

**Labour, Employment and  
Social Security Issues of Security  
Guards Engaged by Private Security Agencies:  
A Case Study of Okhla and NOIDA**

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**Sanjay Upadhyaya**



**V.V. Giri National Labour Institute**



# **Labour, Employment and Social Security Issues of Security Guards Engaged by Private Security Agencies: A Case Study of Okhla and NOIDA**

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Opinions expressed in the study are solely of the author and do not necessarily reflect the position of the Institute.
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# Preface

During the past few years, service sector has emerged as the largest growing sector in the economy. One of the important constituents of service sector is the private security service industry. In India alone, there are approximately 15000 security service agencies engaging almost 5.5 - 6 million security personnel. India's private sector service industry is the largest guarding operation in the world and the total strength of employees of private security agencies vastly outnumber the combined strength of army, navy, air force and para-military forces.

The security personnel engaged by private security agencies play a very crucial role in prevention and deterrence of crime and in protecting the lives and properties. However, a large majority of them has to face a number of challenges in terms of job insecurity, prolonged working hours, low remuneration and absence of adequate social security etc. Though, lot of legislative measures have been made by the State in the past under various labour enactments to address the various issues faced by these security personnel but the actual implementation of these measures is far below the satisfactory level. As a result of which most of the security personnel, especially the security guards have to face lot of hardships and problems.

It is in this context the present study has been undertaken by the researcher. Based on analysis of primary data collected from two industrial centres in India i.e. Okhla and Noida and secondary data collected from various sources, the study gives a very vivid account of the private security service industry both at the national and international level as well as that of the regulatory framework for addressing the various labour, employment and social security concerns of private security personnel. The study also successfully captures most of the labour, employment and social security issues of the private security personnel. I am confident that the study would be found relevant and useful by all the stakeholders and would also help in initiating appropriate policy interventions. Finally, I compliment the researcher for taking up such an important issue and presenting the same with adequate analytical vigour and sensitivity.



**V.P. Yajurvedi**  
Director General



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# Chapter One

## Introduction

**1.1 Context of the study:** The service sector forms the back bone of social and economic development of a region. During the past few decades it has emerged as the largest growing sector in the world economy, making enormous contribution to output and employment. Its growth rate is higher than that of agricultural and manufacturing sectors.

As per the data released for the year 2007-08 the growth rate of the GDP in India was 8.7%, out of which the contribution of the service sector was 54% as compared to the contribution of agriculture which was 17%, and manufacturing which accounted for 29%. When compared with the data for the year 1990-1991, the trends in the recent years suggest that the service sector is witnessing a rise continuously. In 1990-1991 service sector contributed 41%, which rose to 54% in 2005-06. In 2006-2007 it rose to 55.1% and in 2007-08 it marginally declined to 54%<sup>1</sup>.

Service sector has always been an attractive investment option for the corporate world. It has facilitated the creation of several infrastructural facilities in the country as well as enhanced the productivity of various industries. It not only helps in economic upliftment of the society but also promotes political and social well being among the masses.

One of the important constituents of service sector is private security service. Even as per the broad conservative estimates there are approximately 1 lakh (.1 Million) security and intelligence service agencies operating in various countries of the world. As per different sources, these agencies engage almost 18 to 20 million private security personnel. Available estimates suggest that 8 major countries of the world alone (including India, Germany, China, Canada, Russia, U.K., Australia and Nigeria) are having more than 60,000 private security services agencies and engaging approximately 12 million private security personnel mainly working as security guards, arms security guards and security supervisors etc.

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1. <http://www.tradechakra.com/Indian-economy/gdp.html>

**1.2 Review of literature:** A lot of studies have been conducted focusing on a number of other services at the international as well as national level. But as far as the issues of security personnel engaged through hundreds of private security agencies spread throughout the country, especially the labour, employment and social security issues with specific reference to India are concerned, they have not yet adequately invited the attention of the researchers. The studies so far conducted have mainly remained confined to an estimation of the private security firms operating in various countries, personnel engaged by such companies, trends in composition of the industry in terms of males and females engaged (Berrong, with regard to India<sup>2</sup>; Traver, with regard to Canada<sup>3</sup>; Volkov, with regard to Russia<sup>4</sup>; Page and Rynn, with regard to Europe<sup>5</sup>), evolution of private security industry and the proportionate share of major security firms providing private security services etc. (Parfomak, in case of U.S.A<sup>6</sup>; Prenzler, Earle and Sare, in case of Australia<sup>7</sup> and Abrahamsen & Williams, in case of Nigeria<sup>8</sup>).

Some of the scholars working on the broader theme of contract labour in different countries have focused attention on the various issues of contract labour engaged in different industries. These studies were brought out by the ILO (Bureau of Workers Activities) in 1997 with the title ‘Contract Labour: Looking at issues, nine country cases’. This publication includes studies by

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2. *Stephanie Berrong: India's Growing Security Industry, Security Management 2009, (<http://www.securitymanagement.com>)*
  3. *Traver Sanders: Rise of the rent a cop: private security in Canada, 1991-2001, Canadian journal of Criminology and Criminal Justice, January 2005*
  4. *Vadim Volkov: Security and Enforcement as Private Business: The conversion of Russia's Power Ministries and its Institutional Consequences in V.Bonnell (Ed.) New Entrepreneurs in Russia and China, West View Press (2001)*
  5. *M.Page and S.Rynn (et.al) SALW and Private Security Companies in South Eastern Europe: A Cause or Effect of Insecurity? (International Alert/Saferworld/SEESAC, 2005)*
  6. *Paul W Parfomak: guarding America: Security Guard and U.S Critical Infrastructure Protection, Congressional Research Service Report, 2004*
  7. *Tim Prenzler, Karen Earle and Rick Sarre: Private Security in Australia: Trends and characteristics, Trends and Issues in Crime and Criminal Justice, Australian Institute of Criminology: June, 2009*
  8. *Rita Abrahamsen Michael C Williams: The Globalisation of Private Security, country Report: Nigeria, 2005*

Saboia<sup>9</sup>, Echenique<sup>10</sup>, Cugnet and Depraz<sup>11</sup>, Patel<sup>12</sup>, Hock and Sivananthiran<sup>13</sup>, Fareedy<sup>14</sup>, Liden<sup>15</sup> and Birch<sup>16</sup>. A review of these studies reveals that these studies inter alia also make a mention of the eminent legal framework for regulating the contract labour and the legal safeguards to the contract labour. It further reveals that statutes and case law on contract labour across the countries have either sought to ban the contract labour altogether or more commonly to regulate its practices with a view to eliminating the abuses with which it is generally associated.

The review further reveals that in many countries legislators and courts of law have aimed to provide contract workers with the same standard of protection and social benefits as available to directly recruited workers. One common means for this has been to establish the joint and several responsibilities of principal and secondary employers with regard to the application of labour law and regulations. The main problem addressed by law in different countries has been the abuse of contract labour, either of non observance of labour contractor's commitments (part or non payment of wages and other benefits) or of exploitative working conditions imposed by labour contractor, over charging for services offered by him and competitive bidding among labour contractors for particular jobs leading to drastically low wages.

The study by Vaid<sup>17</sup> based on extensive interviews with contract labour in construction work from five major cities in India, namely, Mumbai, Delhi, Pune,

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9. Joao Saboia, 'Contract Labour in the Brazilian construction industry', *Contract Labour: Looking at issues, Nine Country Cases, ILO, (1997)*
  10. Jorge Echenique, 'Contract Labour in Chile's fruit agriculture industry', *Contract Labour: Looking at issues, Nine Country Cases, ILO, (1997)*
  11. Bernard Cugnet and Christophe Depraz, 'Changing patterns of employment in forestry in France', *Contract Labour: Looking at issues, Nine Country Cases, ILO, (1997)*
  12. B.B.Patel, 'Contract Labour India in manufacturing, construction, plantation and forestry', *Contract Labour: Looking at issues, Nine Country Cases, ILO, (1997)*
  13. Kiong Lee Hock and A.Sivananthiran, 'Contract Labour in Malaysian plantation, construction and saw-milling industries', *Contract Labour: Looking at issues, Nine Country Cases, ILO, (1997)*
  14. F.A.Fareedy, 'Contract Labour in manufacturing in Pakistan', *Contract Labour: Looking at issues, Nine Country Cases, ILO, (1997)*
  15. Ewa Liden, 'Contract Labour in Forestry in Sweden', *Contract Labour: Looking at issues, Nine Country Cases, ILO, (1997)*
  16. Julian Birch, 'Contract labour in British construction industry', *Contract Labour: Looking at issues, Nine Country Cases, ILO, (1997)*
  17. K.N. Vaid, 'Contract Labour in the Construction Industry in India', *Contract Labour in South Asia, ILO (1999)*

Hyderabad and Vishakhapatnam also gives a detailed account of protective legislation for the contract workers including its implementation and the problems in implementation. The study by Abrahamsen and Williams (2005)<sup>18</sup> conducted on the theme of the globalization of private security inter alia also makes a mention of the specific legislation dealing with private security industry, its scope and limitations.

**1.3 Statement of the problem:** The above elaboration makes it amply clear that private security industry is one of the major service sectors globally as well as at the national level. The security guards/security officers engaged by private security firms nationally as well as internationally vastly outnumber police force. They play a critical role in crime prevention. However, no reliable and authentic estimates are available about the number of private security firms, number of personnel engaged by such firms and the proportionate share of various players in this field. Similarly, various kinds of labour, employment and social security issues faced by the security personnel have also not received adequate attention of the scholars especially in the context of India. Keeping this in view, the present study has been undertaken.

**1.4 Objectives of the study:** Some of the specific objectives of the study are as follows:

- (1) To make a broad estimation of private security firms and security personnel engaged by such firms at the national and international level.
- (2) To understand and capture the major labour, employment relations and social security issues relating to security personnel engaged by various kinds of private security firms.
- (3) To assess the status of implementation of major labour laws applicable to security personnel engaged by private security firms.
- (4) To suggest suitable legal and social security measures for safeguarding the interest of private security personnel.

**1.5 Area and Universe of the study:** National Capital Region by and large

*18. Rita Abrahamsen and Michael C Williams, The Globalisation of Private Security, Country Report: Nigeria, (2005)*

represents the characteristics of all the major metropolitan cities in the country as far as the categories/kinds of private security firms and the security personnel engaged by them are concerned. There are approximately 1.5 lakh security personnel in NCR, engaged by approximately 500 security firms of various categories in terms of security personnel engaged by them and the area of their operation. The areas covered under the study include Okhla in Delhi and Noida in U.P, two of the major industrial centres of NCR. It is estimated that Okhla and Noida taken together would be having around 20,000 security personnel engaged by about 200 security firms. Out of these 200 security firms, 40 firms (20 from Okhla and Noida each) have been selected for the study by adopting stratified random sampling method. As far as the number of security personnel is concerned, 200 security personnel (100 each from Okhla and Noida) have been selected from the security agencies. The agencies covered represent the local/regional, NCR based, national as well as international security service agencies. Out of the 40 agencies covered, 13 were operating at local/regional level, 12 at NCR level, 13 at all India level and the remaining 2 at international level. Table 1.1 gives a description of the private security firms and the security personnel from the various categories of the firms selected under the study:

**Table 1.1**

**Security Agencies and Security Personnel Covered under the Study**

<b>Categories of security agencies in terms of security personnel engaged</b>	<b>Number of Agencies</b>	<b>Percent- age (%)</b>	<b>Security Personnel</b>	<b>Percent- age (%)</b>
<b>Upto250</b>	8	20	30	15
<b>251-500</b>	4	10	24	12
<b>501-1000</b>	6	15	24	12
<b>1001-2000</b>	6	15	30	15
<b>2001-5000</b>	6	15	30	15
<b>5001-10000</b>	4	10	20	10
<b>10001-20000</b>	4	10	20	10
<b>20001-50000</b>	1	2.5	10	5
<b>&gt;50000</b>	1	2.5	12	6
<b>Total</b>	<b>40</b>	<b>100</b>	<b>200</b>	<b>100</b>

*Source: Field Survey, 2009*

As regards the place of service wise representation/distribution of the respondents, they represent almost all the places of their usual deployment. Out of the 200 respondents selected for the purpose of the study, 12% of the respondents are from factories, 11% from central govt./public sector institutions/offices, 11% BPOs/corporate offices of private companies, 11% offices/places belonging to or under the control of the state governments/local self govt., 10% hospitals, 9% housing societies/apartments, 8% private houses/kothies, 7% educational institutions (private and govt.), 6% shopping malls/multiplexes, 5% banks/offices of insurance companies, 3% media offices, 2% construction sites, 2% religious places and remaining 3% other miscellaneous categories.

**1.6 Scope of the study:** The study mainly focuses on the various labour, employment and social security issues of the security personnel (mainly security guards) engaged by private security agencies such as working hours, remuneration, various kinds of allowances, leaves, security of employment, level of implementation of the major labour law provisions applicable to them, general level of awareness among the security personnel with regard to the rights under different labour and social security laws applicable to them and to measure the level of collective consciousness among them. In addition, the study also covers within its scope a broad overview of the private security industry at the world level and an analysis of the strength and limitations of legal framework available for addressing the various issues covered under the study in select countries of the world. Based on the analysis of the major issues emanating from the above, the study also makes a number of recommendations.

**1.7 Methodology and Sampling technique:** The relevant data and information have been collected both through primary and secondary sources. The primary data has been collected by administering structured questionnaires on select security guards, officials of select security service agencies and principal employers.

The information gathered through questionnaires was further substantiated by holding informed discussions with groups of private security guards, owners/officials of selected private security agencies and the labour department officials of the concerned area.

The secondary data has been collected from available literature in the relevant field, including news magazines/periodicals brought out by private security agencies and Internet.

## Chapter Two

# Private Security Industry - An Overview

**2.1 Recent trends in private security industry:** Currently private security industry is a fast growing industry with large number of employment opportunities. Almost all over the world private security guards engaged by thousands of private security agencies provide protection to enormously huge number of individuals, corporate houses, residential complexes, shopping malls, hospitals, schools, factories in private, public and govt. sector, embassies, govt. offices and business houses, etc. The security guards may either personally monitor the events taking place in particular area or use a wide range of electronic surveillance devices in order to ensure the safety and security of individuals, property and business, etc. Some private security guards work directly for individuals or business organizations while a substantially large proportion works for privately owned security firms/Agencies which contract them out to various businesses and organizations. Though very limited research has been taken in the area of privatization of security, the available evidence suggests that there is a trend towards increased security provision by non-state actors prevalent all over the world. A confluence of supply and demand factor ranging from the ready availability of personnel, states downsizing their security forces, rapid growth in rates of crime and poor quality of policing in many countries appears to be accentuating and increasing this trend.

Security guards and private security officers vastly outnumber police force today in many countries. The role of private security guards has never been more critical than today with the increase in crime. Security guards face many of the same risks as police but in most cases their level of income, social security measures and in-service training are far less than the police. Though the security guards industry has expanded and improved over the years but still security guards face large number of challenges mainly due to low pay, poor training and high turnover.<sup>1</sup>

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1. *Security Guards, Private Security Officers*, Chris McGoey, <http://www.crimedoctor.com>

**2.2 Definition of security personnel/guard :** A security personnel/guard/officer is usually privately and formally employed person, who is paid to protect property, assets or people. Often, security guards are uniformed and they act to protect property and people by maintaining a high visibility presence to deter illegal and inappropriate actions, observing either directly through patrols or by watching alarm systems or video cameras for signs of crime, fire or disorder; then taking action and reporting any incidents to their clients and emergency services.

During the Middle Ages in Europe, the term ‘watchman’ was more commonly applied to this function. This term was carried over to North America where it was interchangeable with ‘Night Watchman’ until both terms were replaced with the modern security-based titles.

**2.3 Qualifications required for being engaged as security personnel/guard:** The educational background and other characteristics required for being engaged as security personnel vary considerably from country to country, industry to industry and also depending upon the size and characteristics of the private security firm/agency. While some security guards are hired with little or no experience, there are others who are hired only after completing law enforcement schools. Generally, security guards must be at least 18 years of age, should have no convictions for violence or other sort of crime on their record, and should have some education or training in the area, whether of several days training on the job or of months of a more formal education. Topics covered during security training consist of instructions in the areas of crisis deterrence, protection, weaponry, report writing, use of electronic surveillance devices and public relations etc.

The skills necessary to be a successful security guard are comparable to those needed by a police officer. Superior judgment, willingness to adjust to the personality of the client, good vision and first rate communication skills are very important, for certain type of security jobs. The ability to work alone and to understand and operate surveillance systems, computers and photography equipments is also required.

Other personnel traits expected of a security guard include that he/she should be smart, efficient, careful, united, reliable, intelligent, trained, youthful, having good understanding, alert, responsible and able to take quick decisions.

**2.4 Major roles, functions and duties related to security guards:** As per the prevailing practice in various parts of the world, most of the security firms and proprietary security departments practice the “detect, deter, observe and report” methodology security officers/guards are not required to make arrest but have in some countries and in some situations an authority to make a citizen’s arrest (For example Section 101 of Criminal Procedure Ordinance of Hong Kong confers such power on a private citizen to arrest an offender if the offender is attending an arrestable offence. An arrestable offence is defined as any crime carrying a sentence of more than 12 months imprisonment. However, no security personnel is allowed to search other person, nor are they allowed to get personal information from any other people with the exception of some specific circumstances.), or otherwise act as an agent of law enforcement at the request of police officer, Sheriff and others.

In addition to the methodology, mentioned above a private security officer’s primary duty is the prevention and deterrence of crime. security personnel enforce company rules and can act to protect lives and property. In fact they frequently have a contractual obligation to provide these actions. security officers are often trained to perform arrest and control procedures (including handcuffing and restraints), operate emergency equipments, perform first aid, take accurate notes, write detailed reports and perform other tasks as required by the contractee they are serving.

In recent years, due to elevated threats of terrorism most security officers are required to have bomb threats training and/or emergency crises training, specially those located in soft target areas such as shopping malls, schools, religious places and any other area where the general public congregate.

One major economic justification for engaging security personnel is that insurance companies (particularly fire insurance carriers) will give substantial rate discounts to sites which have 24 hours presence for a high risk or high value venue, the discount can often exceed the money being spent on its security program. This is because having security on site increases the odds that any fire will be noticed and reported to the local fire department before a total loss occurs. Also the presence of security personnel particularly in combination with effective security procedures tends to diminish theft, employee misconduct and safety rule violation, property damage or even sabotage.

Security personnel may also perform access control at building entrances and vehicle gates, meaning thereby ensure that employees and visitors display proper passes or identification before entering the facility. Security offices are often called upon to respond to minor emergencies (lost persons, dead vehicle batteries etc.) and to assist in serious emergencies by guiding emergency responders to the scene of the incidents, helping to redirect foot-traffic to safe location and by documenting what happened on an incident report (The text of the various paragraphs of this section dealing with major roles, functions and duties related to security guards has been mainly drawn from [http://en.wikipedia.org/wiki/Security\\_guard](http://en.wikipedia.org/wiki/Security_guard)).

**2.5 Private security industry in India:** India has at present more than 15000 security agencies operating in various parts of the country. As per various sources these agencies engage almost 5.5 to 6 million employees<sup>2</sup>. Private security guard industry is highly male dominated. However, past few years have seen an increase in the number of female security guards with more women beginning to work mainly during the day time. As per the estimates of CAPSI, women security guards constitute almost 7-8% of the entire force.

Today women security guards can be seen providing security to life and property at hospitals, malls, cinema halls and hotels etc. in NCR as well as other metropolitan cities. Presently, some of the security agencies having branches across India have separate wings of women security guards. As per various estimates the industry is growing at the rate of 25% to 35% per annum. Estimates suggest that in the coming years the growth rate may go up to 40 per cent. As per reliable sources this sub-sector in conjunction with private courier service is the largest corporate tax paying sector in the country.

As per various sources, in monetary terms, the size of the Indian private security industry varies from Rs. 25,000 to 30,000 crores. According to estimates of CAPSI, the annual turnover of the private security segment is expected to touch Rs. 40,000/- crores in the next 3 years<sup>3</sup>. India's private security services is the largest guarding operation in the world and the total strength of the employees of private security agencies in India outnumbers the combined strength of

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2. *Stephanie Berrong: India's Growing Security Industry*, <http://www.securitymanagement.com>, June 2009.

3. *Stephanie Berrong: Supra Note 2*

Army, Navy, Air Force and Para-military forces by almost 1.3 million<sup>4</sup>. Industry requires almost one million additional people every year. The industry is also growing in sophistication and professionalism. It is expected that in the light of the recent attacks on iconic hotels like the Taj and the Oberoi in Mumbai hospitality sector would require a large number of guards to strengthen security. These days' corporate are becoming a major hirer of private security agencies and a medium size enterprise spends around Rs. 2 lac a month for up to 20 guards set up. The private security industry because of its size has begun to attract the attention of the legislators. The legislators and the courts are establishing the standards under which security agencies are required to operate. This is clearly indicated by the fact that Government of India has also recently enacted a specific law dealing with some of the vital aspects relating to private security agencies i.e. the Private security Agencies (Regulation Act) 2005. Numbers of states in India have also enacted the rules to implement this law.

**2.6 Private security industry in Germany:** Private security industry is one of the major and booming industries, not only in India, but in a number of other countries also. For example, in Germany as a result of rising crime and inadequate police forces the total business volume doubled over 1991 to about 5 billion marks (about 3 billion US dollars) in 1996. As of 1996 the various private security agencies in Germany employed almost 1,12,000 people. (German Press Report 1996). It is estimated that this number might have crossed the figure of almost 2 lac by now<sup>5</sup>.

**2.7 Private security industry in China:** Similarly, as of December, 2006 in China there were almost 4 million authorized security guards, which was hundred per cent increase over the previous year. The figure of security guards of China for the year 2006 included 9, 30,000 security personnel who worked for companies owned directly by China's Public security Bureau (PSB) and 3 million personnel who worked for companies monitored & managed by the PSB. In 2006, security personnel in China helped to capture 1, 62,000 individuals suspected of committing crimes or misdemeanors and provided the China police with 2, 20,000 sources of information related to various crimes<sup>6</sup>.

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4. *Deccan Herald: Interview of Vishwanath Katti, Chairman of CAPSI, Karnataka Chapter, October 17, 2008; [http://factsindia.wordpress.com/2008/10/17/how\\_security\\_guard\\_can\\_fight](http://factsindia.wordpress.com/2008/10/17/how_security_guard_can_fight)*

5. *Xinhua News Agency: Germany's Rising Crime Boosts Private Security Service, April 24, 1997.*

6. *Trevaskes, Susan: The private public security nexus in China, <http://www.highbeam.com/doc/1G1-18355461.html>, September 22, 2007.*

**2.8 Private security industry in Canada:** As per Canadian Center for Justice Statistics in Canada, the private security personnel outnumber police officers. In 1996, there were 82,010 private security personnel, 12,230 private investigators and 69,780 security guards, as compared to total number of 59,090 police officers<sup>7</sup>.

However, the Survey of Employment Pay Rolls Hours (SEPH) in Canada reported the number of employees working in security and investigation services to be 78,919 in 2001<sup>8</sup>. As per the annual estimate made by Industrial organization and Finance Division (IOFD) the estimated number of incorporated private security firms in Canada was 2,629.

One of the striking features of Canadian security industry is phenomenal employment growth, which is indicated by the fact that the period of 1991-2001 witnessed an overall employment growth rate of 69%. The number of employees working in security in 1991 which was 46,651 reached to 78,919 in 2001<sup>9</sup>.

It is surprising to note that 69% of growth in employment for investigation and security services was nearly 5 times, the growth in employment for all Canadian industries during the same period. It is further interesting to note that 69% increase in private security jobs contrasted with an increase of less than 1% in the number of police officers and 10% increase in population over the same period. In Canada as back as in 1997 total revenue in private security industry was 2 billion dollar. In Canada women have greater representation in private security than in police. For example in 1996, 21% of private investigators and 20% of security guards were women as compared to 13% of the police officers<sup>10</sup>.

Another striking feature of private security industry in Canada is that substantial proportion of security guards work on part time basis. For example in 1996, 33% security guards worked part time<sup>11</sup>.

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7. Karen Swol: *Private Security and Public Policing in Canada, Juristat- An Annual Journal of Canadian Center for Justice Statistics, Statistics Canada-Catalogue No. 85-002-XIE, Vol 18 No. 13, November 1998.*

8. Sanders Traver: *Rise of the Rent-a-cop-Private Security in Canada, 1991-2001, Canadian Journal of Criminology and Criminal Justice, January 1, 2005.*

9. Sanders Traver: *Supra.*

10. Karen Swol: *Supra Note 7*

11. *Supra*

**2.9 Private security industry in Russia:** In Russia, after adoption of the law on private security (Federal Law on Private Detective and Protective Activity) in 1992, this sector began to expand at unprecedented rate especially in Moscow and Petersburg. By the end of 1999, the number of private security companies in Russia reached 11,652 including 6000 private protection companies and 4,612 private security service agencies, while the number of licensed security personnel reached 1,96,266 (the total number of employees exceeded 8,50,000). In 1998, the city of Moscow had the total of 3,125 and Petersburg 816 private security agencies which amounted to 29% and 7.6% of the total number for Russia for the same year respectively. Between 1993-1996 the number of private security agencies dramatically almost doubled reaching nearly 8000<sup>12</sup>.

The Federal law of Russia of 1992 on “Private Detective and Protection Activity” is quite broad in its scope and application. This law not only permits the private security agencies to protect the legal rights and interests on commercial basis but also permits private agencies a broad range of other activities such as physical protection of citizens and property, engaging in security consult, collect data on law suits, conduct market research and collect information about unreliable business partners, commercial secrets and trademarks, search for people disappeared and conduct investigation into biographies of potential employees of client companies<sup>13</sup>.

**2.10 Private security industry in Europe:** The Confederation of European security Services estimated that as back as in 1999 there were more than 5 lac security guards employed by 10000 private security companies in Europe alone, a number that may well have doubled with the expansion of Europe by now. Recent researches show that over 2 lac private security guards are employed in South Eastern Europe, considerably more than the number of the police officers employed in those states<sup>14</sup>.

**2.11 Private security industry in UK:** In UK also the private security industry is a diverse and thriving industry covering a range of services from manned guarding to Alarm systems and from cash in transit to wheel clamping. The

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12. *Vadim Volkov: Between Economy and The State: Private Security and Rule enforcement in Russia; Politics and Society, Vol. 28, No. 4, December 2000, PP 483-501*

13. *Supra*

14. *Page, M, Rynn, S.et.al. SALW and private security companies in South Eastern Europe: A cause or effect of insecurity? (International Alert/Saferworld/SEESAC 2005) available at <http://www.seesac.org/reports/psc.pdf>.*

industry has grown rapidly over recent years as people have started taking greater steps to protect themselves and their property. The work which the private security industry does has also changed from a largely passive role into one where the industry has far greater and more active contact with the public<sup>15</sup>. In U.K. accurate statistics on the size of private security industry have always been difficult. However, the 1971 census estimated that there were over one lac people engaged as security guards, petrol men, night watchmen, gatekeepers and related workers in England alone. These figures grew further and reached 1, 62,000 people in 1994 as per the research conducted by Policy Study Institute. This research also suggested that there were over 8000 companies operating in private security industry. This means that the number of personnel in private security industry was substantially higher than the number of police officers, which was around 1, 40,000<sup>16</sup>.

**2.12 Private security industry in USA:** As per the data of the National Strategy for the Physical Protection of Critical Infrastructures in key assets in 2003, security guards are an important source of protection for critical facilities in U.S.A. The similar data further indicates that there were approximately one million security guards (10 lac 22 thousand to be more precise) in United States of America. In USA contract guarding is somewhat fragmented industry. There are several large national companies and thousands of smaller regional and local companies. In the year 2003 four largest contractors accounted for 50% of industry revenue and 35% of contract employees. The four largest security companies operating in America are Securitas USA, Wackenhut (Group 4 Securicor), Allied/Barton and Akal security<sup>17</sup>.

**2.13 Private security industry in Australia:** In Australia also the private security personnel outnumber police. As per Australian Institute of Criminology, in Australia in 2006 there were 52,768 personnel employed on full time basis in the security industry compared with 44,898 police personnel. A decade ago police outnumbered security. It appears that the crossover occurred sometime between 1997-1998. It is also important to note here that between 1996-2006 the number of security providers increased by 41%, the number of police by 14%

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15. *The Government's Proposals for Regulation of Private Security Industry in England and Wales*, TSO, Home Department of England, March 1999.

16. *Supra*.

17. *Paulv W. Parfomak: Guarding America, Security Guards and Vs. Critical Infrastructure Protection*, CSR Report for Congress, November 2004.

and the population increased by 12%. The ratio of male to female employees in security guard industry is approximately 76% and 24%. The available data indicates that there are over 5000 security and investigative business agencies registered in Australia and over 1,10,000 licenses issued to individuals but mainly 5 companies made up nearly half of the security industry market share. As per Australian Bureau of Statistics (ABS) the most recent snapshot on industry in terms of employees is available only till July 2007 which suggests that out of 5,478 registered security and investigative business firms, 45% were non employing, 40% had 1-19 employees, 12% between 20-199 employees and remaining 1% employed 200 and more employees<sup>18</sup>.

As per the Australian Business Statistics (ABS) register in July 2006, out of the total private security business firms 23% had an annual turnover in the range of 0-50,000 dollars, 35% in the range of 50,000-2,00000 dollars, 37% in the range of 2,00000-2 million dollars and remaining 5% had the turnover of over 2 million dollars<sup>19</sup>.

**2.14 Private security industry in Nigeria:** In Nigeria, Africa's most populous country and world's 7th largest oil producer private security industry is the second largest money spinner surpassed only by oil and gas. While there is long tradition of employing so-called 'Mai guards' as watchman in Nigeria, the first security company providing uniformed guards was Nigeria Investigation and security Company (NISCO) formed in 1965 and still in business. The private security industry has grown here quite rapidly in the recent past and has become a major part of Nigerian economy. It is difficult to estimate the size of private security sector in Nigeria with accuracy. However as per the best informed estimates there are currently between 1500-2000 private security companies<sup>20</sup>. Out of the 1500-2000 security Agencies (as mentioned above) majority of companies are small owner managed companies operating only in one town or locality. In personnel terms, the largest companies are Prudential security which operates countrywide and employs nearly 9000 guards and Halogen security with approximately 4000 guards. Other major companies include Bemil security

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18. Tim Prenzler, Karen Earle and Rick Sare: *Private Security in Australia- Trends and Key Characteristics, Trends and Issues in Crime and Criminal Justice, No. 374, Australian Institute of Criminology, June 2009.*

19. *Supra*

20. Rita Abrahamsen & Michel C. Williams: *The Globalization of Private Security- Country Report of Nigeria; Department of International Politics, University of Wales, Aberystwyth.*

and Corporate guards. The major foreign PSC, Group-4 Securicor's partner Outsourcing Services Limited (OSL) also operates nationally and has a total of approximately 3000 personnel<sup>21</sup>. Private security companies in Nigeria are employing more than one lac security personnel<sup>22</sup>.

Several factors provide the context for the size and the growth of private security industry in this country. Despite the country's petroleum riches the broader economy has declined over the past few decades. While segments of population have benefited massively from oil wealth but majority of Nigerians remain poor leading to extreme inequalities and rise in the rate of crime and general sense of insecurity. Wealthy residential and commercial areas are rapidly getting transformed into enclaves and some form of private security is considered essential by vast majority of house holds and commercial establishments, the ones who can afford. The situation is further worsened by the state security organizations while prominently stationed on the streets of Lagos and throughout the Niger delta, the Nigerian police are often unable to enforce law and order. To a single extent the police themselves engaged in criminal activities like corruption and extortion and are often feared rather than respected throughout society<sup>23</sup>. This is particularly true of its elite armed force, the mobile police whose nick name 'Kill & Go' gives a clear indication of many people's continuing perceptions of its tactics although some observers suggest considerable improvement in police community relations (Human Watch Nigeria 2003; on Perception in The Delta).

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21. *Supra*

22. P. Keku & T. Abingbade: *Industrial Security in Nigeria, challenges and Prospects for the 21st Century*, Author house, Nigeria, October 2003.

23. *Country Report for Nigeria, 2005: The Globalization of Private Security*

## Chapter Three

# Overview of the Regulatory Framework for Addressing the Labour, Employment and Social Security Concerns of Private Security Guards

**3.1 Regulatory standards at international level:** Though the practice of engaging of security guards through private agencies is comparatively of recent origin, the practice of engaging workers through contractors for various other kinds of activities is much older. Similarly, since all the contract workers (including private security guards) are human beings, therefore it would be quite pertinent in this context to have a quick look at some of the important articles out of the Universal Declaration of Human Rights (U.D.H.R) adopted and proclaimed by the Central Assembly Resolution of the United Nations on 10th December 1948 as these rights provide the broad policy framework at the international level for regulating some of the vital concerns of labourers including contract labour such as private security guards as well. Out of the total 30 Articles of the U.D.H.R at least the following articles directly or indirectly relate to concerns of labour:

**Article 3:** Everyone has the right to life, liberty and security of person.

**Article 7:** All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.

**Article 8:** Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted to him by the constitution or by law.

**Article 22:** Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the

economic, social and cultural rights indispensable for his dignity and the free development of his personality.

**Article 23: (1)** Everyone has the right to work, to free choice of employment, to just and favorable conditions of work and to protection against unemployment.

**(2)** Everyone, without any discrimination, has the right to equal pay for equal work.

**(3)** Everyone who works has the right to just and favorable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.

**(4)** Everyone has the right to form and to join trade unions for the protection of his interests.

**Article 24:** Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.

**Article 25: (1)** Everyone has the right to standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of employment sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

A simple reading of the above Articles reveals that though neither the term contract nor labour has anywhere been mentioned in these Articles but the provisions contained therein are quite relevant in the context of labour (including contract labour) also.

**3.2 Regulatory framework for protecting the interest of contract labour/ agency workers in select countries of the world:** A number of measures have been adopted in various countries of the world in order to regulate the conditions of employment and work of labour in general and various categories of contract labour/agency workers including security guards. In addition, there are a few countries (though quite limited in number) which have enacted specific law for private security industry, though most of the measures of these enactments mainly relate to regulation of private security industry and not to the conditions of private security guards. The following sections provide the details with regard to some of the select countries form both these categories.

**3.2.1 Argentina:** In Argentina, legally established temporary work agencies

are regulated by the national law on employment of 5 December 1991.<sup>1</sup> This law provides for a regular contract of employment for temporary workers and for the joint responsibility of the principal employer, in particular as concerns social security payments.

**3.2.2 Australia:** In Australia, collective bargaining and industrial action initiated by the transport workers' union have led to changes in the Industrial Arbitration Act (in 1979) granting contract workers the status of "deemed employees"<sup>2</sup>.

**3.2.3 Belgium:** In Belgium, contract labour is regulated and the principal employer has the responsibility for social security payments. The social security office is to be informed by the principal employer and the labour sub-contractor of any labour contracting arrangements.<sup>3</sup>

**3.2.4 Brazil:** Though Brazil has got a comprehensive labour legislation yet there is no special section of Brazilian Labour Legislation dealing with contract labour. Labour legislation is basically the same for all segments of labour force. There is, however, special legislation for temporary workers. Brazilian labour law introduced in 1940, initially had well defined and rigid rules and of late some changes have been introduced. The present practice is that the recruitment of any worker has to be registered on that worker's work permit which is issued by Ministry of Labour. The act of registering creates duties, obligations and benefits both for employers and employees. The benefits of workers include 30 days paid vacation per year, the additional benefit of one-third of salary in the month of vacation, the payment of 13th monthly salary in December, payment for week end rest, 44 hour week and unemployment aid which is restricted to four months for those with registered work permit and access to official health system, etc.<sup>4</sup>

**3.2.5 Chile:** Labour legislation in Chile recognizes the operation of labour contractors, as well as sub-contractors and puts legal responsibility and obligations on labour contractors as employers. This has led to numerous

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1. *I.L.O. Labour Law documents, 1991, ARG 1, National Employment Law of Dec. 5, 1991*

2. *Bray M: Contract Labour and Industrial Regulation owner-drivers in the Sydney ready mixed concrete Industry, in journal of Industrial Relations, Vol. 26, No. 3, Sep. 1984*

3. *Phillippe Egger in Contract Labour Employment: 'Some Proposals for Further Consideration', Contract Labour: Looking at issues, ILO, 1997*

4. *Joao Saboia: 'Contract Labour in Brazilian Construction Industry', in Contract Labour Looking at issues, ILO, 1997*

conflicts when labour contractors do not comply with their obligations and the workers turn to the enterprises they are working for directly. Because of such situation the Labour Code was recently amended to introduce a co-responsibility of enterprises, labour contractors and sub-contractors. Revised Article 64 of the Labour Code establishes principle of subsidiary responsibility of enterprises using labour contractors for all wage and labour obligations between labour contractors and workers. The workers can approach the labour tribunals for non-respect of labour legislation by the labour contractor and the enterprise alike. Similarly, revised Article 209 of the Labour Code introduces the responsibility of employer labour contractor for the payment of occupational safety and health insurance. The user enterprise has a subsidiary responsibility.<sup>5</sup>

**3.2.6 China:** Chinese Labour Law is quite protective and comprehensive in terms of its scope and coverage as Central Labour Law in China is applicable to the whole territory of the People's Republic of China and there are no areas or zones or industries or enterprises or section of workers that are exempted from Central Labour Law. There are detailed "Regulations" to regulate employment plans, requirement, the signing of labour contracts with individual employees, the signing of collective contracts with Trade Unions in the enterprise, conditions for "firing", for retrenchment, responsibility to provide basic living allowance, etc. to the laid off and retrenched etc. Some of the important measures aimed at protecting the interest of various categories of workers are as follows:

- a) **Old age pension scheme:** It covers 100 million workers and 32 million retired workers. The individual worker contributes 5-7 percent of wages and the employer contributes 20 percent of wages to the insurance scheme. The Government does not contribute.
- b) **Medical insurance:** The contribution rate is 2% from employees and 6% from employers.
- c) **Workers injury scheme:** This is the liability of employers.
- d) **Maternity benefits:** This is also the liability of the employer. But the benefits are provided only for the first child since China is following a policy of one child norm per couple.
- e) **Unemployment insurance:** This scheme was started in 1980s.

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5. Jorge Echenique, "Contract Labour in Chili's Fruit Agriculture in Contract Labour: looking at issues, ILO, 1997"

The Employer pays 2percent while the employee pays 1percent of the wages. The Government does not contribute but tries to make good the deficit. Unemployment benefit is lower than the minimum wages, but higher than the poverty line.<sup>6</sup>

The elaboration of the various provisions of the Chinese Labour Law makes it quite clear that there is no separate law for contract labour but still the Chinese labour law along with the existing system of social security is quite protective as compared to the law in many countries.

**3.2.7 France:** In France, there is a long history of banning labour contracting starting from 1848.<sup>7</sup> In the present Labour Code, articles L. 125.1 and L. 125.3 both ban contract labour and ban abuses related to contract labour.<sup>8</sup> As a result, the courts of law have tended to enforce these principles as and when abuse of workers was clearly established. More recently, tribunals have sought to establish criteria by which labour contracting can be distinguished from job contracting, based on the nature of the services rendered, supervision of workers and mode of remuneration.<sup>9</sup>

If the services provided amount to no more than the mere supply of labour, if work supervision is undertaken by the principal employer and if payment is based on time and not results, the situation comes close to illegal labour only contracting. Temporary work is regulated by a law of 1972 which also establishes the legal distinction between temporary work agencies and illegal labour contracting. Tribunals have also been concerned with nominal self-employment in which contracts of employment are disguised as commercial contracts. A recent law of 11 February 1994 aims to facilitate the establishment of duly registered individual enterprises. Such enterprises are deemed not linked by any contract of employment unless it can be proved that they are in a situation of permanent legal dependency on a principal employer.<sup>10</sup>

**3.2.8 Malaysia:** In Malaysia, the Employment Act, 1955, as revised in 1981, implicitly recognizes employment other than under a contract of services and establishes the responsibility, jointly and severally, of the principal employer,

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6. *Government of India: Report of IInd National Commission on Labour, 2002*

7. *Drawn from abridged and translated version of Brun A & Gallent H. by Philippe Egger*

8. *I.L.O., Legislative Series, 1991, FRA 1*

9. *Drawn from abridged and translated version of Brun A & Gallent H. by Philippe Egger*

10. *Phillippe Egger in Contract Labour at issues, ILO, 1997*

contractor and sub contractors, in particular with regard to payment of wages.<sup>11</sup> This Act empowers the Minister of Human Resources to prohibit employment of any person or class of persons in any occupations, in any sector of the economy or business, other than under a contract of service with the principal employer. The term ‘contract worker’ is not defined in Malaysian Labour Law. However, the Employees Social Security Act, 1969 defines the term employee to mean any person who is employed for wages under a contract of service or apprenticeship with an employer, whether the contract is expressed or implied or is oral or in writing, on or in connection with the work of an industry to which this Act applies and: (i) who is directly employed by the principal employer to do any work of, or incidental or preliminary to or connected with the work of, the industry, whether such work is done by the employee on the premises of the industry or elsewhere; or (ii) who is employed by or through an immediate employer on the premises of the industry or under the supervision of the principal employer or his agent on work which is ordinarily part of the work of the industry or which is preliminary to the work carried on in or incidental to the purpose of the industry; or (iii) whose services are temporarily lent or let on hire to the principal employer by the person with whom the person whose services are so lent or let on hire has entered into a contract of service.

A conjoint reading of the provisions of the above two Acts makes it clear that a contractor can be an employer, and a contract worker can easily be defined as an employee of a contractor acting as an employer. The Malaysian Labour Law does not make any distinction between direct workers and contract workers. All workers whether direct, contract or even atypical, are thus entitled to the same benefits and rights. The National Labour Policy of Malaysia also does not make any distinction between direct and contract workers.<sup>12</sup>

**3.2.9 Pakistan:** In Pakistan, there is no specific law on labour contracting. Standing Order 20 of the West Pakistan and Commercial Employment Ordinance 1969 establishes that the principal employer and contractor alike are personally responsible for the full observance of the standing orders. In addition, the Industrial Ordinance of 1969 defines a worker so as to include persons employed through a contractor.<sup>13</sup>

11. *I.L.O, Legislative Series, 1982, MAL 2*

12. *Report of the Ministry of Human Resources, Malaysia, 1992*

13. *Haider Z “Employment of Contract Labour in Pakistan” in industrial relation journal, Vol. 4, No. 3, May-June, 1987*

**3.2.10 Spain:** In Spain, labour contract is prohibited and tribunals have also sought to define criteria to distinguish commercial contracting from labour-only contracting. An authentic commercial contract is established when the contracted enterprise exercises a genuine entrepreneurial activity, possess assets, equipment and tools, its own management, and assumes the risks inherent, including the legal and other responsibility towards workers recruited by it.<sup>14</sup>

**3.2.11 Sweden:** In Sweden, though the private employment services are banned, however, Act No. 746 dated 6 June 1991 concerning private employment services and the hiring out of labour authorizes the hiring out of labour under certain conditions, up to a maximum continuous period of four months.<sup>15</sup>

**3.2.12 United Kingdom:** In United Kingdom an individual's status, that is whether they are an "employee"/"self-employed" or a "worker", is very important in establishing their statutory rights. An "employee" works for an employer but under a contract of employment. A "worker" also works for an employer but under a contract for services, which is more like self-employment.

All workers, irrespective of the fact whether employed directly by the employer or through agents are entitled to National minimum wage (unless excluded on grounds of age or training); Protection against unlawful pay deductions; Equal pay; working hours and breaks; Holidays; Union recognition where a majority is in favour; Not to be refused work on grounds of union membership; Time off for union duties and training in recognized workplaces; and Protection against discrimination on all unlawful grounds.

As far as employees are concerned, in addition to the rights available to all workers, they are entitled to the following additional rights: Written pay statement detailing gross and net pay and deductions; Written statement of employment particulars; Statutory minimum notice; Protection from unfair dismissal; Time off for ante natal care; Statutory maternity pay and leave; Statutory adoption pay and leave; Parental and dependency leave; Right to request flexible working; Protection in business transfer; Redundancy pay and redundancy selection rights; Guarantee pay on lay-offs and Medical suspension pay.

The European Commission presented a draft directive to the European Parliament to give agency workers the right to be no less favorably treated. The

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14. *Phillippe Egger in Contract Labour at issues, ILO, 1997*

15. *I.L.O., Labour Law Documents, 1991, SWE 4*

draft says that this right would apply once the agency worker had been in post for six weeks. The UK government had originally opposed the draft directive but at the end of 2004 it pledged that it would work towards an agreement with other EU member states to try to get talks going again on the content of the draft directive. However, it wants a six-month, rather than six week, qualification period before the rights apply, while employers are lobbying for twelve months. Research carried out by the TUC shows that 53% of agency workers would lose out if there was a six-month qualification and a massive 74% would be excluded if the employers' lobby was successful.<sup>16</sup>

**3.2.13 The United States of America:** In the United States of America, an anti-contract labour law was passed as early as in 1885, prohibiting the import of immigrants as contract labourers. After that, the Congress passed several Acts which aim to regulate contract labour, particularly in the agricultural sector. Here the mention may be made of the Farm Labour Contractors Registration Act, 1963, requiring labour contractors involved in inter-state transportation of ten or more migrant workers to register with the Department of Labour. This Act was amended several times during the 1970s to strengthen its provisions particularly in extending the registration requirement to intra-state activities. In 1983 this Act was replaced by the Migrant and Seasonal Agricultural Workers Protection Act, providing for disclosure of information pertaining to wages, working conditions, housing and minimum transport standards and insurance. As per the provisions of this Act, farmers hiring contract labour can be held severally and jointly liable for the violations of the provisions of this law.<sup>17</sup>

In 1992, a congressionally appointed Commission on Agricultural Workers submitted a report which recommended some minor adjustments to the current requirements, including enforcing the full liability of persons using unlicensed farm labour contractors. The Commission also recommended bringing all federal and state regulations governing labour contracting activities in farm and non-farm labour markets under a uniform federal system.

**3.3 Countries having separate legislation for regulating private security industry:** As far as the provisions directly focused on private security industries are concerned the following countries have taken up specific initiatives in this regard.

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16. *Law at Work (May, 2005) Labour Research Department Booklets*

17. *I.L.O., Legislative Series, 1983, USA 1*

**3.3.1 Nigeria:** In Nigeria the private security sector is regulated by ‘Private Guard Companies Act 1986’. The Act requires that no organization shall perform the service of watching, guarding, petrolling or carrying money for the purpose of providing protection against crime unless the organization concerned is registered as a company, has applied for and been granted licence by the minister in accordance with the provisions of this act and is wholly owned by Nigerians in accordance with the Nigerian Enterprises Promotion Act. An application for license must also be accompanied by a fee as well as a statement setting out the conditions of service, including salaries of the employees. A license is granted for a period of two years, after which a renewal license must be applied for.

The Act further stipulates that a person who has been found guilty of a criminal offence under the Penal Code, the Criminal Code, the Fire Arm Act or the Robbery and Fire Arms Act (special provisions act) in Nigeria or of a similar offence elsewhere will be granted a license (Part 1, 13, 1(a)). Similarly a licence will not be granted to persons who have been imprisoned for an offence involving, fraud, theft or breach of trust or who have been dismissed on disciplinary grounds from the police force, the armed forces, prison service or customs preventive service whether in Nigeria or else where. The minister concerns to whom application is made for license can also decline an application on the grounds that, “It is contrary to the public interest or the interest of national security [Part 1, 13, 1 (d)]”. The Act prohibits the use of any fire arms or ammunition by PSCS.<sup>18</sup>

**3.3.2 United Kingdom:** In U.K. the private security industry is regulated as per the provisions of the Private Security Industry Act 2001. This Act is applicable to Door Supervisions (both in house and supplied under contract), security guards supplied under contract, key holders supplied under contract, close protection operatives provided under contract, CC TV (Public Space Surveillance) operatives supplied under contract, private investigation supplied under contract, security consultants supplied under contract and precognition agents. This also includes those who provide frontline security services and those who are involve in the management or running of companies or individuals providing those services.

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18. *Rita Abrahamsen, Michael C. Williams: The globalization of private security, Country report, Nigeria, January 2005*

The Act, however, is not applicable to most in-house security staff for example where a security guard is directly employed by a company to guard their own building. The exception to this are the Door Supervisors working in licensed pubs and clubs who will also require to be licensed whether in house provided or contracted in.

The security industry is regulated by the Act through the Security Industry Authority (SIA) established under the Act in England, in the year 2003 by issuing licenses as per the provisions of the act by laying down a number of conditions and regularly monitoring those conditions. This authority is also entrusted with the powers and duties to set or approve standard of conduct, training and levels of supervision for adaption by:

- Those who carry on business providing security industry services or other services involving the activities of security operatives and
- Those who are employed for the purposes of such business and to make recommendations and proposals for the maintenance and improvement of standards in the provision of security industry services and other services involving the activities relating to security operatives.

The licensing criteria provided under the Act include conditions such as fitness to be engaged as security personnel, training and skills necessary to be engaged.

In setting out any criteria or revised criteria under the Act the authority created under the Act may provide for different criteria to apply:

- In relation to licences for different descriptions of licensable contract and
- In relation to the initial grant of a licence and in relation to a further grant of the same licensee or for the purpose of renewing an earlier licence.

Surprisingly, none of the conditions of license under the Act relate to aspects like conditions of work, working hours and remuneration etc.

**3.3.3 Scotland:** The Private Security Act, 2001 of UK has also been adopted by Scotland and in Scotland the following categories of persons is covered by this act:

- Door supervisors, both in-house and supplied under contract
- security guards supplied under contract
- Key holders supplied under contract
- Close protection operatives provided under contract
- Cash and valuables in transit operatives supplied under contract
- CCTV (public space surveillance) operatives supplied under contract
- Private investigators supplied under contract
- security consultants supplied under contract
- Precognition agents

**3.4 Regulatory framework for addressing the labour, employment & social security concerns of private security guards in India:** In India the broad policy framework for protecting the interest of the citizenry and large number of workers specially those working in the unorganized and informal sector has been provided by the Constitution of India which inter alia contains and reflects the expectations and aspirations of the people of our country provides a number of comprehensive measures with regard to labour (including contract labour), which constitutes an overwhelming proportion of population of our country. These measures find specific mention in the Preamble of the Constitution, in Part-III dealing with Fundamental Rights and Part-IV dealing with the Directive Principles of the State Policy. The Preamble highlights the values cherished by the Constitution like justice, equality of status and opportunity and human dignity, which are to be kept in mind in the governance of the country by the successive governments. All these values will definitely remain unfulfilled without properly addressing the various issues of labour including contract labour. The provisions dealing with fundamental rights like Right to life (Article 21), Right against exploitation (Article 23: Forced labour) indirectly relate to contract labour also.

**3.5 Legal protection to security guards engaged by private security agencies under various labour legislations:** Protection of the interest of contract labour has been a matter of concern for the state in India for a long time. Accordingly, the State has made a number of legislative interventions in this regard at various points of time. As a result we find that a number of labour legislations including the specific law aimed at protecting the interest of contract labour i.e. the

Contract Labour (Regulation & Abolition) Act, 1970 contain provisions relating to contract labour. Some of these enactments relate to the period much prior to the enactment of Contract Labour (Regulation and Abolition) Act in 1970 and some are almost of the same period. Some of the subsequently enacted labour legislations also contain such provisions. The present section briefly describes these legislations.

**3.6 Contract Labour (Regulation & Abolition) Act, 1970:** Since the Contract Labour (Regulation & Abolition) Act, 1970 is the specific legislation dealing with the interest of contract labour; therefore the same is being discussed first. This Act was enacted mainly to regulate the employment of contract labour in certain establishments and provide for its abolition in certain circumstances and for matters connected therewith.

**3.6.1 Applicability of the Act:** This Act extends to the entire Indian State and applies to those establishments and contractors which employ 20 or more workmen or employed such number of 20 or more workmen on any day of the preceding 12 months as contract labour. The Act further empowers the appropriate Government to relax the number from 20 to a lesser number. A few of the State Governments like West Bengal and Tripura have already reduced this number.

**3.6.2 Appropriate Government:** The jurisdiction of the Central and State Government has been laid down by the definition of the ‘Appropriate Government’ in Section 2(1) (a) of the Act. After the amendment of the Act in 1986, the Appropriate Government would be the same in respect of an establishment under the Contract Labour (Regulation and Abolition) Act, 1970 as also the Industrial Disputes Act, 1947.

**3.6.3 Registration of establishments and licensing of contractors:** Section 7 of the Act provides for registration of principal employers with the appropriate authorities under the Act. Section 12 provides that no contractor shall undertake or execute any work through contract labour except under and in accordance with a license issued in that behalf by the licensing officer. Section 12 further empowers the licensing officer to lay down in the license such conditions including, in particular conditions as to hours of work, fixation of wages and other essential amenities in respect of contract labour as the appropriate Government may deem fit to impose in accordance with the rules.

### **3.6.4 Prohibition of contract labour and considerations to be kept in mind by the appropriate government while issuing notification prohibiting contract labour:**

The Act does not purport to abolish contract labour in its entirety and while issuing notification for prohibition of contract labour in any particular employment/employments the appropriate government is supposed to take into account the conditions of work and benefits being given to contract labour in that establishment. The other relevant factors which the appropriate government has to keep in mind are, whether the process, the operation or other work is incidental to or necessary for the industry, trade, business, manufacture or occupations carried out in the establishment/establishments; whether work is of sufficient duration having regard to the nature of industry, trade, occupation and business etc. carried in the establishments; whether the particular work is ordinarily performed by regular workmen in that establishment or similar establishment and whether the work in question is sufficient to employ considerable number of whole time workers.<sup>19</sup> Perhaps due to the reason that the employment of private security does not fulfill most of these criteria, neither the central government nor any of the state governments in India has issued prohibition notification under Section 10 of the Act for engaging private security personnel through contractors.

**3.6.5 Regulation of contract labour:** In those situations in which abolition of contract labour is not feasible the Contract Labour (R & A) Act, 1970 seeks to regulate the same in order to ensure the basic amenities and entitlements at the workplace to the vulnerable segment of labour force i.e. contract labour by way of casting a duty on the principal employer employing contract labour to get his establishment registered and similarly by casting a duty on the contractor, employing contract labour to get the license from the licensing authority as notified by the appropriate government, which makes the contractor duty bound to ensure the observance of the basic labour standards and conditions such as conditions as to hours of work, fixation and payment of minimum wages and other conditions as the appropriate government may deem fit. The regulatory part of the Act also provides for renewal of the license from time to time as also for its suspension and revocation in case of denial of the basic minimum amenities to the contract labour as provided in the license and other conditions as laid down in the license. The license once obtained by the contractor can be

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19. Section 10 (2) Clause (a) to (d) of the CL (R&A) Act, 1970

revoked or suspended by the Licensing Officer either on his own satisfaction or reference.

To cover the basic health and welfare aspect of contract labour, Section 35 of the Act empowers the appropriate Government to make rules with respects to providing Canteens, Rest Rooms, First-Aid Facilities, Wholesome Drinking Water, Latrines and Urinals and Washing facilities etc. The Contractor and in case of his failure the Principal Employer is duty bound to provide the different kinds of amenities subject to certain conditions in terms of number of workers employed and the duration for which the employment is going to continue. Section 20 of the Act makes it very clear that in case the Contractor fails to provide any of the amenities required to be provided as per the provisions of Section 16, 17, 18 and 19 of the Act it becomes the principal employer's responsibility to provide all these amenities. The employer can however, make the deductions for incurring expenditure in providing these amenities from the payment to be made to the contractor. This amount can also be recovered from the contractor as debt taken by the contractor. They can however, severally and jointly be sued in case of denial of amenities to the contract labour.

For ensuring the regular payment of the minimum wages to the contract labour the Act provides that the wages to the contract labour are to be paid in the presence of the authorized representative of the principal employer, who has to certify that the wages as per the stipulation have really been paid to the contract labour. In order to ensure the compliance of various regulatory provisions of the Act, the Act also provides for penalty in form of fine as well as imprisonment (which is extendable up to Rs. 1000/- or/and three months - Section 23 of the Act) and in case of continuing offence the Act provides for additional fine extendable up to Rs. 100 per day.

As far as the Central rules framed for facilitating the implementation of the Act are concerned, these rules not only further clarify the provisions of the Act but also make certain additional provisions for safeguarding the interests of contract labour. These provisions find a place under Rule 25 of the Contract Labour (Regulation and Abolition) Rules, 1971, which is as follows:

- Rule 25:-** Forms and terms and conditions of license - (1).....
- (2) Every license granted under sub-rule (1) or renewed under Rule 29 shall be subject to the following conditions, namely-

- (i) The license shall be non-transferable;
- (ii) The number of workmen employed as contract labour in the establishment shall not, on any day, exceed the maximum number specified in the license;
- (iii) Save as provided in these rules, the fees paid for the grant, or as the case may be, for renewal of the license shall be non-refundable;
- (iv) The rates of wages payable to the workmen by the contractor shall not be less than the rates prescribed under the Minimum Wages Act, 1948 (II of 1948), for such employment where applicable, and where the rates have been fixed by agreement, settlement or award, not less than the rates so fixed;
- (v) (a) In cases where the workmen employed by the contractor perform the same or similar kind of work as the workmen directly employed by the principal employer of the establishment, the wage rates, holidays, hours of work and other conditions of service of the workmen of the contractor shall be the same as applicable to the workmen directly employed by the principal employer of the establishment on the same or similar kind of work provided that in the case of any disagreement with regard to the type of work the same shall be decided by the [Deputy Chief Labour Commissioner(Central)]  
(b) In other cases the wage rates, holidays, hours of work and conditions of service of the workmen of the contractor shall be such as may be specified in this behalf by the [Deputy Chief Labour Commissioner (Central)]
- (vi) (a) In every establishment where twenty or more women are ordinarily employed as contract labour, there shall be provided two rooms of reasonable dimensions for the use of their children under the age of six years;  
(b) One of such rooms shall be used as a play-room for the children and the other as bedroom for the children;  
(c) The contractor shall supply adequate number of toys and games in the play-room and sufficient number of cots and beddings in the sleeping-room;  
(d) The standard of construction and maintenance of the crèches shall be

such as may be specified in this behalf by the Chief Labour Commissioner (Central);

- (vii) The licensee shall notify any change in the number of workmen or the conditions of work to the licensing officer;
- (viii) The licensee shall, within fifteen days of the commencement and completion of each contract work submit a return to the inspector, appointed under Section 28 of the Act, intimating the actual date of the commencement or, as the case may be, completion of such contract work in Form VI-A);
- (ix) A copy of the license shall be displayed prominently at the premises where the contract work is being carried on;
- (x) No female contract labour shall be employed by any contractor before 6.00 a.m. or after 7.00 p.m.: Provided that this clause shall not apply to the employment of women in pithead baths, crèches and canteens and as to midwives and nurses in hospitals and dispensaries.

By way of caution and to ensure compliance of various protective provisions of the Contract-Labour (Regulation and Abolition) Act and the Rules made there under, Rule 24 of Contract Labour (Regulation & Abolition) Central Rules, 1971 also provides for security deposit with the Licensing authority (at the rate of Rs.90) for each workman to be employed as contract labour in respect of which licence has been issued. This amount is refundable to contractor only after the licensing authority is satisfied that the conditions of the licence and the obligations under the Act and Rules are fulfilled. Rules framed by various state governments have also more or less similar provisions.

In addition as per the provisions of Rule 76 of the Central Rules every employer has to issue an 'employment card' to each worker within three days of employment of worker and similarly Rule 77 provides for issuance of service certificate on termination of employment for any reason whatsoever to the workmen whose services have been terminated. These two documents serve as proof of employment.

**3.7 Legal protection measures under other labour legislations:** In addition to the provisions of the Contract Labour (R&A) Act 1970 exclusively dealing with various issues pertaining to contract labour, provisions also exists under certain other labour enactments which are equally applicable to the workers working

as contract labourers subject to the condition of falling under the coverage and scope of those labour enactments. The following are the other major labour laws which are applicable to contract labour. The relevant provisions of these enactments are briefly described below:

**3.7.1 The Industrial Dispute Act, 1947:** A ‘workman’ under the Contract Labour (R&A) Act is also a ‘workman’ under the Industrial Disputes Act. The contractor would be the employer of such person. The principal employer under the Act would be employer under the Industrial Disputes Act in certain circumstances, against whom an “industrial dispute” could be raised.<sup>20</sup>

**3.7.2 The Factories Act, 1948:** Section 2(1) of the Act as amended w.e.f. 26-10-1976 defines a ‘worker’ to mean a person employed, directly or by or through an agency (including a contractor) with or without the knowledge of the principal employer, whether for remuneration in any manufacturing process, or the subject of the manufacturing process...

A perusal of the definition indicates that the Factories Act does not make any discrimination between person employed directly by the principal employer and a person who is employed by or through a contractor in case all other conditions as given in the definition are fulfilled. Therefore, such contract labour will be entitled to all the privileges and benefits available to workers under the Factories Act including those relating to weekly holidays, compensatory holidays, overtime wages, leave with wages, etc.

**3.7.3 The Employees’ State Insurance Act, 1948:** In factories and such other establishments to which the Employees’ State Insurance Act applies, contract labour will be eligible for the benefits as conferred under the Act to other employees so long as they meet the requirements of the expression “employee” as defined in section 2(9) thereof which reads as under:

Section 2(9): “employee” means any person employed for wages in or in connection with the work of a factory or establishment to which this Act applies and-

- i. Who is directly employed by the principal employer any work of the factory or establishment, whether such work is done by the employee in the factory or establishment or elsewhere; or

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20. For example judgments in the case of *Indian Explosives Ltd. vs. State of Uttar Pradesh (1981)*, 1 LLJ, p-423 (Allahabad HC); *Vegoils Pvt. Ltd. vs. Workmen (1972)* II LLJ, p-567 (SC)

- ii. who is employed by or through an immediate employer on the premises of the factory or establishment or under the supervision of the principal employer or his agent on work which is ordinary part of the work of the factory or establishment or which is preliminary to the work carried on in or incidental to the purpose of the factory or establishment; or
- iii. Whose services are temporarily lent or let on hire to the principal employer by the person with whom the person whose services are so lent or let on hire has entered into a contract or service.

And includes any person employed for wages on any work connected with the administration of the factory or establishment or any part, department or branch thereof of which the purchase of raw materials for, or the distribution or sale of the products of, the factory or...

In view of the above, the employees engaged by the contractor in an establishment as covered under the Employees' State Insurance Act, are liable to be covered.<sup>21</sup> In another case also, it has been held that the principal employer will be liable to pay ESI contributions of the employee employed through the contractor.<sup>22</sup> In one case, the Kerala High Court has held that the workers employed by contractor for the work of the principal employer connected with the business of the factory are liable to be included for the purpose of contribution under the Act, even if such workers were casual.<sup>23</sup> Also the employees engaged through the contractor to do ancillary jobs for the principal employer will be covered under ESI Act.<sup>24</sup> The employees working in a canteen run in a factory under statutory requirements will be deemed to be the employees of the principal employer.<sup>25</sup>

**3.7.4 The Minimum Wages Act, 1948:** Sub-rule IV of Rule 25 of the Contract Labour (Regulation and Abolition) Act provides that the principal employer will ensure that the workers engaged through the contractor will be paid wages

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21. *Employees State Insurance Corpn. vs. Vijayamohini Mills (1990) LLR, p-305*

22. *Standard Fabricator (India) Pvt. Ltd. vs. Regional Director, Employees' State Insurance Corpn., Bombay (1994), LLR, P-869 (Bombay High Court)*

23. *Siddeshwar and Company vs. Employees State Insurance Corpn (1997) (3) LLN, p-589 (Karnataka High Court)*

24. *Regional Director, ESI Corporation vs. Saraspur Mills (1998), LLR, p-686 (Gujarat High Court)*

25. *A.P. Dairy Development Co-operative Federation Ltd. vs. Shivadas Pillai (1990) LLR, p-578 (Andhra Pradesh High Court)*

not less than the minimum rate of wages as fixed under the Minimum Wages Act. Clause (iv) of sub-rule 25 of the rules reads as under:

The rates of wages payable to the workmen by the contractor shall not be less than the rates prescribed under the Minimum Wages Act, 1948 (11 of 1948) for such employment where applicable and where the rates have been fixed by agreement, settlement or award not less than the rates so fixed.

The Karnataka High Court has observed that rule 25(2)(iv) of the Contract Labour Central Rules provides that the rates of wages payable to the contract workers by the contractor shall not be less than the rates prescribed under the Minimum Wages Act, 1948, the High Court said that this provision also indicates that the rates of wages fixed by the appropriate Government alone would govern.

**3.7.5 The Employees' Provident Funds and Miscellaneous Provisions Act, 1952:** As per section 2(f) of the Act, any person employed by or through a contractor in or in connection with the work of the establishment is also an employee unless otherwise covered under the Act and will thus be eligible to get the benefits of the schemes framed under the Act. Thus, the employees engaged through the contractor will be liable to be covered under the Employees' Provident Funds and Miscellaneous Provisions Act.71

Form 12 under the Act and Scheme contains a separate column 'employees engaged through the contractor'.

Also, the Employees' Provident Fund Organization in its clarification No. E.1/17(3)93 / Vol.111 dated 12-2-2001 has opened the allotment of separate Codes (Identification Numbers) to the employers rendering services on contract basis.

**3.7.6 The Workmen's Compensation (Amendment) Act, 2009:** The Act deals with the liability for payment of compensation as per the provisions of the Act to a contract labour also for personal injury caused by accident arising out of and in course of employment. The relevant section of the Act reads as under:

- a) Where any person (hereinafter in this section referred to as the principal) in the course of or for the purposes of his trade or business contract with any other person (hereinafter in this section referred to as the contractor) for the execution by or under the contractor of the whole or any part of any work which is ordinarily

part of the trade or business of the principal, the principal shall be liable to pay to any workman employed in the execution of the work any compensation which he would have been liable to pay if that workman had been immediately employed by him; and where compensation is claimed from the principal, this Act shall apply as if references to the principal were substituted for references to the employer except that the amount of compensation shall be calculated with reference to the wages of the workman under the employer by whom he is immediately employed.

- b) Where the principal is liable to pay compensation under this section, he shall be entitled to be indemnified by the contractor, or any other person from whom the workman could have recovered compensation and where a contractor who is himself a principal is liable to pay compensation or to indemnify a principal under this section he shall be entitled to be indemnified by any person standing to him in the relation of a contractor from whom the workman could have recovered compensation, and all questions as to the right to and the amount of any such indemnity shall, in default of agreement, be settled by the Commissioner.
- c) Nothing in this section shall be construed as preventing a workman from recovering compensation from the contractor instead of the principal.
- d) This section shall not apply in any case where the accident occurred elsewhere than on, in or about the premises on which the principal has undertaken or usually undertakes, as the case may be, to execute the work or which are otherwise under his control or management.

It is thus clear that the principal employer cannot escape from his liability to pay compensation to the employees of the contractor and in turn, the principal employer can recover the amount paid from the contractor as held by the Bombay High Court.<sup>26</sup> It has been held by the same High Court that the principal employer will be liable for payment of compensation when an employee engaged by the contractor dies out of employment.<sup>27</sup> The various

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26. *Surjerus Unkar jadhav vs. Gurinder Singh* (1991) 62 FLR, p-315 (Bombay High Court)

27. *State of Maharashtra vs. Mahandeo Krishna Waghmode* (1992), LLR, p-950 (Bombay HC)

High Courts have categorically held that the principal employer would be liable to pay compensation to workman through contractor for execution of principal employer's work.<sup>28</sup>

In another case, it has also been held that principal employer will be liable to pay compensation in case of an accident covered under the Employees' Compensation Act even when the employee is engaged through the contractor whereas recovery can be made by the principal employer from the contractor for the compensation as paid.<sup>29</sup>

**3.8 Private Security Agencies (Regulation) Act, 2005:** After the enactment of Private Security Agency Act in the year 2005 India has also become one of the countries having a separate enactment for the purpose of regulating private security agencies. As per the preamble of the Act, the purpose of this Act is to provide for the regulation of private security agencies and for matters connected there with or incidental thereto. However, the major concern of the Act is to regulate the functioning of large number of agencies in the country most of whom conduct their operation without due care for verifying the antecedents of personnel employed as private security guards and supervisors. Another objective of the act is to discourage the employees of private security agencies from encroaching upon the duties of the police using weapons in an illegal manner, wearing uniforms which resemble those of the police and to discourage the entry of persons with criminal backgrounds in private security agencies. As per the provisions of the Act, no person can carry on or commence the business of private security agency unless he holds a license under this Act. The Act also lays down a number of conditions for issuance of the license. Similarly, the Act also lays down a number of eligibility criteria for being engaged as a security guard.

The power to issue licenses to security agencies has been given to the controlling authority to be appointed under the Act. The Act further says that the officer to be appointed as controlling authority under the Act should not be below the rank of joint secretary in the Home Department of the state or an equivalent officer. The important point to be noted from the view point of the present study is that Section 13 of the act which prescribes a number of grounds

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28. *Century Chemicals Oils Pvt. Ltd. vs. Esther Maragatham* (1998), 11 LLJ, p-473 (Madras HC)

29. *Dean, Agriculture College and Research Institute, Killikulam, Vallanad vs. Sakilabanu* (2004) 1 LLJ, p-741 (Madras HC)

for cancellation and suspension of the license, one of such grounds is when the licence holder has violated the provisions of any of the labour laws listed in the schedule, attached with the Act. The scheduled list contains the Payment of Wages Act 1936, the Industrial Disputes Act 1947, The Minimum Wages Act 1948, The Employees Provident Fund Act and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act 1965, The Contract Labour Act 1970, The Payment of Gratuity Act 1972, The Equal Remuneration Act 1976 and the Inter-State Migrant Workmen Act 1979. Most of the above mentioned labour laws are applicable to private security guards. However the major limitation of this act is that unless and until the rules under the Act are not framed by the respective state governments, this Act can not be implemented. Another limitation is that since the power to implement this Act has been given to police department one can hardly hope that the provisions of the Act relating to labour would really be implemented.

## Chapter Four

# Profile of the Areas Selected Under the Study

**4.1 Okhla:** Okhla is one of the major industrial areas not only of National Capital Region but also of India as a whole. It falls under South Delhi District of Delhi and is divided in three phases i.e. Phase I, Phase II and Phase III (popularly referred to as Okhla Industrial Estate). As per the broad estimates the population of Okhla (including the people who come for the purpose of working here) is approximately 4.5-5 lacs.

Okhla Industrial Area was conceived by first Prime Minister of India, Late Pandit Jawaharlal Nehru. Okhla which has more than three thousand industrial units forms one of the largest industrial areas in the country almost 1/4th of the industrial units are such which involve hazardous occupations or processes. The major revenue earners from Okhla include Readymade Garment Exporters and Leather Garment Exporters besides other segments of industry such as Pharmaceuticals, Manufacturing units, Plastics & Packaging Units, Printing Presses, Machinery Manufactures, Call Centers, Offices of Multinational Companies, Banks & Hotels etc.<sup>1</sup>

The whole industrial area is named after the main area Okhla village, which is a village in South Delhi and nearby areas known as its own parts like Jakir Nagar, Jakir Bagh, Jamia Nagar, Abul Fazal Enclave, Kalindi Kunj and Kalindi Colony. The neighboring areas of Okhla are Nehru Place, Batla House, Kalkaji, Greater Kailash, Govindpuri, Shri Niwaspuri, Tuglakabad, Sarita Vihar, Jasola Vihar and Badarpur.

Okhla Industrial Estate i.e. Phase III is a modest industrial initiative laid out by the British Architect Mr. Walter George, also famous for the planning and construction of Parliament House, North Block and South Block. There are a number of Multinational Companies, Call Centers, BPOs, Showrooms and Media Group Corporates located in Phase III.

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1. *A broadsheet feature on Okhla industrial area, Delhi- of opportunities and growth;*  
<http://www.thehindubusinessline.com/2001/10/10/stories/12/01801.htm>

Some of the popular names that have grown and emerged here include Luxor Pens, Airtel (Bharti Cellular), Vodaphone, Cellphones, Intelnet, Essar Cellphones, Travel port, Ranbaxy, Salora TV, Oriflamme, Vintron, Tata Steel, Tata Exports, Dishnet DSL, Fena Soap in addition to a number of leading exporters from various sectors.<sup>2</sup>

Though the entire area i.e. Phase I, Phase II and Phase III allotted by DDA, DSIDC and Directorate of Industries, is by and large industrial in nature but recently some private builders like DLF, India Bulls, Sun City, etc. have started their commercial projects in the area. A number of MNCs and investors have also shown their interest in this area.

Okhla is also abode to almost 80,000 slum dwellers. Some of Delhi's prominent hospitals such as Apollo, Indraprastha Hospital, Holy Family and Escort are also located here.<sup>3</sup> Similarly Employee State Insurance Hospital is also located here. A number of govt. offices including the office of Deputy Labour Commissioner, Govt. of Delhi are also located here. In addition Kalindikunj one of the famous public gardens close to the river of Yamuna is also located here.

Almost all the above mentioned places require security of persons and property on a continuous basis against various kinds of risks. The need of security on a regular basis is further accentuated by the fact that though almost 500 industrial units in this area fall under hazardous category, but in a large number of such units even the safety audit had not been conducted till 01.12.2006.<sup>4</sup> As a result there always exist chances of any kind of untoward incidents posing risk to lives and properties in question. This is the reason that thousands of security guards engaged through hundreds of security agencies, local, regional, national and international earn their livelihood by way of working in hundreds of factories, educational institutions, corporate houses, offices of the companies, hospitals, hotels and a host of the other kind of organizations located here. This was the one of the important reasons for selecting Okhla as one of areas under the study.

As per the broad estimates there are approximately 10,000 security guards providing their services to a large number of factories, offices of Indian and

2. <http://en.wikipedia.org/wiki/Okhla>

3. *Supra*

4. *Implementation status of manufacture storage and import of hazardous chemical (MHIC) Rules, 1989m, Labour department, New Delhi, Document releasing date 01.12.2006*

Multinational Companies, educational institutions, BPOs, showrooms, hospitals, hotels, parks, corporate houses, government offices and a number of other establishment etc. These guards have been engaged by more than 100 registered and unregistered local security agencies, regional, national and international agencies which engaged security personnel in different phases of Okhla in the range of 5 to more than 100. Some of the prominent names through which these guards have been engaged include Premier Shield Pvt. security Ltd., Sentinel, TGN security, A4 security, Globe Detective Agency Pvt. Ltd, ABS Group of security, Dynamic security Service, Hawk Eye security Service, Alert security Service, Rhino security, and Vayudoot security. Though there are a number of trade unions operating in this area, but most of the security guards are totally away from the coverage and purview of the trade unions and their activities.

**4.2 NOIDA:** NOIDA is one of the major industrial and modern towns of India. It came into existence on 17 April, 1976. The city is located in Gautam Budh Nagar district of Uttar Pradesh (U.P.). The city is part of Noida Dadri Legislative Assembly seat and Gautam Budh Nagar Parliamentary seat. Located in the North of India, Noida is adjacent to Delhi. It is bound on the west and south west by Yamuna river, on the north and north west by the city of Delhi and on the north-east by the cities of Delhi and Ghaziabad.

As per Census of India 2001 the population of Noida was 3,05,058 comprising of 55% males and 45% females. However, the current estimates suggest that the population is around 5 lacs excluding the population of Greater Noida and a number of rural localities falling in between and around a number of sectors of Noida. If this population is also included then it would definitely exceed 10 lacs. Estimates also suggest that almost 50% of the total population commutes to Delhi, Faridabad, Gurgaon and Ghaziabad etc. in connection with the employment. Noida has an average literacy rate of 80% (much higher than the national average of 59.5%) with the male literacy 84% and female literacy of 78%.<sup>5</sup> It is also pertinent to mention here that a substantial proportion of the population (20-25%) also lives in Jhuggis.

In the past few years Noida has recently come up as a hub of multinational firms outsourcing IT services. Many large software and business process outsourcing (BPOs) companies have their offices in Noida. There are more than

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5. <http://en.wikipedia.org/wiki/Noida>

50 IT companies and BPOs in Noida. Some of the important IT companies and BPOs in terms of number of employees engaged include HCL, Uniword, Telecom Limited, Precision Electronic, Altons Inc, Appnetix, Cogniscient Business Solutions Pvt. Ltd., Datanova, GRL Technologies Ltd., IDS Logic Pvt. Ltd., Path InfoTech, Rays Soft, Softindigo, Xtivista, Adobe, Infosystems, Fiserv, TCS, ATC Labs, Intera, Global Logic, CSC, EXL, Birla Soft, Impetus, ST Micro Electronics and Xansa etc. In addition, a large number of companies have their Indian branch offices in Noida because of Special Economic Zone, the better sub urban atmosphere and its closeness to Delhi. Noida has also the head office of software Technologies Park. The other major industries in Noida include T-Series, Moserbear, LG Electronics, Samsung, Flex etc. Noida is also fastly emerging as a hub for automobile ancillary units with companies like Escorts, Honda-SIEL and New Holland Tractors, Motherson, Sumi Motors etc. In addition to the above a number of manufacturing and other companies like ISGEC, LG and Samsung have their corporate offices in the city.

Apart from a number of big companies mentioned above there are almost 2300 industrial units, registered as factories engaging employees ranging from 10 to more than 500. In Garment and Hosiery sector alone there were almost 350 units in 2003.<sup>6</sup> However as on March, 2007 there were total 7303 units registered with District Industry Centre out of which only 2736 i.e. 37% of the total were functional and remaining 63% were closed.<sup>7</sup>

Similarly, Noida has a large number of schools. There were almost 350 schools and colleges including 200 private schools imparting education upto class 12th in the year 2005.<sup>8</sup> Some of the prominent schools in Noida include Kendriya Vidyalaya, Delhi Public School, Somerville School, Cambridge School, Assisi Convent School, APJ School, Noida Public School, Khetan Public School, Army Public School, Ryan International School, Viswa Bharti Public School, Bal Bharati Public School, Amity International School, DAV School, Rockwood School, Nehru International School, Modern School, City Public School and Uttarakhand Public School etc.

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6. *Status of Labour Welfare Measures in the Factories of Noida: A case study of Garment and Hosiery Industry, 2003, V.V. Giri National Labour Institute, Noida*

7. *Survey report of district industry centre, Noida, 2007*

8. *Labour, Employment and Social Security Issues in Education Industry: A Case study of Private Schools of Noida, V.V. Giri National Labour Institute, Noida, 2005*

Noida is also a centre of excellence in the area of technical education atleast in North India and some of the notable institutions imparting technical education in Noida include JSS Academy of Technical Education, J.P. Institute of Information Technology, Amity University, National School of Advertising and the Asian Academy of Film and Television (AAFT), which attracts students from more than 70 countries) etc. Other reputed institutions in Noida include Footwear Design and Development Institute (FDDI), Education Development Consultants India (EDCIL), Indian Institute of Banking and Finance, Power Management Institute and V.V. Giri National Labour Institute etc.

Noida has also the distinction of having the head offices and regional offices of Central and State Governments/corporate offices of a number of public sectors such as Indian Coast Guard, Food Corporation of India, National Fertilizers Ltd., KRIBHCO, National Thermal Power Corporation, Indian Oil, Gas Authority of India Ltd., etc. Noida is also home to a number of prominent private hospitals, such as Samvedana Hospital, Kailash Hospital and Research Centre, Max Hospital, Metro Hospital, Prakash Hospital, Vinayak Hospital, Noida Health Care, Apollo Clinic and Fortis Hospital etc. In addition, Noida has also got one of the largest ESI Hospitals in U.P.

Noida has perhaps largest colony in India for serving and retired defence personnel. Arun Vihar and Jalvayu Vihar are the main focus areas of defence personnel. In addition to the above a large number of retired judges, retired and serving buaerocrats, large numbers of leading businessmen, doctors, advocates etc. also stay in Noida.<sup>9</sup>

It is also pertinent to mention here that during the recent past Noida has also rapidly come up as a major real estate centre in India due to its proximity to Delhi and increased pressure on land. Property rates are constantly on the rise in Noida. Land rates which were in the range of Rs. 3000 – 15000 per sq. meter five years back have gone to Rs. 30,000 – 85,000 per sq. meter.<sup>10</sup>

Noida is also famous for Film City, established by Sandeep Marwah. Film City is a hub of almost all the major news channels and famous studios. Some of the important News channels situated here include Zee News, NDTV, TV Today, IBN, CNBC etc. Noida's proximity to Delhi which is main political centre of the country makes it an attractive destination for news channels.

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9. <http://en.wikipedia.org/wiki/Noida>

10. *Supra Note, 1*

Noida is also famous for a number of latest Shopping Malls, residential complexes, showrooms and a large number of Apartments. Some of the important Malls include Centre Stage Mall, Sub Mall, Great India Palace, Spice Mall and Shoprix Mall. All these Malls have come up only during last 5-6 years. Similarly, hundreds of apartments and showrooms have also come up during the last 10-15 years.

There are hundreds of societies and more than 100 residential sectors with a number of blocks developed and constructed by Noida Authority. In addition, there are also a large number of individual bungalows and kothis. There are also a number of administrative offices, permanent and mobile markets, departmental stores, stadium, parks, golf club etc. in Noida.

All the above mentioned places require security. This can be provided only by some one specifically deputed for this purpose either by the owners of these places or through the organisations/institutions making use of such places. The need of security is further accentuated by the rising graph of crime in Noida and also the gravity and severity of crimes. It is well known fact that during the last few years Noida has come up on the fore front of crimes in India specially after kidnapping of Anant Gupta, son of Adobe India's CEO, Arushi Murder Case, Nithari Murder Case etc. This rising graph also emphatically points out towards the need of private security guards as people have lost their faith in the state security due to several reasons.

The above background provides the justification for selecting Okhla and Noida for the purpose of the present study.

## Chapter Five

# Socio-Economic Profile of the Respondents

The respondents covered under the study represent different groups in terms of age composition, male-female ratio, marital status, educational level, native place, number of dependents on them, experience profile, income, expenditure and savings, etc. This chapter provides details with regard to some of the socio-economic aspects relating to the respondents.

**5.1 Age group:** The figures in Table 5.1 show that the respondents were in below 19-58 years. Average age of the respondents was 35 years while 57.5% of the respondents were below the average age and the remaining 42% were above the average age. The interesting point which can be noted here is that the majority of the respondents were in the age group 19-40.

**Table 5.1**  
**Age-wise Distribution of Respondents**

Age Group (in years)	Okhla	Noida	Total	Percent-age (%)	Cum. Per. (%)
19- 25	19	21	40	20	20
26-30	18	24	42	21	41
31-35	19	14	33	16.5	57.5
36-40	12	17	29	14.5	72
41-45	13	11	24	12	84
46-50	13	9	22	11	95
More than 50	06	04	10	05	100
Total	100	100	200	100	-

*Source: Field Survey, 2009*

**5.2 Male Female distribution:** 95.5% of the respondents covered under the study (95% in Okhla and 96% in Noida) were males and remaining 4.5% were females. This clearly indicates that security sector is still a male dominated sector.

**5.3 Marital status:** Almost 80% (76% in Okhla and 83% in Noida) of the respondents were married and 20% (22% in Okhla and 17% in Noida) unmarried. This aspect thus clearly shows the social situation in which the respondents are placed.

**5.4 Educational profile:** One of the important points which can be noticed from the following table (Table 5.2) is that majority of the respondents had a fair level of education. For example, out of the total respondents 31.0 per cent had education upto High School followed by 25.5 per cent who had education upto Intermediate level. 6% of the respondents were Graduates and above. Respondents with no qualification constituted 7.5%. The educational profile thus shows that either the employers require educated security guards or the guards, in the absence of any other employment resorted to taking up the present job.

**Table 5.2**  
**Educational Qualification wise Distribution of the Respondents**

<b>Educational Qualification</b>	<b>Okhla</b>	<b>Noida</b>	<b>Total</b>	<b>Percentage (%)</b>	<b>Cum. Per. (%)</b>
Illiterate	12	3	15	7.5	7.5
Primary	15	5	20	10	17.5
Junior High School	21	19	40	20	37.5
High School	26	36	62	31	68.5
Intermediate	22	29	51	25.5	94
Graduation and above	04	8	12	6	100

*Source: Field Survey, 2009*

**5.5 Place of origin:** The figures in Table 5.3 show that 45.5% of respondents were from Uttar Pradesh followed by Bihar, Rajasthan, Uttaranchal, Jharkhand and Haryana with a representation of 24.5%, 5%, 4%, 3.5% and 3% respectively. The rest was from West Bengal, H.P, Orissa, Assam, M.P and Delhi M.P, Nepal and Delhi.

**Table 5.3**  
**Place of Origin wise Distribution of Respondents**

<b>Native place</b>	<b>Okhla</b>	<b>Noida</b>	<b>Total</b>	<b>Percentage (%)</b>
Uttar Pradesh	31	60	<b>91</b>	<b>45.5</b>
Bihar	26	23	<b>49</b>	<b>24.5</b>
Rajasthan	9	1	<b>10</b>	<b>5.0</b>
Uttaranchal	4	4	<b>8</b>	<b>4.0</b>
Jharkhand	7	0	<b>7</b>	<b>3.5</b>

Contd....

Haryana	3	3	6	3.0
West Bengal	3	1	4	2.0
Himachal Pradesh	4	0	4	2.0
Orissa	1	2	3	1.5
Assam	0	3	3	1.5
Madhya Pradesh	0	2	2	1.0
Delhi	2	0	2	1.0
Nepal	10	1	11	5.5
<b>Total</b>	<b>100</b>	<b>100</b>	<b>200</b>	<b>100</b>

*Source: Field Survey, 2009*

The respondents belonging to the state of U.P were from the Districts of Aligarh, Banaras, Bulandshar, Balia, Badayun, Deoria, Etah, Fatehpur, Firozabad, Farukhhabad, Gazipur, Ghaziabad Gautam Budh Nagar, Hardoi, Jhansi, Kanpur, Mainpuri, Mau, Meerut, Muzaffarnagar, Pratapgarh, Pilibhit and Saharanpur. Those belonging to Bihar were from Ara, Buxer, Bhagalpur Chhapra, Darbhanga, Gaya, Gopalganj, Madhubani, Motihari Muzaffarpur, Nawada, Siwan, Nalanda, Patna, Rohtas, Saharasa, Sitamarhi, and Vaishali. The ones from Rajasthan belonged to Alwar, Bhiwari Bharatpur and Jhunjhunu. Those from Uttaranchal they belonged to districts Almora, Champawat Nainital and Pauri. Those from Jharkhand belonged to Dumka and west Singhbhum. Respondents from Haryana belonged to Karnal, Palwal and Sonapat. Those belonging to West Bengal were from Burdwan, Midnapur, Malda and North 24 Pargana. The ones belonging to H.P were from Bilaspur and Mandi. Those belonging to Orissa shared Cuttuck, Mayur Bhaj and Puri, the ones belonging to Assam shared North Lakhimpur and those belonging to Madhya Pradesh shared Bhind and Satna as their home districts.

In all, 90% of the respondents (almost with an equal proportion in Okhla and Noida) were from rural areas and remaining 10% from urban areas from above mentioned places.

**5.6 Dependent-wise distribution:** 3% of the respondents covered under the study did not have any dependents. 22% of the respondents had up to 2 dependents. Almost 1/3rd had more than 4 dependents (with 7% of the respondents having as many as more than 6 dependents). Average dependents per respondent were - 3.74 (4). 65.5% of the respondents were having dependents up to average and 34.5% above average number of dependents.

**5.7 Experience profile as security guards:** The respondents selected under the study represent different experience profile in terms of their job as security guard as the first or second, third or fourth job and in terms of total experience as security guard. 76.5% of the respondents (81% in Okhla and 72% in Noida) reported that their current job as security guard as first one. The remaining 23.5% (19% in Okhla and 28% in Noida) reported that they had worked with one or several security agencies prior to the agency in which they were presently working.

The average length of service of the respondents as security guards was 3.23 years (3.16 years in case of Okhla and 3.30 in Noida). 70% of the respondents have had experience of having worked as security guard up to the average period and remaining 30% more than the average period. The respondent with the maximum years of service in Okhla was 17 years and in Noida was 23 years. The following table gives a clearer picture of experience wise distribution of respondents:

**Table 5.4**  
**Experience wise Distribution of Respondents**

<b>Length of service as security guards</b>	<b>Okhla</b>	<b>Noida</b>	<b>Total</b>	<b>Percent- age</b>	<b>Cum. Per. (%)</b>
Up to 6 months	10	3	13	6.5	6.5
6-11 months	13	0	13	6.5	13.0
1-2 years	27	12	39	19.5	32.5
2-3 years	15	15	30	15	47.5
3-4 years	10	41	51	25.5	73.0
4-5 years	3	14	17	8.5	81.5
5-6 years	3	4	7	3.5	85.0
More than 6 years	19	11	30	15	100
<b>Total</b>	<b>100</b>	<b>100</b>	<b>200</b>	<b>100</b>	-

*Source: Field Survey, 2009*

The above table shows that while 13% of the respondents had the experience profile of less than a year, almost 20% had worked for more than 5 years. More than half of the respondents had worked for more than 3 years as security personnel and substantial proportion of 18.5% of the respondents had worked for more than 5 years.

**5.8 Income, Expenditure and Savings profile:** The aspects relating to income, expenditure and savings are perhaps the most important for an individual as

well as for any institution/organisation. Without having a clear cut idea and understanding about these aspects no effective intervention can be made for making improvement. Table 4.5 gives details about the average income, expenditure and savings of the respondents.

**Table 5.5**  
**Average Family Income, Expenditure and Savings of Respondents (in Rs.)**

Area	Income	Expenditure	Saving
Okhla	5738	4575	1163
Noida	5684	4463	1192
Common	5711	4519	1178

**5.8.1 Income:** The average income of the respondents (Okhla and Noida taken together) from various sources was Rs.5711/- (Rs.5738 in case of Okhla and Rs.5684/- in case of Noida). 70% of the respondents (67% in Okhla and 73% in Noida) had less than the average income and 30% (33% in Okhla and 27% in Noida) had more than the average. The proportion of the respondents getting less than and more than the averages of income taken separately for Okhla and Noida were also almost equal to the proportion for common average.

**5.8.2 Expenditure:**The average expenditure of the respondents (Okhla and Noida taken together) on various items was Rs.4519/- (Rs.4575 in case of Okhla and Rs.4463/- in case of Noida). 63% of the respondents (exactly equal in Okhla and in Noida) incurred less than the average expenditure and remaining 37% more than the same. The proportion of the respondents incurring less/more than the averages of expenditures taken separately for Okhla and Noida were almost equal to the proportion for common average.

It is also pertinent to mention here that 5.5% of the respondents (6% from Okhla and 5% from Noida) reported incurring more expenditure than income ranging from Rs. 100/- to 500/- (with the average of almost Rs.250/-) and 4.5% of the respondents (3% from Okhla and 6% from Noida) shared incurring expenditure almost equal to their income.

**5.8.3 Average expenditure of respondents:** 5% of the respondents reported not to have incurring any expenditure on transport, 10% on house rent, 3% on ration, 14.5% on remittance and 32.5% on health. Table 4.6 provides the details with regard to the head wise proportionate expenditure of the respondents.

**Table 5.6**  
**Head-wise Monthly Average Expenditure of Respondents (in Rs.)**

<b>Head of Expenditure</b>	<b>Okhla</b>	<b>Noida</b>	<b>General</b>	<b>Percentage* (%)</b>
Transport	215(5.0)	253(5.5)	234	5.00
House/Room Rent	1038(23.0)	1044(23.0)	1041	23.00
Ration	1842(40.0)	1772(40.0)	1807	40.00
Remittance	847(18.0)	724(16.0)	786	17.50
Children's Education	161(3.5)	240(5.5)	200	4.50
Health	116(2.5)	76(2.0)	96	2.00
Miscellaneous	356(8.0)	354(8.0)	355	8.00
Total Average Expenditure	4575(100)	4463(100)	4519	100

**Note: (i)** Figures in parentheses indicate percentage to total monthly average expenditure (ii)\*Percentage in the last column denotes percentage to total monthly average expenditure under various heads in general (Okhla & Noida taken together)

The above table also indicates that the major constituents of expenditure of the respondents include ration, house rent and remittance. Expenditures on transport and children's education was higher as compared others.

As regards the proportion of respondents incurring expenditure up to and more than the average under various heads, almost 2/3rd of the respondents incurred less than or equal to the average expenditure on transport and remaining 1/3rd , more than the average up to a maximum of Rs. 1500/-. Almost, an equal proportion of 2/3rd of the respondents incurred less than or equal to the average expenditure on house rent and remaining 1/3rd more than the average, up to a maximum of Rs. 6000/-. Almost 58% of the respondents incurred less than or equal to the average expenditure on ration (Rs.1807/-) and 42% more than the average up to a maximum of Rs. 6000/-. Nearly 2/3rd of the respondents incurred equal to or less than the average expenditure on remittance (Rs.786/-) and remaining 1/3rd more than the average up to a maximum of Rs. 4000/-.

Almost 76.5% of the respondents incurred less than or equal to the average expenditure on children's education and almost 23.5% more than the average up to a maximum of Rs. 3000/-. Almost 38% respondents either incurred no expenditure or less than the average expenditure on health and 62% more than the average up to a maximum of Rs. 1500/-.

**5.8.4 Savings:** The average savings of the respondents in all were Rs.1178/- (Rs.1163 in case of Okhla and Rs.1192/- in case of Noida). Almost 2/3rd of the respondents, 68% in case of Okhla and 64% in case of Noida had less than the monthly average savings of Rs.1178/- and remaining 34% had the savings of more than the average. The proportion of the respondents having less/more than the averages of savings taken separately for Okhla and Noida were also almost equal to the proportion for common average.

As regards savings, 4.5% of the respondents (3 respondents in Okhla and 6 in Noida) did not have any savings, almost 20% of the respondents (21 respondents in Okhla and 19 in Noida) had the nominal savings up to Rs.300 per month, 14% of the respondents (13respondents in Okhla and 15 in Noida) had the very meager savings in the range of Rs.301-600 per month and 23% of the respondents (26 respondents in case in Okhla and 20 in case of Noida) shared having the savings in the range from Rs.601-1200 per month. Only 33% of the respondents had the savings of more than Rs.1200 per month.

## Chapter Six

# Labour and Employment Issues of Private Security Guards

**6.1 Non-payment of minimum wage:** At the time of conducting the field survey for the study the rates of minimum wage in Okhla (Delhi) for unskilled, semi-skilled and skilled categories of workers were Rs. 4085, Rs. 4258 and Rs. 4526 respectively. The security guards fall under the category of unskilled workers, armed security guards/gun-men under that of semi-skilled category and supervisors under that of the skilled category of workers. After deduction of 12% of the wages by way of contribution towards provident fund and 1.75% by way of ESI contribution as employee's share the monthly minimum wage for various categories of workers with four weekly offs a month and various kind of admissible leaves comes to Rs.3523, Rs.3673 and Rs.3904 for security guards, armed security guards/gunmen, and supervisors respectively. The following table gives a clearer picture of the status of payment of minimum wage to the respondents:

**Table 6.1**  
**Status of Payment of Minimum Wage to Respondents**

Status of payment of minimum wage	Okhla	Noida	Total	Percent-age (%)
Proportion of respondents getting wage equal to or more than minimum wages	38	47	85	42.5%
Proportion of respondents getting less than the minimum wage	62	53	115	57.5%
<b>Total</b>	<b>100</b>	<b>100</b>	<b>200</b>	<b>100%</b>

*Source: Field Survey, 2009*

However, the present study reveals that out of the total respondents in Okhla, only 38% respondents were getting the wages either equal to or slightly higher than the minimum wage. Most of the respondents being paid the notified minimum wage were from the category of those doing 8 hours of duty per day

as normal duty hours. As high as 54% of the respondents including both with 8 hours duty and 12 hours duty were getting less than the minimum wage as per the provisions of Minimum Wage Act. *8% of the respondents though doing 12 hours of duty per day as the normal duty hours were getting even less than the monthly wages for 8 hours of duty per day as normal duty hours.* 100% of the respondents who were getting less than minimum wages were security guards i.e. none of the gunmen/supervisors or ex-army men were getting less than the minimum wage.

In Noida (U.P.), though employment of private security guards does not fall under the list of scheduled employment, however the persons working as security guards, armed security guards/gunmen and supervisors may be construed to fall under the categories of unskilled worker, semi skilled workers and skilled category of workers respectively. At the time of conducting the field survey for the study the rates of notified minimum wage for the above mentioned three categories of workers in Noida were Rs. 3372/-, Rs. 3844/- and Rs. 4267/- respectively. After deducting the PF contribution @ Rs. 13.61% and ESI contribution @ 1.75% by way of employee's contribution, the monthly wages payable to security guards, armed security guards/gunmen and supervisors worked out to Rs. 2908/-, Rs. 3315/- and Rs. 3680/- respectively. However, the present study reveals that more than half of the respondents (53%) were getting less than the minimum wage. Only 47% of the respondents were getting equal to or slightly more than the minimum wage.

**6.2 Prolonged working hours:** Provisions of labour law provide for 8 hours of duty per day as normal duty hours and also put a ceiling on maximum overtime hours of work. However, the study reveals that 55% of the respondents, (53% in Okhla and 57% in Noida) were doing twelve hours duty per day as normal duty, excluding the overtime work which they have to do intermittently. Almost 20% of the respondents shared that at times they have to work continuously even for 24-36 hours. In addition to the above mentioned 55% of the respondents, almost 35% were such, who though had 8 hours of duty as the normal duty hours, but had to do on an average 60 hours of overtime work (56 hours in Okhla and 64 in Noida) in a month ranging from 24-160 hours per month. In all, almost 80% of the respondents, almost with an equal proportion in Okhla and Noida (including those who shared 12 hours per day duty as their normal duty) did more than the average overtime work (60 hours in a month). This apart

nearly 1/3rd of the respondents spent more than ½ an hour on commutation and nearly 1/5th spent more than an hour up to a maximum of two and half hours on commutation). However, 10% of the respondents did the overtime work up to the average overtime hours and remaining 10% of the respondents were such who had to work beyond 8 hours, only occasionally.

**6.3 Non payment of overtime rate of wages for overtime work:** The Minimum Wage Act provides for payment overtime work at the rate of double of the wages for normal duty hours. However, our study reveals that none of the respondents doing overtime work was getting wages at overtime rate. Only 14.5% of the respondents (almost with an equal proportion in Okhla and Noida) was getting wages for overtime work at single rate. Contrary to it, 80.5% of the respondents (almost with an equal proportion in Okhla and Noida) doing four hours of extra duty as normal duty were getting wages for overtime work even at less than the single rate and 5% of the respondents though doing overtime duty of 4 hours per day, were getting wages only equivalent to work for 8 hours a day. This is the reason that in spite of the fact that fairly large proportion of the respondents was doing overtime work, a substantial proportion of nearly 28% (almost with an equal proportion in Okhla and Noida) of them had the income from overtime up to Rs.500/-, maximum of the respondents (40%) in the range of Rs.501-1000/-, only 15% in the range of Rs.1001-1500/- and 17% more than Rs.1500/- per month up to a maximum of Rs.3000/-. It is further pertinent to mention here that nearly more than 3/4th of the respondents in all had the income from overtime up to the average income for Okhla and Noida taken together as well as separately (Rs.1250, Rs.1350 and Rs.1150 respectively) and less than 1/4th could earn more than the average monthly income.

**6.4 Non payment of salary as per pay structure:** The study reveals that over 90% of the respondents (almost with an equal proportion in Okhla and Noida both) were getting paid a consolidated amount by way of their per month salary and only almost 1/10th were getting salaries as per pay structure. The various major heads of pay structure included Basic pay, DA, HRA, Conveyance and Washing allowance and deduction towards provident fund and ESI. Out of those (10% of the respondents) who reported being paid as per pay structure, more than 50%(10 respondents) especially in Noida shared that their basic pay was shown to be too low in the range of Rs. 1300-Rs. 1600 and by adopting the device of not paying any dearness allowance separately in order to make lesser

contribution by the employer by way of provident fund contribution because as per the relevant law the provident fund is to be paid at basic + dearness allowance. This kind of practice is followed not only by small agencies but even by the very large and national and multi-national agencies. Though in the short run the private security guards engaged by these companies find it slightly convenient and feel relaxed as they too have to contribute a very meager amount by way of employees contribution towards provident fund but in the long run they lose a lot as they get very less amount by way of provident fund when they leave the job or retire.

**6.5 Mode of payment of salary:** In order, probably not to leave any proof of abysmally low payments, in a substantial proportion of cases, far below the minimum wages, most of the private security agencies pay the salary of security guards, armed security guards/gunmen and supervisors in cash instead of making payment through cheque or through transfer in their bank account. Our study reveals that as high a proportion as 79% of the respondents reported that their salary was paid in cash and remaining 17.5% shared that their salary was transferred in their ATM bank account and 3.5% reporting that they were given cheque. In addition to the fact that most of the respondents were paid in cash, almost 1/8th of those being paid in cash had to go to the local/regional office of the agency to collect their salary. These respondents shared that they have to spend money on conveyance out of their meager salary even for the purpose of collecting their own salary.

**6.6 Uniform charges:** One of the important issues of the security guards engaged by most of the private agencies emanating from the present study is that most of the security personnel have to pay a substantial amount by way of the charges for the uniforms provided to them. The analysis of data pertaining to this aspect reveals that nearly 87% respondents almost with an equal proportion in Okhla and Noida had to pay amounts ranging from Rs.300/- to Rs.1500/- for the uniform provided to them depending on the items and pairs of uniforms provided at the time of initial engagement. The average uniform charges were Rs.860/- in all (Okhla and Noida together). The analysis of data reveals that out of the respondents paying charges for uniforms almost 3/4th were paying up to or equal to the average uniform charges and 1/4th were paying more than the average up to a maximum of Rs.1500/-. It is further pertinent to mention in this regard that a substantial proportion out of those paying less than the average have to pay separately for the sweater/jacket. In addition, shoes and

socks have to be purchased by themselves. Quite surprisingly, out of the total 86 respondents in Okhla shared that they had to pay money for uniforms provided by the security agencies. Almost 64% shared that the uniform charges were deducted from the salary of first month itself and only the remaining 36%(almost 1/3) of the respondents shared that the charges were realized within the period of 2-6 months. Similarly, in case of Noida out of 88 respondents almost 62% of the respondents shared that the uniform charges were realized from the salary of first month itself and the remaining 28% shared that they were given the relaxation of paying the same in equal monthly installments of 2-6 months. Remaining 13% of the respondents in all (Okhla and Noida) shared that they were provided uniforms by security agencies engaging them free of any charges. The following table gives a picture of range of the uniform charges:-

**Table 6.2**  
**Range of Uniform Charges**

<b>Range of amount Charges for Uniform (In Rs.)</b>	<b>Number of respon-dents in Okhla</b>	<b>Number of respon-dents in Noida</b>	<b>Total</b>	<b>Percent-age (%)</b>	<b>Cum. Per. (%)</b>
Up to 500	12	15	27	15.5	15.5
501-700	21	24	45	26	41.5
701-900	33	20	53	30.5	72.0
901-1200	12	19	31	18	90.0
Above 1200	08	10	18	10	100
<b>Total</b>	<b>86</b>	<b>88</b>	<b>174</b>	<b>100</b>	<b>100</b>

*Source: Field Survey, 2009*

The above table shows that more than that 43% of the respondents in all (Okhla and Noida taken together) were paying more than Rs.700/- and 28% were paying more than Rs.900/- by way of uniform charges. The maximum respondents for Okhla and Noida both were in the cohort of Rs.701-900.

The study further reveals that most of the security guards serving various private security agencies have to pay uniform charges not only at the initial engagement but also subsequently as and when they are provided various items of uniforms either at their own request or by the security agencies at their own. The analysis of data related to the charges either for the entire set of uniform

or various items of uniforms reveals that nearly 85% of the respondents (with almost an equal proportion in Okhla and Noida) had to pay for the same in the range of Rs.400-1500 for one pair of pant and shirt to two pairs of pant and shirt, one pair of shoes and sweater/jacket. However, as regards the payment of charges for subsequently provided uniforms, almost 1/3rd of the respondents that they are given relaxation in the sense that the payment can be made in monthly installments up to 6 months. It is also pertinent to mention in this regard that over 1/6th (15%) that after working for a private security agency for a period of more than one year they were provided uniforms at regular intervals without any charges. The items of uniform provided include 2 shirts, 2 pants and 1 set of socks every year and 1 sweater or/and jacket, 1 pair of gloves, inner and balaclava (monkey cap) once in 3-5 seasons varying from agency to agency. As regard shoes, most of the respondents shared that the same are provided once in one and half year.

**6.7 Non availability of leaves:** Most of the private security agencies do not extend the benefit of any kind of leaves to the security personnel. The analysis of data on this aspect presents very startling facts indicating that 9/10th (91% to be more precise) of the respondents (almost with an equal proportion in Okhla and Noida both) were not being extended the benefit of any kind of leave including even the weekly offs and leaves on the occasion of national holidays. Only 5% of the respondents (with an equal proportion both in Okhla and Noida) shared that they were extended the benefit of casual leave of 8-12 days in a year and the remaining 95% respondents shared that they were not extended the benefit of casual leaves. None of the respondents, excluding those covered under ESI (34% of the total 200 respondents) shared getting leave on medical ground. 92% of the respondents shared that they were not given the benefit of earned leave and only 8% (7 persons in Okhla and 9 in Noida) shared that they were being extended the earned leave facility of 12-15 days in a year. Out of these 8%, 3/4th shared that they got 12 days of earned leave and remaining 1/4th shared that they got 15 days of earned leave in a year. None of the 4.5% (5 in Okhla and 4 in Noida) female respondents covered under study shared that female security guards/supervisors were extended the maternity leave. Similarly, none of the remaining 95.5% male respondents covered under study shared that the private security agencies extend the benefit of paternity leave. As high as a proportion as 90% of the respondents, (88 in Okhla and 92 in Noida) shared that their agencies did not extend them the facility of weekly offs. However, this also includes a few

of those who shared that they get additional payment for weekly offs at single rate. (Though, additional payment cannot be the substitute for weekly offs). As regards festival holidays, only 3% of the respondents (3 in Okhla and Noida each) shared that they got 2-3 paid festival holidays (on the occasion of Holi, Diwali, Id-Ul-Fitr/Id-Ul-Juha, Christmas). An equal proportion of respondents shared that either they got the additional payments for duties on the day of national holidays (i.e. Independence Day, Republic Day and Gandhi Jayanthi) at single rate or got compensatory offs. The findings of the study with regard to various kinds of leaves are also corroborated by the information shared by the key functionaries of the agencies of various categories covered under the study. The following table gives a clearer picture of the status of various kinds of leaves extended to the respondents covered under the study.

**Table 6.3**  
**Status of Availability of Various Kinds of Admissible Leaves**

<b>Category of leave</b>	<b>No. of responses in Okhla indicating availability of the leave</b>	<b>No. of responses in Noida indicating availability of the leave</b>	<b>Total</b>	<b>Percentage (%)</b>
Casual leave	5/100	5/100	<b>10/200</b>	<b>5</b>
Medical leave	0/72*	0/60*	<b>0/132*</b>	<b>0</b>
Earned leave	7/100	9/100	<b>16/200</b>	<b>8</b>
Maternity leave	0/4**	0/3**	<b>0/7**</b>	<b>0</b>
Paternity leave	0/95	0/96	<b>0/191</b>	<b>0</b>
Festival leave	3/100	3/100	<b>6/200</b>	<b>3</b>
Weekly off	12/100	8/100	<b>20/200</b>	<b>10</b>
National Holidays	3/100	3/100	<b>6/200</b>	<b>3</b>

**Source: Field Survey, 2009**

**Note:** \*out of the total 200 respondents 28 in Okhla and 40 in Noida were having coverage under ESI, therefore against the row indicating medical leaves they have been decreased out of the total 100 respondents in Okhla as well as Noida. \*\*out of the total 9 female

respondents (5 in Okhla and 4 in Noida) selected under the study one in Okhla and Noida each was covered under ESI, therefore against the row indicating maternity leave they have been dropped out of the total number.

The study also reveals that not only most of the security personnel engaged by various private security agencies do not get various kinds of leaves admissible to them, most of them compelled to work on these leave days/holidays are also not compensated for the extra work done by them either in the form of the provision of leave encashment or by giving them compensatory offs. These findings clearly come out of the fact that 93% of the respondents, (almost with an equal proportion in Okhla and Noida) shared that the agencies for which they had been working did not extend to them the benefit either of leave encashment or/off compensatory off. Out of the remaining 7% respondents (8 in Okhla and 6 in Noida) shared that up to maximum half of their earned leaves in a year they could get encashed. 4% of the total respondents (almost with an equal proportion in Okhla and Noida) shared that they could get up to a maximum of 4 compensatory offs in a month for duties on weekly off days or on any of the other days of holidays in a month.

**6.8 Issues relating to night duty:** The nature of job of private security personnel (guards/Armed security guards/security supervisors etc.) is such that majority of them have mandatorily to work during night. The study reveals that 90% of the respondents (92% in Okhla and 88% in Noida) shared that they were required to work during night. It was shared by a large number of respondents that doing continuous night duty impacted their health quite adversely.

**6.9 Non availability of cabin/shed at duty point:** In spite of the fact that by way of nature of the duty most of the security personnel have to do long hours of continuous standing duty. 30% of the respondents shared that they were not having any cabin or shed at their duty point to protect themselves against the vagaries of the nature such as scorching heat, shivering cold or rain.

**6.10 No break for lunch/dinner:** In spite of the fact that a substantial proportion of the security personnel have to do long hours of duties extending to 12 hours a day even in the normal case, the study reveals that 93% (almost with an equal proportion in Okhla and Noida) of the respondents shared that they were not given any break for lunch/dinner during working hours and only 7% shared that they were given time for lunch/dinner for a duration of 15 minutes to 30 minutes.

**6.11 Lack of proper training:** Out of the 200 respondents 11.5% (10% in Okhla and 13% in Noida) shared that they did not require training as they had the past experience of working with the defence/other paramilitary forces. 127 (65 respondents in Okhla and 62 respondents in Noida) out of 177 (72%) shared that they were not provided any training at the time of joining. Only 50 respondents (28%) shared that they were provided some sort of training almost with an equal proportion in Okhla and Noida and it was also reported that it is only the agencies with multi-national and national character in terms of area of operation provide formal kind of training. Those who got training, most of them reported that they were only trained in etiquette, making entries in the visitors register and only a very limited number of respondents shared that during the training they were also acquainted with fire extinguishing technique, controlling crowd and examining suspected objects, etc.

**6.12 Non availability of proof of employment:** The study reveals that most of the security agencies do not issue any appointment letter as a proof of employment to the security guards engaged by them. As high a proportion as 96.5% of the respondents (97% in Okhla and 96% in Noida) shared that they were not issued any appointment letter by their agencies. Similarly, 18% (16% in Okhla and 20% in Noida) shared that they were not issued even the identity cards as a proof of employment. Further, even those who were issued identity card shared that the identity cards issued to them were not signed by any responsible and authorized officer of the company so that the same could be used in case of any emergency or need.

**6.13 Non issuance of pay slip:** In Okhla only 13% of the respondents shared that they were issued pay slip and a substantial proportion 87% shared that they were not issued any pay slip. Out of 13% getting pay slip 8 were working in a large private hospitals which was having directly employed security guards as well and since directly employed guards get pay slip on a regular basis, the ones engaged through contractor could also build pressure for issuing pay slip for them, three were working in government organization and the remaining two, though working in private organizations but their agencies issues pay slip.

In Noida 67% of the respondents shared that they were not issued pay slips and out of the remaining 33% sharing that they were issued the same, two were working in a multi-national company, 6 in a national level specialized government hospital, 5 in a hospital run by central government, 5 in a corporate

office of large private sector having security guards of a multi national company, 4 in the corporate office of public sector, 1 in a mall, 3 in a reputed educational institution having security guards of a multi national company, 4 in an autonomous national level training institute and the remaining 3 in residential colony of a public sector. Quite surprisingly 6% of the total respondents in Noida though working for a multi national security agency and providing services in the office of one of the popular and reputed newspaper reported that they are not getting pay slip.

**6.14 Submission of original documents at the time of appointment:** Though a large proportion of respondents are not issued any solid proof of appointment, but a substantial proportion of companies engaging them do not forget to ask for original documents in proof of their educational qualifications and retain those documents with them not only for verification but for a fairly long time. 1/3rd (33.5%) of the respondents (67 in number) reported that documents relating to their educational qualifications such as original mark sheets or certificates of the examination passed/discharge slip of the army are taken away by the companies engaging them so that they can not leave in between. Some of the respondents whose original certificates were retained were informed by their respective companies that these documents would be retained till one year. More than 40% of the respondents (29 in number) whose original documents were retained informed that their documents were retained for a period of six months to one year. A few of them also reported that their documents would be retained till they are in job.

**6.15 Absence of the system of regular salary increment:** 69% of the respondents (62% in Okhla and 76% in Noida) shared that the agencies engaging them were not giving any annual increase in their salary, 20% respondents (27% in Okhla and 13% in Noida) reported that their salary was increased once a year. 2% (all 4 respondents from Okhla) reported that their company increased their salary once in two years and the remaining 2% responded that they did not know and 7% of the respondents shared that their salary was increased based on their performance.

**6.16 Lack of promotional avenues:** Only 29.5% of the respondents (20% in Okhla and 39% in Noida) shared that their agencies provided them the chances of promotion and 70% respondents (79% in Okhla and 61% in Noida) shared that they were not provided any chance of promotion. When asked about the

criteria for promotion 10% of the ones who reported getting chance of promotion shared seniority as the criteria for promotion, more than 2/3rd (almost 70%) as seniority cum merit as the criteria.

**6.17 Non payment of bonus:** Only 1/4th (24%) respondents with almost an equal proportion in Okhla and Noida shared that they were paid bonus. However, almost 2/3rd of them got a fixed token amount in the range of Rs. 500 to 1200 and only 1/3rd got bonus as per the statutory requirement (i.e. 8.5% of the salary for the year) at the time of Diwali. As large a proportion as more than 2/3rd of the respondents with an equal proportion in Okhla and Noida shared that they were not paid any bonus.

**6.18 Salary related problems:** 40% (with almost equal proportion in Okhla and Noida) respondents shared a number of problems with regard to payment of their salaries. The major salary related problems encountered by them include – delayed payment upto a period of 15-20 days from due date, irregular dates of payments, unauthorized deductions for reasons such as not properly shaved, uniform not washed properly, found dozing at the time of duty, deduction of two days leave for availing one day leave by showing the day of leave as Sunday even though the leave is availed on any other day (because payment for Sunday is made at double rate.), deductions in the name of Income Tax for the Income Tax to be paid by the Contractor (even though none of the security guards might be covered under the range of income tax).

**6.19 Lack of availability of basic amenities at the work site:** Availability of a number of basic amenities at the work place has been provided for under various labour laws and the rules there under. As regards the status of availability of basic amenities in case of respondents covered under study, 12% of the respondents (11 respondents in Okhla and 13 in Noida) shared that they had not been provided the facilities of drinking water at the place of their work, 16% of the respondents (almost with an equal proportion in Okhla and Noida) shared that the toilet facility was not available at their work places, 13% (14% respondents in Okhla and 12 in Noida) shared that they were not provided with any chair/stool so that they could sit and relax (in spite of the fact that a substantial proportion of security personnel have to remain standing for a period of 12 hours even in a normal case), 32% (34 respondents in Okhla and 30 in Noida) shared that they did not have any cabin/shed to protect themselves against extreme weather, and 90% of the respondents almost with an equal proportion in Okhla and in Noida shared that they did not have any canteen facility. As regards First Aid facility

at the work place, only 16% of the respondents (14 in Okhla and 18 in Noida) shared that they had first aid facilities at their work places. When asked, whether they have ever used the first aid facility, almost half of them shared that they had made use of the same and only half of the ones sharing to have used the same, further shared that they were satisfied with the first aid facility provided.

The security personnel are supposed to/expected protect the persons and property of others. However, the study reveals that almost 15% of the respondents (almost with an equal proportion in Okhla and Noida both) had not been provided even the baton to protect themselves from criminals, dangerous animals/snakes and other harmful insects etc.

**6.20 Lack of organisation:** Consciousness among the workers about the common nature of most of their problems and realization by them of their collective strength has proved to be one of the effective tools for the solution of their problems and improvement in their overall conditions of work the world over. The millions of security personnel engaged by thousands of private security agencies can also not be an exception to this common phenomenon. Accordingly, as part of this study, we asked two specific questions related to this aspect to all the respondents. The questions asked included: 1. Should there be union/association of security personnel engaged by private security agencies? 2. Whether the concerned respondent was a member of such union/association?

90% of the respondents (almost with an equal proportion in Okhla and Noida) were in favour of the union. Some of the reasons for their affirmative responses include: union would empower them and help in solution of their problems; through unions they can build up pressure on government and the agencies engaging them for effective implementation of the provisions for various labour laws, providing for a number of rights and other legitimate dues such as 8 hours of work, coverage under Provident Fund , ESI and Bonus; various kinds of leaves, weekly offs and regular increase in their pay and other allowances and improvement in overall conditions of work. Only 10% respondents who were opposed to the union of security personnel pointed out the chances of union leaders becoming corrupt as the major reason for their response.

The response to the second question mentioned in the above paragraph was just the contrary to the response to the first question as only 3% of the respondents shared that they were the members of any such union of security personnel and the remaining 97% of the respondents shared that neither they had

the membership at present nor they wanted to become the member. The main reasons for overwhelmingly large proportion of the respondents for not having membership of the union included: absence of any already existing good union; high sense of job insecurity and the nature of their job (which doesn't permit/allow time for trade union involvement). However, majority of the respondents shared that in spite of all these hardships/hurdles if any attempt is made to form good union they would definitely like and shall try their level best to associate themselves with such union.

**6.21. Violations of the provisions of major labour laws:** The various labour laws provide for workers a number of legitimate dues such as minimum wage, limited working hours, weekly offs and certain basic amenities at their work places by the employers. Most of the provisions of these laws are equally applicable to security personnel engaged by private security agencies. However, the present study reveals that the provisions of most of these laws like payment of minimum wages on a regular basis, payment of wages in the presence of representative of principal employer and payment of wages for overtime work at overtime rate are some of the most frequently violated provisions as 85%-95% of the respondents almost with an equal proportion in Okhla and in Noida both shared violations of these provisions. The study further reveals that the major causes responsible for violation of the provision of various labour laws applicable to security personnel include, high sense of job insecurity and lack of awareness, lack of collectivity among contract workers, lack of interest of unions of regular employees in protecting the interest of security personnel, indifferent attitude of the enforcement machinery and inadequate and non deterrent penalties under various labour laws as the causes responsible for violation of provisions of various labour laws.

Only 4% of the respondents who had faced problems in getting wages and other related benefits at some point of time or the other approached the labour department officials for non-compliance by the agencies engaging them/principal employer. Most of them found the labour department officials either indifferent or not helpful. With regard to the specific question as to whether any of the officials of labour department / labour inspector ever come to the work place on the complaints made by any of the security personnel or at his/her own to enquire the issues relating to the wages and other working conditions of the security personnel, 82% of the total respondents shared that they were not aware of any such instance. Out of the remaining 18% (36 respondents, 20

in Noida and 16 in Okhla) of the respondents only 4 (almost 11%) shared that their problems were solved and nearly 90% (89% to be more precise) shared that they did not have good experience.

**6.22 Dissimilarity in conditions of work, wages and various other benefits being given to directly engaged security personnel:** In order to draw a comparison between the overall condition of work, wages and other benefits of the private security guards engaged through contractors with the directly engaged security guards of the concerned organizations, the data was also collected from select number of the organizations having their own security personnel as well as the ones engaged through contractors. Such kind of practice was found prevalent mainly in educational institutions and hospitals (public and private both). An analysis of the data pertaining to this aspect reveals that there were a lot of dissimilarities in almost every respect. None of the directly engaged private security personnel was getting less than the minimum wage, the average monthly income of directly engaged private security personnel from salary and overtime was much higher (Rs.6500/- approximately) as compared to the security personnel engaged through contractors (Rs.4500/- approximately). All the directly engaged security personnel were getting break for lunch/dinner for a period ranging from 30-45 minutes, all were covered under Provident Fund and ESI (except those who were working in the hospitals and had the facility of free treatment), all shared of having been issued appointment letters, pay slips on regular basis. 80% of them shared being given bonus as per the provisions of relevant statute, annual increment and opportunity of promotions. None of them had been charged any money for the uniforms supplied at the time of initial engagement or subsequently supplied uniforms on a yearly basis. Half of them shared being given regular weekly offs and all of them shared of being given Casual Leaves in the range of 12-18 leaves in a year and leaves on the occasion of various festivals and national holidays. 40% of them also shared getting 6-7 days of Earned Leaves in a year. This sort of discrimination amounts to clear cut violation of the provisions of the Contract Labour (Regulation and Abolition) Act.

**6.23 Other residual issues:** Some of the other residual problems of private security personnel include: Compulsion to wear clothes unsuitable to climatic conditions (requirement of wearing full sleeves shirts, tie, shoes and cap during summer), monotony and boredom (when posted at isolated duty points and during night) and misbehaviour by the employers in some of the cases.

## Chapter Seven

# Social Security Issues of Private Security Guards

### **7.1 Major social security provisions applicable to private security personnel:**

A number of social security measures have been provided under various labour laws for the purpose of addressing some of the important social security needs of different categories of workers. Some of these measures include *provident fund, medical benefit, sickness benefit, maternity benefit, disablement benefit etc.* These measures have been provided under two major labour enactments i.e. the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948. Both of these enactments, subject to certain conditions are equally applicable to security personnel engaged through private security firms. The following sections of this chapter are focused on the status of coverage of the respondents covered under the provisions of the Provident Fund Act and the Employees State Insurance Act.

### **7.2 Non coverage of substantial proportion of security personnel under**

**Provident Fund:** The study reveals that a substantial percentage of more than 50% of the respondents almost with an equal proportion in Okhla and Noida (53% in Okhla and 51% in Noida) were not covered under Provident fund. Those who were not covered under provident fund included not only the ones who had joined their current agency recently but even those who had been working in the concerned agencies for more than 6 months. Out of the 47 of the respondents in Okhla who shared that they were covered under provident fund, 5 did not know the share of their own provident fund contribution and as high a proportion as 37 of the respondents did not know the employer's per month contribution towards their provident fund account (as they were not issued any Provident fund statement/slip). However, 3 out of those not covered under Provident fund (53 in all) were Ex-service personnel from the army, who had specifically requested their employers not to deduct any amount from their salaries by way of provident fund and ESI contribution probably due to the reason that as regards social security, they were getting pension from the Defence and were also covered under the medical benefit scheme of the Defence.

In case of Noida also the picture with regard to coverage of the security personnel engaged by private security agencies of various categories was almost similar. Though as compared to Okhla 2% more (49) respondents reported to be covered under provident fund. However, 8 out of these 49 respondents did not know how much was being deducted from their salary by way of employee's contribution and as high a proportion as 30 respondents did not know, how much was being contributed by the agencies engaging them by way of employer's contribution.

It is pertinent to mention in this regard that though the law governing provident fund provides that an amount equivalent to 12% of the salary/wages drawn by the employee concerned has to be deducted from the salary of the beneficiary under the scheme of the relevant law, however, a substantial proportion of the respondents out of those who reported to be covered under the provident fund shared that an amount in the range of Rs.150-1000 was deducted from their salary arbitrarily (without any criteria). The study also reveals that a substantial proportion of the agencies also divide the salary of the security personnel (guards/Gunmen/Supervisors) in Basic Wage and number of other allowances such as House Rent allowance, Washing allowance etc. in such a way so as to show their wages much below the minimum wage in order to avoid a substantial of their own contribution towards provident fund and thus deprive a large number of security personnel engaged by them (who are already very low paid) from the social security in the form of provident fund and thus defeating the very objective of this social security legislation. This practice was found to be followed not only by smaller and medium size agencies but also by larger/national/ multinational agencies covered under the study. In addition, most of the agencies (barring a few larger/national/multinational agencies) also keep most of the beneficiaries totally in dark with regard to their provident fund deposits as they are not issued/given their PF statement from time to time. Quite surprisingly, in all only 3% of the respondents covered under the provident fund reported availing the facility of the advance from their provident fund, out of whom only 1% (1 respondent) shared of being facilitated by the agency engaging him in processing his papers for provident fund advance and remaining 2% (2 respondents) shared that they had to face problems. The following table gives a clearer picture of status of coverage of the respondents under provident fund:

**Table 7.1**  
**Status of Coverage of the Respondents under Provident Fund**

<b>Status of Coverage of the Respondents under Provident Fund</b>	<b>Okhla</b>	<b>Noida</b>	<b>Total</b>	<b>Percent-age (%)</b>
Respondents covered	47	49	<b>96</b>	<b>48</b>
Respondents not covered	53	51	<b>104</b>	<b>52</b>
<b>Total</b>	<b>100</b>	<b>100</b>	<b>200</b>	<b>100</b>

*Source: Field Survey, 2009*

**7.3 Non coverage of substantial proportion of security personnel under Employees' State Insurance:** Health security/ health insurance against various kinds of health hazards, risks, contingencies, or an accident arising out of employment or during the course of employment of the employees is an important aspect of security and an important indicator of the quality of employment. Equally important is the health insurance/medical insurance of the family members and dependents of the employees against various kinds of health hazards and health related contingencies. In order to address this very concern and related aspects, the Government of India enacted the Employees' State Insurance Act way back in 1948. As per the current scheme of the Act, a person drawing wages up to Rs. 10,000 per month would be covered if he is working in a commercial establishment employing 20 or more persons. The ESI scheme is mainly financed by contribution from employers and employees. The employer's contribution is equal to 4.75% of the wages payable to an employee and that of the employee is equal to 1.75% of the wages. The employees covered under the Act are entitled to: *Medical Benefit; Sickness Benefit; Maternity Benefit; Disablement Benefit; Dependent Benefit and Funeral Expenses*. In addition, the scheme also provides for two other important need based benefits including, Vocational Rehabilitation and unemployment allowance (Under Rajiv Gandhi Shramik Kalyan Yojana)

In spite of the fact that the benefits provided under the scheme of the ESI Act are quite important, the study reveals that as high a proportion as almost 2/3rd (72% in Okhla and 60% in Noida) of the respondents covered under the study, did not have coverage under ESI. In addition, 5 out of the 28 respondents all in Okhla shared that though the money in the name of ESI contribution was

regularly being deducted from their salary from a period of 6 months to more than a year, but they had not been issued even the temporary ESI card so that they could avail the medical benefit under the scheme. 16 out of the remaining 23 respondents (70%) having actual coverage, shared that it took them more than 3 months to get the ESI card (6 of them even sharing that it took them more than a year to get the same). Only 7 out of 23 shared that they got the ESI card in a period of less than a month of joining and a substantial proportion of them also shared that they did not face any problem in getting the same and they were also making the use of the ESI card.

In case of Noida, 60% respondents shared that they were not covered under ESI. In addition, 4(10%) out of the remaining 40 respondents shared that though their ESI contribution was being deducted from a period ranging from 6 months to more than 2 years, they had not been issued the ESI card. Virtually, these 4 respondents too were not covered under ESI. Out of 36 respondents having actual coverage 12(33.33%) shared that they got ESI card after a period of more than 3 months of joining, (1/2 of them sharing that they got it after 6 months and 1/3rd sharing that they got it after more than a year of joining their service). However, it is important to mention here that 15(42%) out of the 36 respondents (virtually covered under ESI) also shared that they got the ESI card within a period of less than 1 month and 5 out of these 36(17%) respondents shared that they got the ESI card within a period of one week of joining the private security agency. All of these 15 respondents also shared that they did not face any problem in getting the ESI card. 2/3rd of them also shared that they had also availed the facility of ESI and were satisfied with the services provided.

It is further pertinent to mention here that all the respondents from the category of multinational private security agency selected under the study were having coverage under ESI. Similarly, a substantial proportion of the respondents belonging to some of the agencies operating at all India basis and a few of the NCR based agencies covered under the study were also having coverage under ESI. However, a substantial proportion of the respondents reporting to be covered under ESI and belonging to the agencies operating at NCR level and regional level also shared that the employer's share of contribution towards ESI was also being deducted from the salaries of employees themselves. The following table gives a clearer picture of low coverage of respondents under ESI:

**Table 7.2**  
**Status of Coverage of the Respondents under ESI**

<b>Status of Coverage of the Respondents under ESI</b>	<b>Okhla</b>	<b>Noida</b>	<b>Total</b>	<b>Percentage (%)</b>
Respondents covered	28	40	<b>68</b>	<b>34</b>
Respondents not covered	72	60	<b>132</b>	<b>66</b>
<b>Total</b>	<b>100</b>	<b>100</b>	<b>200</b>	<b>100</b>

*Source: Field Survey, 2009*

It is further important to mention here that as per the current scheme of the ESI Act, the intention of this social security legislation is to cover all those drawing salary up to Rs.10,000 per month under the beneficial provisions of this Act. However, the study reveals that even if the 12.5% (25) of the total respondents who were Ex-Servicemen (retired from defence/paramilitary forces) who had pension as the additional source of regular income and also entitled for availing medical facility/benefit as per the available scheme for retired defence personnel are excluded from the analysis for this purpose, all the remaining 173 (excluding 2 respondents from the category of ex-serviceman also having coverage under ESI) only 68 (39.5%) respondents were covered and remaining 105(60.5%) not covered, in spite of the fact that they all were within the coverable range of salary up to Rs.10,000 per month. A specific question was asked from the respondents, not covered under ESI and the respondents from the category of ex-servicemen (most of whom prefer to be covered under the medical scheme for the retired defence personnel), whether they have been covered under any other health insurance / benefit scheme by the agencies for which they had been working, in response to the same 100% of the respondents shared that they had not been covered under any other such scheme.

**7.4 Non coverage of the substantial proportion of the security personnel under ESI even from the category of security personnel not getting minimum wages:** It is further important to mention here that even out of the respondents getting less than the minimum wage for their respective categories for Okhla and Noida both nearly 86.50% in Okhla and 72% in Noida and more than 80% in all did not have coverage under ESI. As a result of which a substantial proportion of nearly 3-4% out of their meager income they had to spend for the purpose of meeting the medical requirements of themselves and of their dependents from time to time. The following table gives a clearer picture related to this aspect:

**Table 7.3**  
**Proportion of Respondents Not Getting Minimum Wages and Also Not Covered Under ESI**

<b>Location</b>	<b>Number of respondents not getting minimum wage</b>	<b>Number of respondents not covered under ESI</b>	<b>Percentage of respondents not covered under ESI (%)</b>
Okhla	74	64	86.48
Noida	53	<b>38</b>	<b>71.69</b>
<b>Total</b>	<b>127</b>	<b>102</b>	<b>80.31</b>

Note:- Wage for this purpose has been taken to mean the wages without deduction of PF and ESI contribution

The above table shows that fairly large proportion of almost 4/5th of the respondents in all, out of the ones not being paid even the minimum wages were not covered under ESI also. A further probing into the aspect of non coverage of a substantial proportion of the respondents under the ESI reveals that two of the important factors responsible for non coverage are: (i) Most of the respondents being paid too less had themselves requested the concerned agencies not to deduct any amount from their salary by way of ESI and PF contribution and (ii) Most of the respondents from the category of Ex-Servicemen had also requested their employers not to deduct any contribution towards ESI as they had better medical facility in military hospitals.

## Chapter Eight

# Status of Awareness among the Beneficiaries about the Provisions of the Major Labour and Social Security Laws

**8.1 Major labour and social security laws applicable to private security personnel and the status of awareness about their entitlements under these laws:** A number of labour welfare and social security measure have been made under different labour and social security enactments enacted at different points of time (as discussed in detail under the chapter dealing with regulatory framework). Some of such important enactments especially for the category of employees/workers working as security personnel for private security agencies include: The Minimum wages Act, 1948; the Contract Labour (Regulation and Abolition) Act, 1970; the Employees State Insurance Act, 1948 and the Employees Provident Fund and Miscellaneous Provisions Act, 1952. These enactments if properly implemented in their letter and spirit can play an extremely important role in mitigating most of the hardships of the security personnel and in improving their conditions of work and employment. The level of the awareness about the major objectives and provisions of these enactments among the beneficiaries themselves is also of crucial importance in this regards. However, the analysis of data related to this aspect under the study reveals that most of the beneficiaries were either totally unaware about most of the provisions of these enactments or had very inadequate level of awareness with regard to their entitlements under these laws. The following sections and tables give the description of the levels of awareness of the respondents with regard to major provisions of the labour/ social security laws applicable to them.

**8.2 Status of awareness with regard to the provisions of Minimum Wage Act:** It is startling to mention that as high a proportion as 92% of the respondents almost with an equal proportion in Okhla and Noida were not aware of the minimum rate of wages applicable to them.

**8.3 Status of awareness with regard to the provisions of the Contract Labour Act:** 92% of the respondents (96% in Okhla and 88% in Noida) were

not aware of the fact that there is a separate and specific law for the purpose of protecting the interest of the employees engaged through contractors such as security personnel engage by private security agency. The following table gives a clearer picture of the level of awareness of the respondents with regard to various major provisions of the Contract Labour (Regulation and Abolition) Act, 1970:

**Table 8.1**  
**Awareness of the Respondents Relating to Major Provisions of the Contract Labour Act**

Provision of CL (R&A) Act.	Proportion of Respondents Having Awareness		Total	Percent- age (%)
	Okhla	Noida		
Responsibility of contractor of timely payment	46	48	<b>94</b>	<b>47</b>
Responsibility of the principal employer to ensure that payment of the contract worker in the presence of his representative	12	10	<b>22</b>	<b>11</b>
Similar wages and similar condition of work in case of the work performed by employees engaged through contractor also perform by regular employees	10	8	<b>18</b>	<b>9</b>
Responsibility of contractor to ensure certain basic amenities for his employees at the work site	36	38	<b>74</b>	<b>37</b>
Ultimate responsibility of the principal employer to ensure timely payment of minimum wages and other amenities at the work site for the employees of contractor	14	16	<b>30</b>	<b>15</b>

*Source: Field Survey, 2009*

The above table clearly shows that the level of awareness of the respondents (beneficiaries) except with regard to the contractor's responsibility of timely payment and to ensure certain basic amenities for his employees at the work site was too low ranging from 9%-15% almost with an equal proportion in Okhla and Noida. The level of awareness with regard to the other remaining provisions also was much below 50%.

**8.4 The status of awareness with regard to EPF contributions:** 13.5% of the respondents in all (11% in Okhla and 16% in Noida) out of the ones having coverage under the Employees Provident Fund Act, 1952 were not aware of their own contribution towards their provident fund account and 79.5% of the respondents (almost with an equal proportion in Okhla and Noida) were not aware of employer's share of contribution. The following table gives a clearer picture of the level of awareness:

**Table 8.2**  
**Awareness of the Respondents with Regard to Contribution towards their Provident Fund Account**

Status of awareness	Okhla	Percent-age (%)	Noida	Percent-age (%)	Total	Percent-age (%)
Aware of their own share of contribution	42/47	89	41/49	84	83/96	86.50
Not Aware of their own share of contribution	5/47	11	8/49	16	13/96	13.50
Aware of Employer's contribution	10/47	21	10/49	20	20/96	20.50
Not Aware of Employer's contribution	37/47	79	39/49	80	76/96	79.50

*Source: Field Survey, 2009*

**8.5 The status of awareness with regard to ESI contribution:** The study reveals that out of the total 68 respondents having coverage and getting the ESI benefit in Okhla and Noida as a whole, a substantial proportion of almost 1/5th were not aware even of their own per month ESI contribution and as high a proportion of almost 4/5th were not aware of the employer's contribution. The following table gives an accurate picture of the same:

**Table 8.3****Awareness of the Respondents with Regard to Contributions towards ESI\***

<b>Status of awareness</b>	<b>Okhla</b>	<b>Percent-age (%)</b>	<b>Noida</b>	<b>Percent-age (%)</b>	<b>Total</b>	<b>Percent-age (%)</b>
Aware of their own share of contribution	24/28	85.70	30/40	75	<b>54/68</b>	<b>79.40</b>
Not Aware of their own share of contribution	4/28	14.30	10/40	25	<b>14/68</b>	<b>20.60</b>
Aware of Employer's contribution	2/28	7.10	12/40	30	<b>14/68</b>	<b>20.60</b>
Not Aware of Employer's contribution	26/28	92.90	28/40	70	<b>54/68</b>	<b>79.40</b>

**Source: Field Survey, 2009**

\*Contributions towards ESI for this purpose include the share of employee's contribution as well as employer's share of contribution

In addition, there were also respondents, who due to their ignorance of the legal provisions were making much higher contributions than required (For example, Rs.500 against the salary of Rs.4000 inclusive of overtime payment, Rs.280 against the salary of Rs.4500, Rs.200 per month against the salary of Rs.3000). Almost 1/10th of the respondents having coverage under ESI shared that employers share of contribution towards ESI was also realized from the respondents (employees) themselves. In addition, there were also almost an equal proportion of respondents, who shared that every month money, in the name of ESI contribution, from their salary, was being deducted for several months but they were not having the coverage under the ESI.

## **Chapter Nine**

# **Conclusions and Recommendations**

The Service sector plays an extremely important role in terms of its contribution to G.D.P as well as in terms of employment opportunities generated by it. One of the important constituents of the service sector is private security services industry. Even as per the conservative estimates there are approximately 18-20 million private security personnel engaged by over 1 lakh private security service agencies throughout the world. India alone has almost 5.5 to 6 million security personnel engaged by thousands of private security firms operating in various parts of the country. As per various estimates the private security service industry in India is growing at the rate of 25-35% per annum. In monetary terms the size of this industry is approximately 25,000-30,000 crores. The estimates also suggest the private security industry along with private courier services is the largest corporate tax payer in the country. The security personnel engaged by these private security service agencies (security guards, armed security guards and security supervisor etc.) play perhaps the most important role in the functioning of these security service agencies. They face a large number of challenges in terms of risk to their life, lack of social security and extremely poor conditions of work etc. In spite of all these factors, the various issues especially the labour, employment and social security issues faced/encountered by most of these security personnel day in and day out, in the Indian context have not invited the adequate attention of the academia and the policy makers as yet.

The present endeavour is a modest attempt in this direction. Based on the review of the relevant existing literature, analysis of the data collected through detailed and structured questionnaires administered on security personnel engaged by various categories of private security firms, select functionaries of security firms and organizations engaging such firms from Okhla and Noida (two major industrial centres in NCR having the security service agencies representing almost all the kinds and varieties of private security firms) and informed discussions with a number of security personnel, the study seeks to highlight some of the major issues faced by thousands of security personnel engaged by hundreds of private security agencies. The important conclusions

emanating from the study and the recommendations based on these conclusions are as follows:

## **Conclusions**

- Private security service industry is a thriving industry in India as well as in a number of other countries. Some of the countries in addition to India, where this industry has constantly grown over the past few decades include: Germany, China, Canada, Russia, U.K, Australia and Nigeria etc.
- The private security personnel outnumber police in most of the countries and play an extremely important role in maintaining law and order, protecting the property and lives of the people. They are expected to perform many of the roles and duties identical to the police and have to face almost similar kind of challenges and danger to their life. In spite of all these facts, they lack adequate training and are paid too less as compared to police and defence personnel. In addition, they have very little legal and social security protection in practice.
- The study reveals that most of the private security personnel are migrants, young (in the age group of 19-40 years), fairly educated (having educational qualification up to high school and above), married and have more than 3-4 dependents. Substantial proportion of security personnel (almost 1/4th) has the experience of having worked in two or more security service agencies with the average work experience 3 years and above.
- The study reveals that most of the security personnel have very meager family income (Rs.5000-6000 per month including income from salary) and savings (Rs.500-1500 per month). Some of them earn so less that they have to borrow money even for the purpose of meeting expenditure on their essential requirement. A major part of their earnings is spent on conveyance, accommodation to be hired, ration and remittance. After this expenditure, they are hardly left with any money to take care of their children's education and their own health.
- The study reveals that even after working for a long time, a substantial proportion of security personnel are not issued any appointment letters,

some of them are not even issued identity cards signed by any of the responsible officials of the private security firm. Majority of them are not covered under any of the social security measures and a substantial proportion of them are also not extended even the basic amenities like toilet and drinking water.

- The study reveals that most of the persons join job as security personnel in private security agencies with lot of hope and expectations of improvement in their life. They also keep on changing from one agency to another with the hope of betterment. However, their hopes are seldom met as a large majority of them are not paid even the minimum wages and overtime rate wages for overtime work. Most of them have to work for excessively long hours, almost 12 hours a day on a regular basis, without any break for lunch/dinner during duty hours. Their salaries remain static for years together and they do not have any promotional opportunities. In addition, a substantial proportion of them have also to face discrimination in terms of wages and other conditions of work as compared to the security personnel engaged directly by the organizations engaging both the categories of security personnel.
- The study reveals that a large majority of private security personnel has to work for all the 365 days in a year, without any kind of leaves such as casual leave, medical leave or earned leave etc. They are not granted leaves even on the occasions of important festivals like Holi, Diwali, Id or Christmas as well as on national holidays.
- Most of the security personnel have to pay a substantial amount of money by way of uniform charges for the uniforms supplied to them at the time of initial engagement as well as subsequently, whenever they are provided the same by the concerned agency. In addition, most of them have to wear uniform unsuitable to climatic conditions prevailing in any particular region/during various seasons, especially during summers (The study reveals that most of them have to wear thick and full sleeves shirt and tie even during summers).
- The study reveals that a substantial proportion of security personnel are also compelled to pay employer's share of contribution towards provident fund and employees' state insurance in addition to paying their own share of contribution.

- The study reveals that most of the organizations utilizing the services of private security personnel (principal employers) have the attitude of total indifference towards the problems and concerns of private security personnel.
- The study clearly reveals that though the private security service industry is highly organized but most of the security personnel engaged by thousands of such industries are unorganized. The discussions with national level trade union leaders of the major central trade union (CTUs) reveal that in all nearly only 1-1.5% of the total security personnel engaged by private security companies are members of trade unions. In addition, most of the security personnel have either no awareness or very little awareness about most of their legitimate dues and rights under various labour laws.
- The study reveals that most of the private security agencies earn huge profits by adopting various methods, pay too less to the security personnel engaged by them and most of the agencies do not extend even the basic social security and the welfare measures to them.
- The study also reveals that though we have in our country a very comprehensive set of labour legislation and legal framework for the purpose of regulating various issues relating to different categories of workers including private security personnel but most the provisions remain confined to law books and exploitation of workers continues to exist.

## **Recommendations**

- All the private security personnel should mandatorily be issued proper appointment letters by the security agencies engaging them, clearly laying down their conditions of employment. In addition, they should also be issued other proof of identity such as identity card signed by responsible official of the agency.
- The provisions of law relating to payment of minimum wage and payment of wages for overtime work at overtime rate should be strictly enforced. Similarly, the provisions with regard to timely payment of wages, payment of wages in the presence of the authorized representative

of principal employer and without unauthorized deduction also should be properly enforced.

- The total overtime period of security personnel in a day should not exceed more than half of the normal duty or 4 hours whichever is less and the total working hours (including overtime) in a day should not exceed more than 12 hours. Further, the duties of security personnel should so fixed that they have at least 12 hours of rest in between two duties.
- All the security personnel should be given at least half an hour of break for lunch/dinner at different spells of time. Similarly, they should also be given at least two intervals of rest of 10 minutes of each during total duty hours for the purpose of attending nature's call/drinking water etc. by deputing relievers.
- It should be ensured by security agencies and the principal employers utilizing the services of security personnel that no security personnel is compelled/allowed to do overtime for a period of more than 1/3rd of the normal duty period in a month.
- Since, almost all the security personnel have to work during night and duty during night is much more strenuous as compared to day duty, it is therefore recommended that the working period during night shift should be restricted to 3/4th of the working period during day shift by making necessary amendment in the law.
- The provisions of law dealing with weekly off and various other kinds of leaves such as National holidays, leaves on the occasion of festivals etc. should be strictly enforced. Alternatively, the security personnel compelled to work during weekly offs and other days of holidays in exceptional cases should be duly compensated.
- All the security personnel should be given at least two pairs of uniform (including one pair of shoes) at the time of engagement and two pairs of uniforms and one pair of shoes every year by the security agencies engaging them free of charges. They should also be provided jacket and sweater free of any charges once in a period of 3-5 years as per seasonal requirements.
- The security personnel should be extended various other kinds of leaves

such as casual leave at the rate of one leave per month and 12-15 days of earned leave in a year in addition to medical leave (subject to production of satisfactory proof). In addition, a list of various holidays in a year should be made available to them well in advance.

- The contribution towards provident fund account of the security personnel by the security firm as well as by the security personnel concerned should be as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
- All the security personnel should be paid House Rent Allowance in the range of 20-30% of the wages, Conveyance Allowance in the range of 5-7.5% of the wages and Children's Education Allowance in the range of 3-5% of the wages to be paid to the security personnel by the security agencies, depending on the economic condition of the security agency. Appropriate legal measures should be made for this purpose.
- It should be imperative for all the private security agencies to pay bonus to the security personnel engaged by them as per the provisions of Payment of Bonus Act.
- Before transferring the security personnel from one place to another, they should be intimated (barring the cases of misconducts etc. if any requiring immediate transfer) well in advance about the same and they should also be paid some sort of transfer or displacement allowance.
- The security personnel should be extended the facility of advance by the security agencies engaging them of an amount equivalent to at least 2-6 months of salary depending on their length of service for the purpose of meeting various urgent needs and contingencies. The amount of advance may be recovered back in the form of monthly deduction from the salary.
- It should be mandatory for all the private security agencies to issue to all the security personnel, the pay slips and slips/statements indicating the contribution of both the employee concerned as well as employer towards provident fund account and ESI .
- Private security agencies should not be allowed to retain the original documents such as original mark-sheets/certificates pertaining to the

educational qualifications of the security personnel being engaged by them after verification.

- In case of non coverage of any of the security personnel under ESI due to some reason or the other, the expenditure on account of his/her sickness/illness and his/her dependents be borne by the security agency engaging the security personnel.
- Most of the security agencies normally get themselves registered under Shops and Establishment Act in order to avoid a number of obligations towards the security personnel engaged by them under the provisions of the Contract Labour Act. It should therefore be mandatory for all the security agencies deputing 20 or more security personnel at one place to get the required registration / licence under the provisions of the Contract Labour Act.
- The violation of the provisions of various labour laws applicable to the security personnel engaged by private security agencies, in a number of cases also amounts to violation of some of the fundamental rights and human rights, it is therefore recommended that strict action should be taken by the enforcement agencies against private security agencies involved in such kinds of violations.
- The security personnel should be provided uniforms as per the climatic conditions prevailing at various places during various seasons and the compulsion of wearing tie, thick full sleeve shirts and heavy cap during summers should not be there.
- It should be incumbent upon all the security agencies/organizations utilizing the services of security personnel to ensure the availability of basic amenities at the work sites such as drinking water, toilet etc. for the use of security personnel during all the working hours.
- All the possible efforts should be made to discourage and minimize the dissimilarity in wages as well and other working conditions of the security personnel engaged through private security agencies with those of the directly engaged security personnel by the concerned organizations.
- All the private security personnel should be given increment in their salary and opportunity of promotions at regular intervals. In addition,

they should be treated in a dignified manner by the agencies engaging them as well as the organizations utilizing their services.

- Since most of the security personnel stay away from their families, it is therefore, recommended that they should be given home town LTC at least once in a period of two years on the pattern LTC to govt. employees.
- There is need to organize awareness generation programmes for security personnel for the purpose of raising their level of awareness with regard to their entitlement under major labour laws. Initiative in this regard may be taken up by the organizations like V.V.Giri National Labour Institute, State labour institutes, Central Board for Workers Education and by the trade unions themselves.
- There is need to organize orientation/sensitization programmes for officials of private security service agencies as well as for enforcement officials for the purpose of orienting and sensitizing them on the major issues of private security guards.
- There is also the need of a Central Act for the purpose of regulating the employment of private security guards and for making better provisions for their terms and conditions of employment and welfare on the pattern of the Maharashtra Private Security Guard (Regulation of Employment and Welfare) Act, 1981.
- As the study clearly reveals that most of the security personnel lack adequate formal training and there is lot of scope for upgradation of their skills, it is therefore, recommended that diploma and short term certificate courses may be started by various universities and other educational institutions for imparting training in security operations on the pattern of the courses recently started by Indira Gandhi National Open University in collaboration with (Security Skills Council of India).
- Since in many of the states in India the employment as security personnel does not form part of the schedule of employments under Minimum Wage Act, 1948 (which inter alia provides for important aspects like fixation and revision of wages, rate of payment for overtime work and weekly off etc.), it is therefore recommended that in all such states the same should be covered with in the scheduled list of employments under the Minimum Wages Act by issuing the necessary notifications at the earliest.

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