Chapter - VI

Summary of Major Findings, Suggestions and Conclusion

- Introduction
- Summary of the Analysis and Major Findings
- Suggestions Offered
- Conclusion
Introduction

This study on the Legal and Economic Status of Beedi Workers with special reference to Davangere District is brought to its logical end in this chapter where the summary of findings is presented, suggestions are offered to enhance the economic status of beedi workers, and conclusion is drawn. Hence, this chapter virtually cuts across all the previous chapters and presents the theme in its integrated form. While doing this, it is attempted to view the problem under study in its various manifestations and also in the light of the theoretical framework relating to nature of Beedi Industry and its activities and occupational structure.

In order to provide a definite direction to the study, certain objectives are specifically kept and they are reproduced herein under.

01. To make an analytical study of economic condition/status of beedi workers;

02. To study and analyse social, economical and ethical factors which compel beedi workers to accept the employment inspite of difficulties and problems;

03. To analyse the level of earnings and its impact on the household income;

04. To evaluate the working conditions and the extent of exploitation of beedi workers by their employers/agents/contractors; and

05. To examine the possible remedial actions and to make suggestions for policy guideline on the basis of findings of the study.
Summary of the Analysis and Major Findings

The occupational structure of India is like of any underdeveloped country wherein a substantial portion of the work-force is engaged in agriculture and a very small portion is found engaged in industry and service. Agriculture is, therefore, the major economic activity for a very large proportion of the working population. Nearly, 67% of the labour force is engaged in this sector. In manufacturing industries, only 13% of the workers are engaged and in service organizations, about 20% of the work-force is engaged. Thus, it becomes very obvious that the Primary Sector which predominantly comprises of agriculture is providing and absorbing major portion of the work-force.

Unfortunately, even the agricultural sector is incapable of providing employment opportunity to the increased work-force. Further, one can also find the decline in the proportion of work-force engaged in agriculture on account of people preferring jobs in corporate sector rather than agricultural sector. This is resulting in small rise in the work-force engaged in industries and service sector. An increasing number of new job opportunities are generated in the non-agriculture sector. With more capital and better technology in agriculture, there is a large increase in the productivity of labour and land. As a result, there is a less need for labour in agriculture. This brings down the proportion of labour force in agriculture sector and this is one of the reasons contributing for the emergence of unorganized/informal sector. According to the census, the unorganized sector has
provided employment opportunity to nearly 90% of India's work-force and contributed to the extent of about 66.5% to the National product.

The first difficulty which this Research came across was in defining, and identifying the boundaries of, unorganized sector. Saying that the unorganized sector extends to cover all other units, industrial units, activities, etc that fall outside the scope of organized sector, is not a comprehensive description of informal/unorganized sector. And one cannot use a single or primary criterion or characteristic by which the sector could be defined. It cannot not be defined or described even on the basis of the nature of the work that workers in that sector perform. Because, the informal/unorganized sector absorbed both the tribal forest workers, home-based, info-tech and software workers; both the skilled, semi-skilled and un-skilled workers; both the literate and illiterate workers; both the male and female workers; both the children and adults; etc. It cannot be based on the basis of nature of work and the number of workers in the economic entities as it covers agricultural workers, craftsman, home-based workers, self-employed workers, workers in weavers' cooperatives as well as workers in small scale industries where the workforce ranges from a very few to very large – both direct and indirect employment put together. It cannot be based on the place of work/organization because some of the enterprises may have very few workers, and even these workers may be working in a dispersed manner with hardly any
organizational link or interaction with each other. Under these circumstances, it would be very difficult to define the informal/unorganised sector.

However, what is more important is the fact that the vocation, employment and conditions of work are so varied and disparate that it is very difficult to provide protection to, and ensure welfare of, all workers in all these sub-sectors of the informal/unorganised sector with one uniform system of Law for welfare and social security. There are areas in the unorganized sector wherein it is difficult to identify the 'employer' and hence, it is very difficult to establish formal employer-employee relationship in the form of defining rights and responsibilities, and in the form of building up a system of social security on a contributory basis.

The entire Beedi Industry is unorganized and scattered over six districts in the state employing a large number of women. There is reluctance on the manufacturers to provide certain amenities to their workers. The middlemen/contractors do not observe any higher standards in the premises. However, it is difficult to detect violation of Provisions of Law as majority of the units have not maintained the prescribed registers. The condition in work places is bad. This is true even with respect to the respondent-beedi workers who are working under miserable environment, working for long hours, unregulated employment of women and children, and unauthorised and whimsical deduction from wages, etc. Even the relationship between employers and employees is not defined properly.
Beedi Industry has its presence only in a few states and Karnataka is one of the states in which beedi rolling is taken place. Further, within Karnataka State, only in few districts, beedi activities are undertaken and Davangere is one these few districts. For the present study, five of the six taluks of Davangere district have been selected as beedi workers are found in these taluks (Channagiri, Davangere, Harihar, Harapanahalli and Honnali taluks). Another reason for selecting this district is the presence and functioning of large number of beedi units in this district.

However, beedi workers, more particularly those who are working in the informal/unorganised sector, are facing many problems. There is a wide gap, from the point of view of benefits, between the beedi workers in the organized sector and those in the unorganized sector. However, some of the problems of Beedi Industry and its workers are reproduced below.

01. Payment of wages to the beedi workers is, usually, under piece rate system and the piece rate is very low;

02. No clear differentiation between contractor, sub-contractor and employer;

03. Scattered production processes connected through hierarchy of intermediaries;

04. Superior strength of employer operating singly or in combination and in majority of the cases, this strength is used to exploit the poor beedi workers;
05. Inadequate social security; and

06. A poor growth of Trade Union movement.

Of course, the governments (both the central and state governments) have made some attempts to protect the interest, and for the welfare, of beedi workers in the form of enacting Laws, establishing boards to give effect to the policy decisions of the governments, etc. However, the most surprising and unfortunate thing is that beedi workers themselves are not aware of their legal rights and privileges. Of course, this is on account of poverty, illiteracy and compelled circumstances. Due to starvation, they are, willingly or unwillingly, working under this system despite apprehension of work-related diseases causing threat to their life. Despite various security legislations, the economic condition and therefore, the economic status of beedi workers in the unorganized sector has not improved. Contrarily, these poor beedi workers are being exploited by the powerful employers and by their agents/contractors. The workers are not at liberty even to exercise and enjoy their fundamental rights ensured by the Constitution of the country.

The low bargaining power of beedi workers subjected them to long hours of work, low wages and poor working conditions. Despite the protection given by the legislative provisions, their economic condition/status has not improved much. The problems of population explosion and unemployment are forcing them to work in the beedi rolling activity.
For the purpose of studying the problems of beedi workers and to understand the extent to which the economic status of beedi workers has been enhanced by the legal protection, a sample of 200 beedi workers have been selected, by Random Sampling Method, giving weightage to different variables. Out of 200 respondent beedi workers selected for the study, 60% are from urban area and 40% from rural area. 33% of respondent-workers have small families with size of 1 - 4 members each, 38% have families with 5 to 6 members each, 24% have 7 to 8 members each and the remaining 5% of the workers have large families with 9 members and above each. The survey also revealed that there are only 6 children engaged in beedi rolling activity.

The educational qualification of respondent-workers is not satisfactory as 55% of the respondent-workers are illiterates and they were not admitted to any school. 39% of the respondent-workers had primary school education and a meager 6% had middle school education. One of the reasons, of course the most important one, is the economic backwardness of the families.

It is evident from the analysis of the responses obtained from the respondent-workers that they do not have guaranteed minimum income, since beedi workers are paid on piece rate basis. 57% of respondent-workers are earning a monthly income ranging from Rs.301 – Rs.500 each, 24% are earning from Rs.501 – Rs.900 and 9% of the respondents are earning Rs.300 or less each. Of course 10%
of the respondent-workers are earning slightly higher income of Rs.901 and above per month. 75% of the respondent-workers have borrowed loan from their employers to meet their daily expenses relating to marriage, sickness, death and community festival, etc. Further, analysis revealed that Muslims are taking up the beedi rolling activity and they account for 55% of the respondent-workers showing the predominance of Muslims in this activity.

It is evident from the analysis that the reasons for taking up beedi rolling as a income earning activity by the poor are illiteracy, poverty, indebtedness, low wages and inadequate social security, etc. Inspite of various social security legislations like Beedi and Cigar (Conditions of Employment) Act, 1966; Bonded Labour System (Abolition) Act, 1976; Contract Labour (Abolition and Regulation) Act, 1970; etc which are in force and vogue, the goal of social justice enshrined under the Preamble to the Indian Constitution could not be achieved. Further, the social security legislations could not control the contract labour system and in fact abuse of beedi workers in the unorganised sector is still rampant in the study area.

The analysis revealed that 40% of the workers have migrated to Davangere district due to poverty and unemployment problems. It also revealed that 80% of the respondent-workers are full time and 20% are part-time workers. Though the Government of Karnataka notified the minimum wages for beedi workers (at Rs.64.31 per thousand beedies rolled), 87% of the respondent-workers are getting
less-than Rs.50 per 1,000 beedies rolled by them. And the remaining 13% of the respondent-workers are getting between Rs.51 to Rs.70 per 1,000 beedies. This shows the magnitude of exploitation of the respondent-workers by the employers/agents/contractors.

The respondent-workers are also subjected to various deductions and loss of wages due to poor quality and inadequate supply of raw materials. The respondent-workers are unable to purchase large quantity of raw materials due to their poverty. The quality of tobacco is also not superior to roll specified number of beedies. The respondent-workers are forced to spend extra money to buy thread, etc which are very essential to roll the beedies. Due to these reasons, the economic status of respondent-workers has not been improved.

The respondent workers have not been provided the benefits under any scheme pertaining to housing, health care, education, provident fund, etc. Most of the respondent-workers have not been provided with identity cards. And these beedi workers together other workers working in units in unorganised sector are making unauthorized colonies or unplanned settlements.

The analysis further revealed that the medical facilities are inadequate for the respondent-workers. There is only one ESI Hospital in Davangere urban area without proper infrastructure and doctors could not able to cater the needs of the
respondent-workers. Further, the distance to ESI hospital is more and the transportation costs are high, and therefore, a sizeable number of beedi workers do not go there and they prefer to take treatment nearby private hospitals. Due to these reasons, most of the respondent-workers are forced to go to private hospitals for treatment wherein the charges are very high.

The nature of beedi rolling demand the beedi workers to work in a sitting position with legs folded. A big dish with tobacco, beedi leaves, thread and a pair of scissors are placed before them and therefore, they are forced to inhale considerable amount of tobacco dust while breathing which results in occupational diseases like bronchitis, asthma and tuberculosis. Constant contact with tobacco dust also affects the eye sight. During the survey, it was found that 60 – 70% of the beedi workers are suffering from work-related diseases. Due to high level of illiteracy among the respondent-workers, they are unaware of various legislations relating to beedi industry and relevant to beedi workers. Further, they are unaware of medical facilities and benefits available under various schemes.

This analysis brings the point to the fore that the beedi rolling activity and the legal protection given to the beedi workers by the state have not helped to improve their economic status.
Suggestions Offered

In the light of above findings and with a view to ensure welfare of beedi workers working in the unorganised sector, the following suggestions are offered.

01. The system of home-work is an antithesis to the organised sector of workers and as such requires focus of attention of all concerned for amelioration of the working and living conditions of home-workers who are always dependent on their direct or indirect employers and have no alternative or choice except to accept such home-work for their livelihood.

02. Equal pay for all types of beedi workers should ensured and schemes for skill up-gradation should be formulated and implemented.

03. Provisions for housing and medical facilities must be ensured to the beedi workers.

04. Existing Laws should be amended to provide powers for inspection, prosecution and protection of beedi workers from victimization of unorganised beedi workers.

05. Violation of Laws by the contractor or by the employer should be viewed seriously by the government and their licenses shall be cancelled besides levying heavy penalty.

06. When fatal or non-fatal accidents occur, the principal employer or the contractor should be made mandatory to inform authorities and deposit compensation before the labour commissioner.

07. The unorganised beedi workers are doing monotonous and strenuous back breaking work in unhealthy conditions. And therefore, they should be provided with protective equipment for beedi rolling.
08. Effective implementation machinery for implementing the enactments is needed in the absence of which the enactments become a source of corruption for bureaucracy and result in harassment of beedi workers by the employers. Ultimately, it loses its sanctity and significance, and leads the beedi workers (for whom legislations have been evolved) to frustrations and distrust in the legal-machinery.

09. The unorganised beedi workers should be organised for uplifting their living standards. In order to make implementation of laws effective, consciousness of the rights and responsibilities of poor beedi workers is required and it is difficult among them to form the unions, and therefore, encouragement to a third party litigation system (arbitration, conciliation, alternate dispute resolution system) is advisable and inevitable.

10. A legal literacy programme can enable unorganised beedi workers to apply that vertical awareness to law and legal process, discovering both the limits and possibilities of Law in the battle for socio-economic change.

11. The prohibitive laws on child beedi workers should be properly implemented. The violators should be punished under the Bonded Labour (Abolition) Act, 1976.

12. The Law contemplates constitution of vigilance committees at district and taluk levels to suggest the steps to be taken for implementing the Provisions of Social Security Laws to beedi workers. For monitoring of the functioning of these committees, the District Magistrate and Taluk Magistrates of the area concerned should be made accountable and answerable to ensure proper enforcement of the Provisions of Laws.

13. The state government has a great responsibility in improving educational facility to the beedi workers and to their children. Education is sine qua in
achieving a social status. This should be done on priority basis as it is through education alone proper development and intellectual advancement, dignity and respect and without it one cannot make his or her existence useful to himself and all others. Article 21-A of the Indian Constitution is a fundamental right to impose obligation on the state so as to make the children between 6 to 14 years to avail free and compulsory education. This should be properly implemented.

14. The scheme of identification of beedi workers should be taken on priority basis in the district. The Identity Cards to the beedi workers should be compulsorily issued to avail of the benefits of Law.

15. The state government should allocate separate funds for the welfare of the beedi workers. The funds should be termed as Social Security Funds for Beedi Workers which should be distributed for the needy beedi workers depending upon their requirement and in accordance with the Provisions of Law.

16. The unorganised beedi workers' services should be included within the definition of Industry and all the benefits of Industrial Disputes Act, 1947 be made applicable to the beedi workers. Wages, working hours, medical facilities, etc should be provided to the beedi workers in accordance with the Industrial Laws. They should be given full liberty to make their associations for the purpose of collective bargaining.

Conclusion

From the analysis it is very obvious that the poor beedi workers are well placed legally but they are in a very precarious condition economically. Since the Legal Provisions have not been implemented in their true spirit, the economic status of
beedi workers has not improved much. The beedi workers are working without availing of the benefits fully to which they entitled. This is because of the failure on the part of all the concerned including the governments to give effect to the relevant Provisions of Law in their true spirit. Hence, it is necessary to ensure that the beedi workers are provided the benefits for which they are entitled and also to provide a good working environment. Even the employers and their agents/contractors should take little more interest in the welfare of their employees. Hence, the problems of beedi workers deserve the immediate attention of all the parties viz., Principal Employers, Departments and the Governments, Monitoring Authorities, Disbursal Agencies, etc. In this direction, the immediate step that shall be taken is economic empowerment of beedi workers in unorganised sector. The Researcher is confident that both the governments and principal employers have willingness and commitment to work for the accomplishment of this goal of improving the economic status of the beedi workers.