

Tirupur garment units sign wage pact with unions

After months of protracted negotiations, the Tirupur Employers' Association (garment/knitwear units at Tirupur) has entered a four-year new wage agreement with trade unions on Tuesday.

Under the new wage agreement, employees working under categories such as cutting, tailoring, ironing, packing, fabrication, checking, label putting, hand folding,

damage spotting and fabrication will get a 33% hike, spread over four years in the ratio of 18%, 5%, 5% and 5%, respectively, said a press statement.

The wages of employees, numbering over 4 lakh in hundreds of garment units, is a minimum of Rs 45 a day to a maximum of Rs 158 a day, depending on the nature of jobs.

In addition to the 33% hike in wages, the dearness allowance (DA) is fixed at Rs 1,500 per month for CPI numbers (15,000) and in addition, for every increase in points above 15,000 points, 13 paise per point is payable from April 1, 2016.

A travelling allowance of Rs 20 per day will be given to all employees during all working days. It has been agreed that Rs 25 will be paid to workers in half-night shifts. Under the family benefit fund, an amount of Rs 17,000 will be given to the dependents of workers who die in harness.

In addition to this, for unmarried girls, when they reach the legal age, marriage allowances varying from a minimum of R1,000 to R3,000 will be provided based on their years of service. This allowance will be applicable to widows remarrying and not applicable to workers having less than one year service. If the workers have put in service of more than three years, the maximum allowance given will be R3,000 only, the statement pointed out.

As part of the agreement, it has been agreed to provide identity cards to all workers. Considering the workers' welfare, a R1-lakh group insurance scheme for all workers has been agreed upon. In case workers are already receiving excess wages over the existing settlement, the newly-increased incremental wages have to be added to the higher wages.

This agreement is for the period from April 1, 2016 to March 31, 2020.

A Sakthivel, president, Tirupur Exporters' Association (TEA), said that the wage agreement for the next four years with trade unions was settled on Tuesday (April 5) in its board room and the new wage agreement is effective April 1, 2016.

Senior officials and presidents of the employees' association held discussions with the members of eight trade unions, apart from respective labour sub-committee members from all associations. According to Sakthivel, at the end of negotiations, after consulting with joint committee chairman S Duraisamy and other associations' presidents and members, it was proposed that the wage increment would be for the next four years, which was later accepted by the unions.