant presence of female workers in these circuits, the labour relations can differ from each other. For example, in the present study of cashew processing unit, the trade unions have very active role in labour recruitment, negotiations and day to day functioning of the workers. Contrary to this, in the case study of garment unit there are no unions or workers’ associations evident from the study. It was observed during the study that the negotiations regarding wage hike is done on an individual basis in the garment unit. The worker approaches the HR personnel asking for wage hike. The procedural rights, such as minimum wages and maximum working time are practised in the garment unit. The overtime workers are paid extra wages based on the payment scale prescribed and monitored by the buyers. The maximum hours of overtime allowed in the unit is also prescribed by the buyers’ standards. But the procedural rights, such as collective bargaining, workers’ representatives and equal opportunities are not being practiced presently in the unit. There is no collective representation or organisations to voice workers’ issues. Most of the workers represent their issues individually to the management representatives.

The case study of cashew unit presents a scenario where there are multiple unions actively operating among the workers. The unions have political affiliations, and they ensure the membership of these workers. The workers have union meeting outside the factory on a regular basis with an advanced announcement of the meeting date. Each
union has conveners selected from the workers. Unions have a say in the appointment of male permanent staff with the management. At times of worker-management issues of conflict, the unions interfere as a third party to resolve the issues. It was evident from the study that cashew workers have their substantive and procedural rights met in the factory. But the study was conducted in a corporation factory. During this period, many private factory visits were made and interviews with union leaders and private workers were conducted. It was noted that many of the private factories avoid labour laws. There is also evidence of casual workers in the private factories. It was observed in one of the private factories that there is presence of Assamese male workers in the cutting section. They are casual workers and the manager mentioned that they have employed them due to shortage of labour in the state to do cashew processing.

The nature of labour relations in the local resource points can be influenced by the condition outside the workplace. The social networks of friends, family, caste, religion and other identities of the workers can influence the information dissemination of the vacancies and recruitment to the factories. Besides, there are NGOs and civil society organisations increasingly involved in issues of labour welfare. With respect to the study of garment unit, it is observed that the role of friends and family in finding the current job among the local workers are prominent. Majority of the Odisha workers are recruited through the training centres. The coordinator of the Hinjilicut training centre mentioned that many clubs, charitable organisations and Anganwadi teachers are involved in spreading the information about the free training and the job placement among the families. The majority of the migrant workers from the training centre belong to lower caste and BPL households (see Table 3.3). The interactions between the local workers and Odisha workers are minimal in the study unit. Many of the local workers mentioned that the language barrier is a major reason for fewer interactions. The workers in the study unit in general are young, unmarried and with a low educational background (see Table 2.2 and 2.6).

The study of cashew workers reveals the larger role played by social networks within the workplace. The female workers mainly received information on the job vacancies
through friends, neighbours and family members (see Table 4.4). There is also an important role for SHGs like Kudumbashree and caste organisations like NSS and SNDP in organising the workers outside the workplace, as well as disseminating job information (see Table 4.4 and 4.10). There is caste wise representation of workers in different processing sections. Majority of SC are in shelling and Nair caste women are mainly in grading and peeling sections (see Table 4.7). It was observed during the study that workers’ mothers were also working previously in the cashew factories (see Table 4.8). Cashew workers have strong social networks of friends within the unit, and this was visible in workplace interactions and cooperative work practices. Most of the cashew workers have very low education (see Table 5.1), and it was mentioned that the young generation are not coming to take up the processing work.

The secondary circuits of garment and cashew industry engage with workers who are local and migrants. The workers in the garment unit are very young, mostly single and less educated. The secondary circuit which is training the migrant workers in Odisha is mainly focused on unemployed youth from BPL families. The information collected from the training centre presents that most of the workers are from lower caste and poor households. Thus, the secondary circuit of present garment unit is mobilising workers who are very young, unemployed and belonging to lower castes and BPL families. In the case of cashew informal secondary circuit, there are household processors who are mainly workers whose mobility to the factories are restricted due to domestic responsibilities, old age and old age related health issues. Many of the young female workers take up informal job as alternative options. All these workers identified during the study are the local workers in the case of informal processing. Thus, the study of garment workers and cashew workers and the secondary circuits, both formal informal, reflects the variations observed within each circuit.
6.3 Policy Directions and Relevance

The study of garment resource point at KINFRA reveals the increasing presence of migrant workers in the unit. The low availability of cheap labour in the locality forces the resource points to search for cheaper workforce through the secondary circuit. This study is not just relevant to the current park rather insights from the study are also useful for other garment resource points of India. Studies have noted significant presence of migrants from a low socio-economic background coming to work in garment hubs like Bangalore, Chennai and Tirupur. The information collected from the Hinjilicut training centre at Odisha shows that their trainees were placed in garment factories in states like Tamil Nadu, Karnataka, Kerala and Uttar Pradesh. As per the data, 45% of the trainees are placed in Tamil Nadu, 25% in Karnataka, 29% in Kerala and the rest in Uttar Pradesh. This shows the importance of the present study for understanding and examining the migration processes. There is a need to have monitoring agencies to ensure the safety and security of the migrant workers. The lack of labour organisations among the workers can make them more vulnerable to exploitation compared to the local workers. Therefore, the safety and security of the migrants and their labour rights in their newly migrated environment should be an important aspect of labour policies regarding the garment factories in India.

The study of informal secondary cashew circuit exhibits the presence of home-based cashew processors in the state of Kerala. The formal factory-based processing and the informal home-based processing are coexisting in the cashew circuit. Working informally at home is the result of restricted choices or options. Their mobility to the factories can be restricted due to reasons like, being sick, old and retired; being married and having responsibility of domestic care. The informal secondary circuit is representing a case of work option with constraints of lack of social security benefits and accountability. It points to the directions in which actions are needed so as to make this section of the workers accountable under the legal system. This process of integration of the workers at the household level can be made accountable through SHGs, like Kudumbashree that is very functional in the state of Kerala.
6.4 Future Research Directions and Conclusions

The operationalisation of secondary circuit (formal) at the local training centres in Odisha through the labour mobilisation by Panchayat, NGOs, Anganwadi teachers and households can be examined further. This will advance the study towards a tertiary level circuit linking households to the training centres. The study of garment workers can be extended to understand the impact of migration on their lives. For example, in the present case, the movement of workers from Odisha to the local resource points in Kerala cannot just be treated as an internal labour mobility due to the relative wage differences. Instead, this has to be contextualised within the larger scenario of globalisation of production and the increasing demand for expendable labour. Such migration is happening on a large scale to garment factories in India. A positive development effect of such migration can only be ensured if the local resource points practice ethical codes of conduct and fair labour practices within the workplace. The present study can be extended to understand the impact of secondary circuit on the migrant workers. Questions can be raised to understand the extent of the development impact of such migration and remittances on their livelihood. For this purpose, the socio-economic and development impact of the secondary circuit on the migrant labourers need to be explored further to get a complete understanding of the globalisation of production and the search for cheap labour.

The state of Kerala has labour shortage to do manual works. The same pattern is reflected in the study of garment unit and cashew unit. New generation of workers is not coming forward to do cashew processing. Many factories have shifted their production base to Tamil Nadu. In this context, the present study identified informal home-based processing carried out by the workers. This necessitates rethinking informality as a constraint or as an alternative option. Further research can be conducted to understand the informal processing circuit. This would give a complete picture of the cashew industrial circuit under the context of globalisation of production.

Another aspect that can be examined further is the specific gender-related issues and debates. Both the garment and cashew industry employ majorly women workforce.
There has been an increasing feminisation of workforce globally in the production networks. The growing presence of women in the workforce has some extent positively contributed to expand their economic freedom. This in turn can help in enhancing their bargaining power, status, voice and resources within the family. The issues of dowry, marriage, familial debts and dual roles of women in managing house and children, and work have come up during the field work in both these industries. Hence, further research can be conducted to understand the implications of women’s access to work and its effects on (both positive and negative) familial decisions and women’s overall freedoms.