

Private sector goes to prison

Jail inmates are fast emerging as the new labour workforce for India's private sector. Is it corporate opportunism, penal reform, or a bit of both?

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In the 21st century marketplace that makes much of the backstory of a product, here's a twist: the football, floor tile, shampoo, or car you own could have featured a prisoner in the workforce.

The Indian prison industry — manufacturing for the state or making prison-branded goods so far — has lately started working for the private sector. From the Himalaya Drug Company and automotive component manufacturer Spark Minda Corporation, to small manufacturers in Meerut in UP and Yamanagar in Haryana, the private sector has started outsourcing — or in prison parlance, "in-sourcing" — jobs to jails.

Himalaya's supply chain for alfalfa, a medicinal plant that it uses in several health products, can be traced to a prison farming programme established five years ago in Karnataka Open Air Jail, Bengaluru. It was later extended to three prisons in Andhra Pradesh and two in Goa. "Forty-five percent of our Alfalfa requirement is sourced through contract farming, of which about 3% comes from the Prison Farming Programme," says Himalaya CEO Philippe Haydon. "Our goal is to source the entire alfalfa requirement from this programme."

Three months ago, 20 prisoners in Colvale Central Jail, North Goa were trained by the pharma's field staff in farming and harvesting. They're paid the state's daily prison wage of Rs 120 for skilled labour (Rs 80 for semi-skilled work). Himalaya provides the seeds and manure, and

buys back the harvest, which varies from 6.5 to 8 metric tons per prison annually, at an undisclosed price. "Now that we're earning some revenue, we plan to expand such partnerships and scale up wages," says Elvis Gomes, Goa's IG, prisons. And so 10,000 square metres in Colvale and Sada Sub Jail have been set aside for the project.

Late last year, 30 inmates at Pune's Yerwada Central Jail were recruited by Spark Minda, which started an assembly unit for automotive wiring harnesses there, after its successful operation in Tihar the year before. "We borrowed the idea from our counterparts in Germany who employed prisoners," says N K Taneja, Group Chief Marketing Officer. The company currently employs 80 inmates across both correctional facilities, but believes there's room for at least 200. "Before we got into this partnership, we ran it for our clients, Maruti Suzuki and Mahindra & Mahindra who approved of the initiative," he says.

For optimal results from their two-month training, Spark Minda only hires convicts in for the long haul — five years and more. While all prisoners get a certificate of work, Yerwada's inmates earn Rs 200 a day, part of which goes to the prisoners' welfare fund and the institution itself, and Tihar's get the standard wage of Rs 110. Tihar also earns a separate monthly rent of Rs 12/sq ft from Spark Minda for use of their premises.

Meanwhile, in Yamanagar District Jail, 200km from Gurgaon, two dozen

inmates produce ceramic floor tiles for a local firm. "They work six to eight hours a day for Rs 40," says IG Jagjeet Singh, adding that Ambala Central Jail produces steel furniture for another company.

Indian prison officials speak glowingly of the PPP model — also interpreted as the Private Prison Partnership — saying its income offsets costs. (In 2014-15, the 88,221 inmates lodged in UP prisons cost the state Rs 74 lakh.) But the model also assists in rehabilitation by skill training prisoners for life beyond bars. And finally, as per prison wisdom, a



ALFALFA, NEEM, TULSI FARMING

The Himalaya Drug Company

Three jails in Andhra (Anantapur, Visakhapatnam, Nellore); two jails in Goa (Colvale, Sada)

Prisoners employed:

125



SPORTSWEAR

Mishra Sportswear

Meerut District Jail

Prisoners employed:

20



WHO IS DOING BUSINESS BEHIND BARS

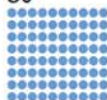
AUTO PARTS

Spark Minda Corp

Tihar, Yerwada jails

Prisoners employed:

80



STEEL FURNITURE

SS Industries

Two jails in Cherlapalli, Telangana

Prisoners employed:

25



PRIVATE SCHOOL UNIFORMS

Eik Fashions

Meerut District Jail

Prisoners employed:

30



'busy convict is an easy convict'.

Prison brass say convicts are never pressed into work, although they may be nudged. "We first select people who know the work, then bring in those interested but unskilled," explains DIG prisons, Telangana, V K Singh. The assembly of electric metre boxes for Hyderabad-based Linkwell Telesystems, and steel furniture for SS Industries are in-sourced to the central and open prisons in Cherlapalli.

"We vet companies for security risks, potential environmental pollution, risk to prisoners' health, their business plans, and other factors. We have valuable land and we don't want firms that only wish to take advantage of our real estate," Singh maintains. Not to mention captive labour: The prison-industrial complex worldwide has been under greater scrutiny in recent years. Contracting companies in China and America have been condemned for their exploitative prisoner wages (as low as 2 cents an hour) — and for profiting off the taxpayer, as prisons are usually state funded. Moreover, companies don't have to worry about absenteeism or health benefits and pension.

Nikhil Roy, programme development officer at the London-based Penal Reform International, believes there's nothing wrong with the profit motive. "It's the exploitation of prisoners that we need to guard against. Hence, the Mandela Rules (the UN's recently revised standard minimum rules for the treatment of prisoners) do not rule out profit but make it clear this should not be "subordinate" to the welfare of the prisoners," Roy says on email.

The conservative view has long argued that prisoners don't deserve market minimum wages because the state sponsors their bed and board anyway. Also, their crime or alleged crime denies them equal wage rights. So income, however

paltry, ought to be regarded as a bonus. But the reformist view is that even prisoners have families to support outside, and a decent income earned in incarceration will not only help their kin, but also give them a sense of purpose and dignity. (In some cases in Tihar, 25% of the convict's income is remitted to the family of his victim).

But even though companies are less wary of their association with prisons today, calling it their CSR, jail authorities know they still have to tread lightly. "If we strike too hard a bargain on remuneration, companies will stay away," points out V K Singh.

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Kiran Bedi, former IG prisons, Tihar is credited with planting the PPP model in Delhi prisons in the '90s. "Today prison reform is a movement and big companies want their association with it to be visible; earlier they kept a low profile because it could have been construed as forced work," she says.

Signs of changing times are evident from the number of jails being roped in. While Spark Minda plans to set up a unit in Nagpur as well, Himalaya is scouting out Kerala, Tamil Nadu and West Bengal.

Bedi, for one, is upbeat. "I am glad companies are coming in and skilling prisoners at a low cost. Entering a prison is not risk-free, and yet they come here instead of employing elsewhere. I look at it as the glass half full."