

Management of Migrant Manpower in Punjab Industry during Pandemics

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Abstract:

Sudden spurt of COVID-19 as pandemic has shaken the world. The fear of the unknown is always the greatest. What, why, how, where, when etc., of the pandemic remained in dark and scared the world from the unknown results. Most distressed are the workers specially those who migrated from their places of birth to far off lands to earn. The sudden scare hit their existence and the rushed back to their homes to have a peaceful burial at home rather in foreign earning places. It was more in India since a person from lower or lower middle class always prefers to have his last breath at his homeland. Leaving their lucrative jobs they rushed to their homes by whatever means they could manage; most of them walking for miles together. They left the work places high and dry; most hit being the industry. Punjab is northern state of India was the most hit since its 80% labour form the migrant labour. As it turned into an exodus, it became a great worry for the industry and studies were initiated as to the control of such future exodus. This study is one such project which studies the management of migrant manpower in Punjab Industry during pandemics.

Key Words: COVID-19, Pandemic, Migrant labour, Management, Punjab

Introduction

COVID-19 started from China in November 2019 and spread fast globally. It was in force in India from March 2020 onwards. As on 16 November 2020 confirmed cases affected by COVID-19 globally were 54,075,995 and confirmed deaths were 13,13,919 in 220 countries.(1) In India the cases on this day were 82,05,728 with 1,29,635 death and the cases in Punjab were 1,39,869 with 4,412 deaths.(2) Considering the seriousness and the mounting sickness rate and deaths caused there from, the Central Government of India took over the control and ordered a national lockdown on 24 March (3) which caused first closure of industries and other working places. Exodus of workers to their parent states started once the second lockdown was ordered causing a total industry in shemuzzle and a catastrophic situation in India. (4) Managing such a great loss to the industry, national economy and the manpower and rebuilding and restructuring the industrial system needed a detailed study especially in the state of Punjab whose 80% industry is dependent on the migrant labour. (5) Managing the exodus of migrant manpower is thus a challenge which has to be met diligently and the state and the nation has to be ready for such like situation in future as well. Hence the subject of effectively managing the migrant labours in pandemics has been aimed in this study.

Terms

COVID-19 is the highly contagious new pandemic caused by Coronavirus (4) A pandemic is the worldwide spread of a new disease.(10) Lockdown: Limiting all activities by Government order in the affected area for a particular time. No large gatherings or functions are allowed. (14)An industry is a group of manufacturers or businesses that produce a particular kind of goods or services and involves systematic labour especially for some useful purpose or the creation of something of value. (15) MSME: As per the Government of India act the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, micro, small and medium enterprises engaged in the manufacture or production, processing or preservation of goods as specified. A micro enterprise is an enterprise where investment in plant and machinery does not exceed Rs. 25 lakh.(16) **Industrial Manpower** is the Manpower furnished by human physical strength and is the collective strength or availability for work of the people in any given area, nation, etc. (17) **Migration** of human beings is the shifting of people from one place to another generally in large groups. (19) **Migrant**: A migrant is the one who moves to another place or country generally to find work. (20) **Migrant Worker**: A migrant worker is a person who either migrates within their home country or outside it to pursue work. (21) **Worker Exodus**: Exodus is the movement of a lot of people from a place e.g., There has been a mass exodus of workers from the villages to the towns. (24) **Punjab**: Punjab is a state in the northwest region of India bordered by Pak Punjab in the west, J & K in the north, HP in the East and Haryana and Rajasthan in the South.

Available Literature on the Subject of Study

Literature on the subject of study was available in various websites in bits and pieces and published work in print is rare, since the pandemic COVID-19 is going through its second wave and its end does not seem near. Material issued by World Health Organisation (WHO) (1, 2) on measures to prevent COVID-19, (3, 4) the papers by Indian Labour Organisation (ILO) (5, 6) regarding managing manpower; the impact of COVID-19 on world economy by World Economic Forum (EF) (7) : the situation of industry in India given by Association Chamber (ASSOCHAM) (8,9) World Migration Report, 2005 (10) and in north India including Punjab by Federation of Indian Chambers of Commerce (FICCI) (11). Census of India 2001 gives the details of migration in India (12). Yushifumi Usami, 2012 project report has details about migrants in Ludhiana in comparison to Coimbatore. Statistical Organisation of India and Punjab have the relative data about industry and workers. Other material includes papers on COVID-19, man-power and migrant labourers which are also available in plenty on net, in journals and in Wikipedia. The reporting in The Times of India, The Economic Times, The Tribune and ET Auto are also significant for this project. Brief of the above is given in the following paragraphs.

Impact of COVID-19 on Indian Industry

A brief prepared in April 2020 by ASSOCHAM "COVID-19, impact on Indian Industry: Voice of the Indian Industry," with the help of Primus their Knowledge Partners (8) mentions the key challenges faced by industry during COVID-19. (8) These are (a) expected duration of economic stress on the industry is going to be immense (b) Restrictions on the movement of people and goods have impacted workforce capacity and disrupted supply chain, bringing economic activity to an almost stand-still. (c) While most respondents don't expect their industry to recover soon, they are also not confident of the effectiveness of measures to support their industry-specific challenges at the state level. (8) The responses given by 3552 respondents from industry which included Manufacturers (48%), Infrastructure builders (14%), services (38%), with employees up to 500 (75%), 500-2500 (12%), 2000-10,000 (6%) and more than 10,000 (7%). (8)

In April the respondents companies in Industries considered duration of economic stress on the industry (a) more than a quarter- (79%) (b) About 2-3 months -18%), (c) 3-4 weeks (2%) (d) 10-15 days (1%). (8)

Problems arising out of lockdown due to COVID-19 were seen as (i) Lack of raw materials (18.2%) causing (ii) Productivity loss due to lack of remote work capabilities (25.2%) (iii) Insufficient staff to accomplish critical work (19.9%) (iv) Limited orders/demand for final products (7.9%) (v) Limited Operations due to transport restrictions (28.7%). (8)

Lockdown restrictions on the movement of people and goods have impacted capacity of the workforce and supply chain has been disrupted, bringing economic activity to an almost stand-still. While most of the respondents did not expect their industry to recover soon, they were also not confident of the effectiveness of measures to support their industry-specific challenges at the state level. (8)

Status of business in April 2020 after the first lockdown was found to be (a) completely closed (5%) (b) Partial operations working with limited capacity (75%) (c) Remote working at nearly full capacity (14%) (d) Completely operational were only 6%. (8)

During March end and April beginning the effectiveness of measures taken for the industry by the Indian Government at the centre was considered as (a) very effective (11.5%) (b) Somewhat effective (34%) (c) No effect 27.5%) (d) Somewhat ineffective (10.7%) (e) Very ineffective (14.3 %). (8)

Most worrisome was the financial pressure for which Working Capital constraint was (33%), paying salaries to staff (27%), EMI Payments against loans (21%) and (d) In-progress capital expansion (19%) (8). Expected manpower reduction was (a) more than 20 % (24-45%) (b) 11-20% (14.6%) (c) 1-10% (21.3 %) and No change (36%). (8) The present quarter is expected to be strenuous for most of the businesses, with things likely to improve from July. At the same time, most businesses are looking at minimal disruption to their workforce, to ensure readiness when operations resume to full scale. (8)

COVID-19 in Punjab

In Punjab, the first case of COVID-19 was reported on 5 March 2020. By May 2020, COVID taking almost one life every hour in Punjab, the struggle for survival became intense. As the figures of COVID-19 started mounting, imposing lockdown was the only answer the Government found to deal with situation. Soon, the curfew followed thereby paralysing the state. Since March 5, 5350 persons died of COVID-19 in 2020 and the number of cases crossed 1.65 lakhs. Under the rising weight of causalities, the hefty fees charged by the hospitals, the rumours of sale of organs by doctors, the healthcare crumbled and the people started losing faith in treatment since there was neither a vaccine nor any medicine yet available in hospitals or from chemists. This forced the people to stay strictly at home. With no manpower coming out for work factories were shut especially in April and May 2020. No work, no pay being the norm of the industry specially having migrant labour most of which was unregistered and temporary, the workers were left penniless. With no end visible from COVID-19, the workers preferred to die at his home rather than in a foreign land. (24)

Migration of Workers

Migration is not a new phenomenon. For decades and even during pre-historic times, there are sufficient evidences of people moving from one region to other. People moved across length and breadth of the country, at times across borders for social economic and political reasons. The developed/ developing areas have created a demand of labourers and the rural and backward areas have become the supplier of work force. Majority of migration of labour is dependent on agriculture for work and income. The non-seasonal migration flows from the areas of limited economic opportunities and retarded social development to fast developing areas providing higher wages to enhance the socio-economic status of the people. (7)

Places of Origin and Pattern of Migration to Punjab

According to Census of India 2001, The states where most migrants originated from were Uttar Pradesh, Bihar, Jharkhand and Madhya Pradesh. The cost of travel to Punjab from their place of origin was borne by the migrants themselves in most of the cases though some companies also had borne the expenditure. Many of the migrants came to Punjab individually, while others travelled with their family. In case their family also came with them the spouse also pursued paid employment. The type of job was not necessarily the same. In some cases the children of migrants also found employment. 912)

Migration in Punjab

Census Data about migrants is available only in Censuses 2001. The issue of migration is not a recent phenomenon in Punjab. The out-migration of Punjabis to other states and foreign countries as also their successes/entrepreneurship especially in transport sector are examples to other states. The state however witnessed reversal of the trend and subsequent industrialization, globalizations etc, during the green revolution of sixties. Today Punjab is one of the most sought after destinations from poor backward states' unskilled rural population. Most of the seasonal migrants of the state are for agricultural purposes. In this context please refer to the following table:-

Table 1. Estimation of Inter State Migrant Labour in Punjab in Late 1990

Sr No	Activity	Migrant Workers in Punjab
1	Agriculture	7 Lakh
2	Brick Klin	2 lakh
3	Manufacturing	7 lakh
4	Service (Palledars) Rickshaw, domestics	3 lakh
5	Construction	2.65 Lakh
	Total	21.65 Lakh

Source: Source: Punjab Human Development Report – 2004 – Table 8.1

Table 2. Shows the Male Migrant Workers in Punjab

Total Workers	539.6	100%
Local workers	178.2	33%
Migrant Workers	361.4	67%
Inter-state Migrants	149.2	27.7%
Intra-state Migrants	196.0	26.3%

Source: Census of India, 2001, Series, B Economic table 1, D Migration Tables

According to Economic Survey of Punjab 2006-2007 "The magnitude of unemployment in Punjab continues to be a cause of serious concern. The Government is seriously concerned with the plight of educated unemployed persons'. The State Government in 2007 has created a separate Department of Employment Generation, which is separate from the existing Department of Labour and Employment. Many innovative schemes and programmes have been initiated for educated unemployed persons of the state at the same time. Another dimension of migration has come from studies pointing towards the factors of rural to urban migration as growing desire for a higher standard of living. They have revealed that higher migration rate was from households of upper castes in comparison to others, as they have higher level of education / skill and level of aspiration. Further, migration of labour is also caused by other contributory factors like policy change, technological change, non-unionization, and zeal for improving people's quality of life. Studies have also revealed that migration of labour families are on the increase wherein they are in search for waged work opportunities for the whole family. (26, 27)

Reasons for Migration

Today, labour migration is identified by temporary tenure, poor ground working condition, and many times physical and verbal abuses and violation of human rights. Migrants are often considered as second class citizen, and often relegated to 3 Ds (Dirty, Dangerous and Difficult) jobs. In the World Migration Report (2005), the International Organization for Migration (IOM) wrote about the concerns that surround migration - such as loss of jobs, lower wages, increased welfare costs and the belief that migration is spiralling out of control. The WHO and UNESCO, both are proponents of human rights-based approach for migration management. (1, 2)

In the Indian context, the migration is generally from remote backward rural areas of the country (majority from Bihar and UP as reflected in Census of 2001 to all major industrial towns in the states with much stronger economy. The labour recruiters, human trafficking network, all play quite significant role, in the migration of disadvantaged sections of society (poor, landless unskilled, SC/ST/OBC, Women, adolescent groups etc). (14)

Migrants reach the state with varied intentions like working as seasonal labour or to settle in the state. Many of these labourers are victims of debt traps. Many a time the selection process of individual labour for employment, reminds people of the forgotten slave trade. These seasonal workers' living/shelter arrangements are often extremely unhygienic with inadequate basic amenities. They pay for all their basic requirements of food, shelter, medical/health care and are generally left with little savings, therefore, the debt cycle continues year after year. The industrial migrant labourers in the state generally live with their families. Their dwellings are somewhat better than dwellings of agricultural labourers. At the same time there are reports of many unlawful activities among these populations ranging from child labour, bonded labour, use of drugs, crimes, sneaking of terrorists and foreigners in the garb of migrant labour in the state etc. On the other hand, these migrant populations directly or indirectly affect the lives of local people also. It is reported that the migrant population is a strong and well organized pressure group in the city of Ludhiana. Since the migrant labourers are considered 'outsiders', in a social and linguistic sense, the focus is always on "the migrants as problem" rather than the "problems of migrants". These labourers move from one place to another looking for better wages. All these job opportunities notwithstanding, the sons of the soil from Punjab with aspiration try their best to reach Canada, US, Germany, Australia etc. There are innumerable reports of exorbitant charges or fraud by the agents. Many adopt irregular means and ways to reach out-shore and land up in trouble. Further, local workers face competition from these groups which many a time results in clash of interest and disputes thereof. (26,27)

Punjab is no exception and the Towns and villages of Punjab see an annual influx of large number of unskilled population from rural areas of Uttar Pradesh and Bihar. These migrant work force reaches Punjab from all over the country individually as well as in groups with or without the help of contractors/agents. According to newspaper (Tribune), the population of migrant labour in Punjab has reached 2.5million with Ludhiana being its focal point. Punjab's entire industry and agriculture, paddy, plantation and allied fields such as poultry and dairy are almost fully dependant on these migrant workers. (14)

With almost every industry in Punjab shutting down following the imposition of lockdown and curfew to check the spread of coronavirus, the industrial workforce is among the worst affected in the state with their both present and future at stake. Though in Ludhiana - one of the most important industrial hubs in the state, a section of businessmen released salaries and advance to their workers despite staring at losses worth several hundred million, others were not so lucky in other parts of Punjab. (15)

But a large section of workers could not reach their factories to get financial assistance from their owners due to curfew and were confined to their congested rooms taken on rent. As all trains were cancelled and other

transport modes, too not working, labourers could not even return to their native states, including Uttar Pradesh, Bihar, Jharkhand and West Bengal. (15)

Ludhiana businessmen, who have been unable to pay anything to their workers, fear that unrest will kick in among thousands of workers if they will not get monetary assistance during the lockdown period and there will be heavy consequences. Most sufferers were the micro, small and medium enterprises (MSMEs). The industry was now desperately trying to seek help from the Ludhiana deputy commissioner, police commissioner and other higher officials in this regard. (15)

Table 3. State of Origin of Migrants in Ludhiana

State	Migrants	Percent
All states	2,29,581	55.9%
UP	1,05,220	25.6%
Bihar	64,022	15.6%
Haryana	13,499	3.3%
HP	10,547	2.6%
W. Bengal	6,272	1.5%
Rajasthan	4,797	1.2%
Uttaranchal	5,088	1.2%
Delhi	4,453	1.2%
Kerala	447	0.12%
Others	15,226	3.7%

Source: Census of India 2001, Series D, Migration Tables

Mr D S Chawla, president of United Cycle and Parts Manufacturers Association (UCPMA), Ludhiana said, "As April 23 was Sunday and curfew was imposed the next day, no employer was able to go to their factories or bank to either pay cash to their workers or transfer salary via cheque. We are getting inputs that the workers have exhausted all their money. If they don't get money soon, some of them might be forced to take up unlawful ways to survive." (15, 30)

Exodus of Migrant Workers in India

Following the easing up of regulations, many automakers like Maruti Suzuki, Hyundai Motor India and Hero Motor Corp announced that they would be commencing operations in a graded and phased manner at their manufacturing plants. Maruti Suzuki, Hyundai and Hero Moto Corp commenced plant operations in phased manner. With lockdown 2.0 still in force, migrants started moving back to their home states. Since railways and buses were closed, transport facilities did not exist. Some of them started on foot from states like Gujarat, Maharashtra, Delhi and Punjab. As the lockdown 3.0 came in effect from 4th May, the union government allowed the gradual resumption of economic activities, by relaxing lockdown measures, in certain parts of the country identified as green and orange zones. Meanwhile Union Home Ministry with effect from May 4, allowed stranded migrant labourers to go back to their native places. Fearing large move of these labourers, the companies needed to offer big incentives to lure the migrant workers to stay back or if they had already left to come back and join. Migrant workers form a large chunk of the workforce for many companies across India. With guidelines for lockdown 3.0 came a fresh guideline issued by the Ministry of Home Affairs on 30 April 2020 for interstate movement. With effect from 04 May, the Union Home Ministry allowed the movement of these stranded migrant labourers. This put the companies ready to restart their factory operations in limbo as the temporary and contracted labour started migrating back to their home states due to easy availability of home bound trains. This started the great exodus of the workers. (17)

Maruti is not as much dependent on migrant workers as it had regular workers along with some temporary workers as stated by RC Bhargava, the Chairman, MSIL. In an earlier interview to Economic Times, RC Bhargava, Chairman of Maruti Suzuki India has said, "Maruti is not so dependent on migrant workers. We have regular workers and we have temporary workers. There are, of course, some contract workers also but they are not migrants. They are here for the long term. The migrant problem does not really impact our ability to function at all as a company". The car industry depends not just on the factories that assemble the cars, but on the entire supply chain operations. Any disruption in that will result in a delay in the manufacturing of the final product.

Thus the company which did not employ the migrant workers did not face closure due to non-availability of workers. (17)

However, the company which makes engines at its Gurugram plant is connected to a network of over 300 tier-1 and tier-2 suppliers where the majority of workers are migrant labourers who fled to their native places after sudden imposition of lockdown which left them in a limbo. Now without the engines, Maruti's Manesar plant which assembles cars cannot be fully functional. Thus the migrant workers affected not only the unit they were working in but also other units which functioned at tandem with companies employing migrant workers. (17, 29)

The same story is there in the state of Maharashtra which is a major automobile manufacturing hub of the country. Industrial activity was permitted in 'orange' and 'green' zones in 20 districts, including in SEZs (Special Economic Zones) and the Maharashtra Industrial Development Corporation (MIDC) but re-starting of operations was not easy. "Even if the Maharashtra Government decides to allow operations, it was going to be difficult to re-start work without the labourers. Work was at standstill in Pune-Pimpri auto hub as the majority of workers here - from Bihar, Jharkhand, Odisha, Assam and Uttar Pradesh - have headed home following the virus outbreak," says Sandeep Belsare, President of PimpriChinchwad Small Scale Industries Association. According to a parts supplier to the automobile companies that ET Auto talked to, it was to take them at least three months to get their factories back into operations. "Even if the government has allowed us to gradually restart operation, we don't have adequate manpower to get the wheel moving. It was quite ironical that both the decision to re-commence and allow the native workers to go back to their homes came at the same time." (17)

The dealership business which was thwarted by the lockdown found it equally difficult to open up with less than half of the work force especially in the post-lockdown period where hygiene was central to business operations. Vinkesh Gulati, Vice President, Federation of Automobile Dealers (FADA) told ET Auto, "For instance, even if MHA allowed for opening up with 50 percent of staff. The workshop with 50 workforces, without wash boys and technicians are practically not possible. We would need not only sales consultants but the rest of the workforce to be fully functional because we will be very health conscious." (17)

The auto component industry workforce is attributed to a major number of migrant workers, who were affected due to the virus outbreak and lockdown. According to the analysts, the situation is going to be catastrophic and industry needed a single comprehensive roadmap for its way back to re-commencing of operations. The employers needed to offer big incentives to lure the migrant workers back. As per Confederation of India Industry (CII), factory workers could only be brought back if there was an assurance of advance payment and compensation, besides safety and security at the workplace. The willingness of workers to come back and logistical facilitation for them were key issues. (17)

It further suggested that migrant workers could be issued e-passes by local authorities such as the BDO or the Tehsildars, based on the industry requests to allow to travel to their place of the workforce. Many industry bodies also wrote to the centre to prevent reverse migration of workers. (17)

Industry in Punjab

Table 4: UNITS WORKING IN PUNJAB ON MAY 11, 2020			
District	Registered	Functional	Workers Permitted
Ludhiana	95,202	6,543	2,10,970
Amritsar	20,200	438	8,104
Mohali	15,564	755	18,162
Jalandhar	14,000	2,816	51,510
Patiala	14,000	502	14,200
Sangrur	13,502	160	14,354
Kapurthala	11,204	265	12,433
Gurdaspur	10,172	134	1,126
Hoshiarpur	10,072	71	8,826
Bathinda	8,372	225	18,359
Moga	6,975	208	2,687
Faridkot	6,637	403	5,467

Mansa	5,487	23	669
Ferozepur	4,183	290	4,186
Fatehgarh Sahib	3,750	108	1,280
Muktsar	3,277	37	796
Barnala	2,604	272	3,440
Fazilka	2,509	199	5,218
Rupnagar	2,428	150	1,486
Nawanshahr	2,200	27	1,901
Pathankot	2,183	18	332
Tarn Taran	1,400	117	2,367
Total	2,55,741	12,671	3,87,919

At the time of independence, Punjab had only a few hundred industrial units, mainly processing food grains, cotton ginning and brick kilns. Most of the manufactured items of even common use came from outside. During the post-independence period, industrial development in Punjab took place in phases. In the fifties the cycle-parts and hosiery industries took their roots, while in the sixties, with the advent of the Green Revolution, agriculture related industries like manufacturing of farm machinery came up. The main focus in the seventies was on such industries as auto-parts and electronic items and during the eighties on resource based industries such as food processing. The industrial sector in the state of Punjab is going through a very significant phase of transition with severe challenges and many new opportunities. As per data available from Punjab Government: on May 11, the Industrial Units working in Punjab were as per table 3 at Annexure 1 (19).

As per this data Ludhiana industry had the maximum factories (95202) and it was the most affected where only 6,543 factories could function while others were closed. This affected over two lakh of workers. Hence the survey was concentrated on Ludhiana Industry. Industry in Ludhiana Bicycles & bicycle parts, Automobile parts, Hosiery goods, Sewing machine & parts, Home appliances, Machine tools, Readymade garments, Hosiery, needles, Rubber goods, Label s (Metal & Cotton), Chemical goods, Oil engines, Agricultural implements, Electronic goods, Tractor parts, Cycle tyres/tubes, Plastic goods. (19)

Exodus of Migrant Workers during COVID-19 in Punjab

There is no history of exodus of migrant workers from Punjab except during Nineteen Nineties during the militancy in Punjab. It was however, never such a mass scale exodus as was observed in 2020. In Punjab the first case of COVID-19 was reported on 5 March 2020. As the figures of COVID-19 started mounting imposing lockdown was the only answer the Government found to deal with situation. Soon, the curfew followed thereby paralysing the state. By May 2020, COVID taking almost one life every hour in Punjab, the struggle for survival became intense. Since some migrants left on foot for states as far as Bihar and Orissa and even West Bengal, the state Government requested the centre for opening up trains. For this proper safety arrangements were planned before boarding and due registration was done.(24)

On 1 May 2020, Chief Minister Capt Amrinder Singh had said that “Nearly 10 lakh migrant workers work in Punjab out of which 6.52 lakh applied to return . Association (UCPMA) said, “Majority applicants want to go to UP and Bihar - 3.43 lakh and 2.35 lakh respectively by 4.30 pm on Sunday- thus forming 88.6 per cent of the total persons. Meanwhile, 10,692 and 6,157 persons want to move to Jharkhand and Uttarakhand respectively”. (5) By 4 May 2020, 8 lakh migrant workers registered for going back to their home states. (5) This great number of job losses of employees in India was especially of those whose salaries were not regular and written contract or joining letter did not exist. In Punjab, the job loss too was immense. (8, 9)

Reasons of this exodus in 2020

In lockdown 2.0, fearing permanent loss of jobs and impending hunger due to financial crisis the exodus of migrant workers started with mostly moving to their states on foot en-masse as there was no transport available due to lockdown. The major exodus of migrant labourers from Punjab to their native states started as the lockdown 3.0 was announced, causing adverse impact to the state's industrial and farm sectors. The Indian Government started ‘Shramik’ trains to ferry stranded migrants to their respective home states. In Punjab alone, more than 8 lakh migrant workers got themselves registered for going back to their home states causing great apprehensions in the minds of the industry owners and farmers.

Onkar Singh Pahwa of Ludhiana, President of the All India Cycle Manufacturers Association, Punjab, on May 7 said "The availability of minimum workforce was a prerequisite for the purpose of resumption of industry. The Centre had allowed only stranded migrants to be sent back home. But now even those labourers who are not stranded are getting tempted for registration to return to their home states because of the availability of free rail travel". (17)

Government Response on Exodus of Workers from Punjab

Explaining Indian Government response on exodus, Rahul Ahuja, chairman of the Punjab unit of industry body CII, said, "It is inexplicable that the governments did not foresee the current exodus, triggered by the desperation of the workforce, which is not stranded. The bulk migration of workers would turn out to be counterproductive for the industry as it would not allow industrial activities to restart." "If bulk migration of workers is not stopped then Punjab will be ruined economically." Gurmeet Singh Kular, president of the Federation of Industrial and Commercial Organisations, said: "The migration of workers would prove to be a death knell for industrial activities in the state. There was not even a single death in the state due to hunger. Thus, the propaganda of non-supply of the ration is false and motivated." Representatives of All India Cycle Manufacturers Association, Chamber of Industrial & Commercial Undertakings, Confederation of Indian Industry (CII) and FICO on May 7 appealed to the Centre and state governments to stop the exodus of workers and requested that the state government should reach out to migrant workers to provide whatever assistance they require. (9)

COVID-19: Implications on Regional Industry and Economy

Coronavirus is a new strain that has not been previously identified in humans. It causes illnesses ranging from the common cold to diseases such as the Middle East Respiratory Syndrome (MERS-CoV) and Severe Acute Respiratory Syndrome (SARS-CoV). Globally, around 116 countries are facing the wrath of the virus with more than 10 reported cases in each country. India is one of the 116 countries and there is a sudden rise in the number of positive cases. The current situation has forced the Central and State Governments to take several precautionary measures. The safety measures and the social restrictions mandated by the government have brought consumerism to an all-time low with people staying at home. Restaurants, malls, movie theatres, and even schools and colleges remain closed across the country. (5)

17% of GDP is contributed by manufacturing sector that absorbs 12% of workforce. The BSE index has fallen to over 30% since February 2020 after the COVID-19 cases started coming to light, clouding the outlook in the last quarter of FY 19 – 20 for Indian businesses, especially in the service sector, and posing a risk to the great Indian growth story. With the Punjab industry facing heat because of a massive drop in demand for industrial products due to coronavirus scare, there is an urgent need of relief in the shape of deferment of payment of the goods and services tax, cut in the bank interest rate and immediate release of the tax refund to stay afloat in the time of crisis. (5)

Already being hit hard because of tepid demand, the industry expects Punjab Government to defer the payment of electricity bills, property tax and other statutory dues for at least two months. Almost all industrial verticals in Punjab - bicycle, garment, auto parts, hand tools etc, have been hit because of the steep drop in demand for products, the industry said. To address the problem of migrant labourers and prevent their exodus amidst the COVID-19 crisis, the Punjab Chief Minister directed all industrial units and brick-kilns to commence operations while adopting safety provisions. (5)

Punjab Industry

A report by FICCI for the period covered March 1, 2020 – April 10, 2020. It is based on primary research is based on industry survey from 15 sectors across the States of Punjab, Haryana, Himachal Pradesh and UT Chandigarh, revealing insights on the impact of COVID-19 on revenue, cash flow, inventory, etc. and their key recommendations to the State Governments. Personal interviews with key industry leaders were also conducted to gain a broader perspective on sector-specific impact. Even as the Indian economy has been hit by coronavirus pandemic, the damage is expected to be limited if the situation eases by mid-May. However, the disruption is likely to last till September if the situation doesn't improve and lockdown extends. The consumption would be negatively impacted on account of possible job losses and reduced incomes. A long-term plan needs to be put in place to ensure that small businesses are encouraged to get back on their feet as soon as it is safe for them to do so. Among other steps, the State Governments should consider easy lines of credit for MSMEs, as this is probably going to be most difficult to access. Increased protectionism may also be called for, to keep cheap imports at bay until manufacturers find their feet. (1,2,3, 11)

Punjab's MSME industry will have to incur huge losses. As per the estimate, Ludhiana's micro, small and medium enterprises (MSME) industry will suffer losses between ₹ 1,200 and ₹ 1,500 crore, while the total loss of Punjab's industry would be around ₹ 3,200 crore during these seven days. Trade & repair services and hotels & restaurants together employ 41% of the total workforce within the services sector. Other services which include education services, health services, entertainment, etc. together form the next major employer. About 30% of the workforce engaged in these services are being impacted due to pandemic.(11)

3.15.2. A study by the All India Manufacturer's Organisation (AIMO) estimates that about a quarter of over 75 million MSMEs in India will face closure if the lockdown due to COVID- 19 goes beyond four weeks and this figure is estimated to touch a whopping 43% if the situation extends beyond eight weeks.(11)

The impact will be high because these MSMEs provide employment to more than 114 million people and contribute around 30-35% to the GDP. The MSMEs are affected at several levels with the national lockdown, the production facilities and retail has been hit the big. (11. P.16)

Impact on Informal Economy

The Coronavirus Disease strain that has started spreading since December 2019 (COVID-19) in mainland China, since its discovery, has been a deterrent for the Indian Economy. India is a net importer of Chinese products with the lion's share being electronic components at 67% and consumer durables at 45%. India is also heavily dependent on Chinese imports to make medicines-the APIs (Active Pharma Ingredients) and other components that go into manufacturing. As the pandemic continues through the first quarter of 2020-21, imports have been hit on account of closure of Chinese factories. This may lead to supply shortage of major components, further hindering the manufacturing activity in India and could as well be the first indication of the disruption caused by the virus in the country. (4)

As a result of the loss of manpower, the economic crisis created by the pandemic, almost 1.6 billion informal economy workers (representing the most vulnerable in the labour market), out of a worldwide total of two billion and a global workforce of 3.3 billion, have suffered massive damage to their capacity to earn a living. This is due to lockdown measures and/or because they work in the hardest-hit sectors. The first month of the crisis was estimated to have resulted in a drop of 60 per cent in the income of informal workers globally. This translates into a drop of 81 per cent in Africa and America, 21.6 per cent in Asia and the Pacific, and 70 per cent in Europe and Central Asia. Without alternative income sources, these workers and their families did not have any means to survive. This has caused shutting down of many enterprises who did not get enough labour to work, breach in supply-chain management and lack of incomes. (11)

Impact of worker exodus on Economy in this period of pandemic

The Indian economy has been hit by coronavirus pandemic. The damage is expected to rise if the pandemic is not controlled within next few months. The disruption which lasted till date (November 30, 2020) is likely to deteriorate further since the second wave of COVID-19 has started globally including in India and Punjab. The consumption has been negatively impacted on account of job losses and reduced incomes. (8)

Impact on Industry on exodus of Migrant Industrial Workers due to COVID -19

Though migrant workers started migrating after lockdown 1, but the real exodus of migrant workers from their places of work to their hometowns in UP, Bihar, MP, Orissa and other states, started in the beginning of May as the lockdown 3.0 came in to effect. Even though some relaxation was given for companies to restart their production, this large migration resulted in loss of available manpower to the industry. The absence of migrant workers who had been a part of the regular workforce of major tier-2 and tier-3 companies posed hurdle of non-availability of manpower causing major hurdle in resumption of production. As job losses escalated, nearly half of the workforce was at a risk of losing livelihoods. The latest ILO data on the labour market impact of the COVID-19 pandemic globally reveals the devastating effect on workers in the informal economy and on hundreds of millions of enterprises worldwide. According to the ILO Monitor third edition: COVID-19 and the World of Work, the drop in working hours in the second quarter of 2020 was significantly worse than previously estimated. Compared to pre-crisis levels (Quarter 4: 2019), a 10.5 per cent deterioration occurred, equivalent to 305 million full-time jobs (assuming a 48-hour working week). The previous estimate was for a 6.7 per cent drop, equivalent to 195 million full-time workers. This is due to the prolongation and extension of lockdown measures. Estimates suggest a 12.4 per cent loss of working hours in Quarter 2 for the Americas (compared to pre-crisis levels) and 11.8 per cent for Europe and Central Asia. The estimates for the rest of the regional groups

follow closely and are all above 9.5 per cent. Impact of effect on work force has also called negative impact on economy globally.(11) In India there was a risk of 136 million jobs at risk during COVID-19. In Punjab 8 lakh jobs losses were caused due to the exodus with Ludhiana having the maximum impact with more than 2 lakh job losses. This great number of job losses of employees in India was especially of those whose salaries were not regular; without a written contract or for those whose joining letter did not exist. Regionally, the situation has worsened for all major regional groups. (1,2,3, 5,6)

Enterprises at Risk

The proportion of workers living in countries under recommended or required workplace closures has decreased from 81 to 68 per cent over the last two months. The decline from the previous estimate of 81 per cent in the second edition of the monitor (published April 7) is primarily a result of changes in China; elsewhere workplace closure measures have increased. Worldwide, more than 436 million enterprises face high risks of serious disruption. These enterprises were operating in the hardest-hit economic sectors, including some 232 million in wholesale and retail, 111 million in manufacturing, 51 million in accommodation and food services, and 42 million in real estate and other business activities. (1,2,3, 11)

A long term plan needs to be put in place to ensure that medium and small manufacturing enterprises (MSMEs) are encouraged to get back on their feet as soon as it is safe for them to do so. Among other steps, the State Governments should consider easy lines of credit for MSMEs, as this is probably going to be most difficult to access. Increased protectionism may also be called for, to keep cheap imports at bay until manufacturers find their feet. (1,2,3,11)

According to ILO Director General Guy Ryder, “For millions of workers, no income means no food, no security and no future. Millions of businesses around the world are barely breathing. They have no savings or access to credit. These are the real faces of the world of work. If we don’t help them now, these enterprises will simply perish.” “Measures for economic reactivation should follow a job-rich approach, backed by stronger employment policies and institutions, better-resourced and comprehensive social protection systems. International co-ordination on stimulus packages and debt relief measures will also be critical to making recovery effective and sustainable. International labour standards, which already enjoy tripartite consensus, can provide a framework.” “As the pandemic and the jobs crisis evolve, the need to protect the most vulnerable becomes even more urgent”. (5)

Solving of these problems of Manpower has to be dealt from 2 angles (a) Solving the problem of Manpower (b) Solving the problem of Industry. Solving the problems of manpower involves (a) solving the problem of COVID-19 (b) solving the ground problems of workers. Solving the problems of Industry will involve (a) Solving the problem of restart of the industry (b) re-employment and retraining of the workers according to the new situation (c) finding out the replacement of the workers which have permanently left. (5)

Return of the Migrant Labour to Punjab

Return of the migrants was gradual mostly after the lockdowns were lifted. They were either called by the industry or returned due to their financial problems and also the fear of COVID-19 having subsided. Jindal told The Wire that flying in the workers was the only option he was left with – there was a long waiting list for trains and chartering a taxi from Patna to Ludhiana was way more expensive than airfares as a two-way fare was being demanded. In a no-nonsense manner, he Jindal his predicament: “I produce blankets but currently do not have enough skilled labour to handle the knitting, dyeing or designing job in order to optimise production. The arrival of these workers will ease my beleaguered production line somewhat, but the fact is that I need more workers.” (28)

Solving the problem of COVID 19

Solutions for avoiding such exodus of migrants and alternatives in future so that the industry does not suffer this again due to man power as it occurred in lockdowns and other interruptions in 2020. ILO remarked: “For millions of workers, no income means no food, no security and no future...As the pandemic and the jobs crisis evolve, the need to protect the most vulnerable becomes even more urgent”. The ILO called for urgent, targeted and flexible measures to support workers and businesses, particularly smaller enterprises, those in the informal economy and others which are vulnerable.(5)

This problem of COVID 19 has to be resolved at four stages (a) International level (b) National Level (c) State level (d) Individual level

Even as the Indian economy has been hit by coronavirus pandemic, the damage is expected to be limited if the situation eases at the earliest. However, the disruption is likely to last till next year if the situation does not improve and lockdown continues. The consumption would be negatively impacted on account of possible job losses and reduced incomes.

A long-term plan needs to be put in place to ensure that small businesses are encouraged to get back on their feet as soon as it is safe for them to do so. Among other steps, the State Governments should consider easy lines of credit for MSMEs, as this is probably going to be most difficult to access. Increased protectionism may also be called for, to keep cheap imports at bay until manufacturers find their feet.

In India there had been a risk of 136 million jobs at risk during COVID-19. This great number of job losses of employees in India was especially of those whose salaries were not regular and written contract or joining letter did not exist. (1,2,3)

Summary

As per data last updated as of 5:29pm CET, 21 January 2021, on WHO Coronavirus Disease (COVID-19) Dashboard; globally, there have been 95,612,831 confirmed cases of COVID-19, including 2,066,176 deaths, reported to WHO. According to The Tribune dated 12 January 2021 industry has bounced back as 96% units have resumed operations and 97% of their staff has re-joined. During pandemics only 435 units of the total 2.6 lakh units including 500 large units were left operational. In Punjab 2,37,118 industries with 16,08,108 workforce have resumed operations. In Ludhiana, having the largest number of registered units 8,18,812 out of 95,202 industries have become operational with the return of 5,05,893 of the 7,69,245 total workers. Industry of Ludhiana was the hardest hit in the state as 13,390 units were closed down with 2,73,906 of its workers losing jobs, a 92.58% of the total 14,462 industrial units that had closed down in the state, while the workforce rendered jobless in Ludhiana was 98.08 % of the total 2,79,245 losing jobs in the state (The Tribune Jalandhar, 12 January 2021).

Pandemics unsettle entire systems in the area of occurrence as has been shown by the recent pandemic caused by COVID-19. Since their period is relatively long, long term measures are necessary to manage conditions arising. Managing the workers under these conditions has to be envisioned, planned, prepared for thoroughly, and the plans should be amended as per the changing situations temporary or permanent. Employment of migrants because of the ease of availability and less cost had become a norm in Indian industry. However, during pandemics, when exodus occurs, the functioning of a concern comes to a stand-still as has been seen in the period of lockdowns; causing heavy financial loss to the industry, individual and to the nation as well. Maharashtra thought it well before when it made compulsory for the Maharashtra industry to employ 80% workers locally within the state. Even Haryana also followed suit and made compulsory in industry, 75% workers from within the state. Punjab too, must adopt this approach as soon as possible, by making it a law. Other arrangements include accommodation to the workers within the periphery of the factory.

All the sources recommend professional/technical training of state's own local youth for working in factories by the government or by the companies themselves to make them fit for the job skills and on line working since rural areas have plenty of jobless workers. During the pandemics those industries who explored the local workers were successful in maintaining their operations even during lockdown. Employment of local workers will also plug the perennial exodus of the workers during festival seasons. Employment through contractors can also be stopped and preference should be given to permanent local workers since they tend to commit in all times. MSME are going to be the most benefitted by the local workers.

WHO guidelines on anti-pandemic safety measures are needed to be adopted. Workers must be made aware about the safety measures, and accustomed to on-line working. Automation, computerisation and technical skill development in industry is now an essential future requirement. HR Managers must maintain regular communication with workers on mobile or computers. Working from home or working on-line is also an alternative for which the HR must train their men and rehearse regularly. Netting company groups also becomes essential where the exchange of information becomes most effective and timely. Adopting security and safety measures is the other most important task which the HR team must ensure. Caring for their financial needs is essential. Remote or online working is one such measure which can remove administration and communication problems.

As manufacturers seek to drive business continuity and compete amid extraordinary times, the focus has to shift to developing more innovative cultures and leveraging flexible operating models. The goal should be to recession-proof the organization while continuing to attract, engage, and retain talent. There is also a need to set up an institutional mechanism for these migrant workers which should have nodal cells to register, verify antecedent of workers, record reasons of migration and track their movements within the state. The cell also should be responsible to verify complaints of harassment or human rights violation and in consultation with police, NGOs and Unions resolve these. Workers should be made aware and motivated under the direction of cell to ensure that the workers sincerely take on the jobs and perform to provide satisfaction to the employers. Contact points must be established between the migrants. Facilities should also be provided for accessible and Coordination/ liaison with other government departments and stakeholders should also be done by this cell.

Workers should be provided suitable accommodation possibly within the periphery of the company where they are employed or at a nearby place under the direction of owners. Safe drinking water and clean toilets in all workplaces and places of residence and medical facilities by the government to prevent the spread of the disease must be provided.

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