CHAPTER I

REVIEW OF LITERATURE AND FRAMEWORK OF THE STUDY

1. INTRODUCTION:

Beedi rolling is one of the major informal sector activities in India, which employs a large number of women and children. The Government of India estimates that there are about 50.53 million workers in this industry and 44,49,352 identity cards have been issued to beedi workers. (GoI, 2007). Of these, the majority are home-based female workers who live below the poverty line. Only about 10 percent of beedies are made in regular factories. Beedi workers constitute one of the most vulnerable sections of the country's workforce. Spread over several states of India, their number has been increasing ever since the beginning of the practice of beedi smoking as we understand today. By state-wise estimate of beedi workers, the largest number of workers is concentrated in Madhya Pradesh (16.99 per cent) followed by West Bengal (15.45 per cent), Andhra Pradesh (15.09 per cent), Tamil Nadu (12.84 per cent) Uttar Pradesh (9.24 per cent) and so on (Rehman, 2007).

As the beedi industry falls under the category of unorganised sector, it is important to understand various issues involved in the unorganised sector. With this purpose following sections review existing literature on the issue of unorganised sector in general and beedi industry in particular.

1.1 Unorganised Sector in Developing Economies:

As the concern of the world community increased over the lack of economic growth and perpetuation of poverty in the developing countries, policy makers began looking for a solution to ease such situation. When it was realised that benefits of economic development are not percolating down to most of the people in informal sector, policy makers began thinking about the alternatives. Hence the focus of development policies was gradually shifting from pure economic growth to growth with equity and the eradication of poverty. Hence, the concept of the informal sector came to occupy prominent place in policy discussion and deliberations. In globalised
and liberalised world informal sector is becoming integral part of economy of Nation-
states.

1.1.1 Defining the Unorganised Sector:

There are wide and variety of definition of ‘unorganised sector’. It becomes
further difficult to choose one single definition for ‘unorganized sector’ in the
presence of similar concept ‘informal sector’. The word ‘Informal sector’ was coined
by Hart in 1971 and later on popularized by ILO and thus lending the basis for
analytical framework on it.

The unorganised sector workers and producers include agricultural labourers,
small and marginal farmers, forest workers, fisher folk, beedi rollers, garment
stitchers, construction workers, rag pickers - people involved in an innumerable
variety of tasks and employment. Having no fixed employers, these workers are
casual, contractual, migrant, home-based and own-account workers who attempt to
earn a living from whatever meager assets and skills they possess (Jhabalala and
Subrahmanya, 2000).

National Sample Survey Organization (NSSO) described the ‘informal sector’,
as a subset of the unorganised sector. The ‘unorganised sector’ refers to collection of
those operating units whose activity does not come under any statutory Act or legal
provision and/or which do not maintain any regular accounts (Kulshreshtha and

NSSO and National Accounts Statistics (NAS) adopts different definitions for
the unorganized and informal sector for conducting various surveys. This is done not
only on conceptually but also with the ease of availability of the data. Sometime
definition for the purpose of employment survey is different from the one adopted for
income survey by these agencies. UN Economic and Social Council (ECOSOC)
defines the term ‘informal sector’ in somewhat different way. But the overall sense
remains the same.

1.1.2 Characteristics of the Unorganised Sector:

In presence of multiple definitions some distinguishing features of the
informal sector can be summarized they include:
(i) Low level of organisation; small in scale usually employing fewer than ten workers and often from the immediate family as it is family ownership enterprise;

(ii) Heterogeneity in activities;

(iii) Easier entry and exit than in the formal sector;

(iv) Usually minimal capital investment,

(v) Mostly labour intensive work, requiring low-level skills;

(vi) Labour relations based on casual employment and or social relationships as opposed to formal contracts;

(vii) Workers in the informal sector are often largely unaware of their rights. They cannot organise themselves and hence have little or no negotiating power with their employers and intermediaries (ILO 2000);

(viii) Reliance of indigenous source of input;

(ix) Lack of support and recognition from the government;

(x) Units work outside the formal administrative networks.

1.1.3 International Experiences in Unorganised Sector:

In terms of employment, the informal sector has been as important as the formal sector. A study shows that in Sub-Saharan Africa a contribution of nearly 55 per cent of the GDP comes from the informal sector (including agricultural informal sector). And this share rises up to 60 per cent if we exclude Botswana and South Africa. The indicator of the share of informal sector (without agriculture) in non-agricultural GDP shows the ranking of regions from Sub-Saharan Africa (with the highest share, at 37.7 per cent) to transition economies (with the lowest share, at 13.9 per cent), with North Africa (30.4 per cent), Asia (26.8 per cent), Latin America (25.9 per cent) and the Caribbean (21.2 per cent) in intermediate positions.

Another prominent study (Charmes, 2006) indicates the contribution of informal sector to GDP in various developing countries of Asia in different years. Asian countries as a whole have 21.5 per cent of its GDP contributed by the informal sector, in case of GDP including agriculture 23.9 per cent comes from informal sector and the share increases to 26.8 per cent of GDP if we exclude agriculture from GDP. Informal sector is extremely low in Sri Lanka (2.6 per cent in 1998 and 2.4 per cent in 2002), but Iran’s informal sector grew faster compared to other Asian countries; it’s share was 6.5 per cent in 1995 within two years it went up to 33.1 per cent in 1997. In
South Korea, the share of informal sector has been less than 16 per cent in total GDP. Rest of countries (Indonesia and Philippines) informal sector contributes more than 25 per cent in total GDP. In the case of India, informal sector’s contribution is 31.6 per cent in its total GDP.

1.1.4 Indian Scenario:

There are generally four categories on informal sector activities which have been identified in the literature. They are as follows:

(i) Establishments- operating under a roof purely as economic enterprises;
(ii) Footloose units- operating in the open on pavements and market centres;
(iii) Home-based enterprises- though operating under a roof combine the economic activities with the domestic chores; and
(iv) Domestic servants.

The present study on labour in the beedi rolling industry comes under the third category ‘home-based enterprises’ of informal sector.

According to a Report on Conditions of Work and Promotion of Livelihoods in the Unorganised Sector, 2007, large no of workers are women domination is found in unorganised sector (91.3 per cent) and unorganised workers (95.9 per cent) at all India level; while total percentage is 86.3 and 92.4 respectively. This report finds that lowest percentage of unorganised worker is in Delhi at 75 per cent and highest (97.5 per cent) in Bihar. Chhattisgarh, Uttar Pradesh, Andra Pradesh and Madhya Pradesh also have significant percentage of unorganised workers.

1.1.5 Role of the Unorganised Sector in Indian Economy:

In 1971, the ‘unorganised sector’ comprised 89 per cent of the work force, whereas in 1995 it was 92.5 per cent. The growth of ‘unorganised sector’ is the result of ‘casualisation’ in the existing organised sector workers and the lack of growth in employment opportunities within the organised sector.

National Commission for Enterprises in the Unorganised Sector (NCEUS) in January, 2005 estimated that the total employment (principal plus subsidiary) in the Indian economy was 458 million, of which the unorganised sector accounted for 395 million. Of the 395 million unorganised sector workers, agriculture accounted for 253 million and the rest 142 million are employed in the non-agriculture sector.
The agriculture sector consists of almost entirely unorganised workers who are mainly the self-employed (65 per cent) and the casual workers (35 per cent). Even in the non-agriculture sector nearly 72 per cent of the workers are in the unorganised sector, an increase of 4 percentage points from 68 per cent in 1999-2000. These workers are mainly the self-employed (63 per cent). The rest of the workers in the non-agriculture unorganised sector are more or less equally distributed between the regular (17 per cent) and casual categories (20 per cent).

Among all the sectors, the manufacturing sector is the largest employer in the unorganised non-agricultural sector and it also contributes significantly to the total Net Domestic Product (NDP) of the unorganised non-agricultural sector (17 per cent) (Kulashreshta and Singh, 2001). In addition, almost 4/5th of India’s manufacturing employment is in the unorganised sector (Nagaraj, 2000) and the share has risen since 1981 (Joshi, 2003). The sector plays a significant role in the Indian economy by producing about 60 per cent of India’s GDP and providing livelihood to nearly 92 per cent of the work force (Kulshreshta and Singh, 2001). Accurate figures are not available about the contribution of informal sector in GDP, as nature of informal sector itself is creating problems to its measurement. The Minister of State for Labour & Employment (Independent Charge), referring to the unorganised sector workers on International Labour Day (May Day) 2007, states that this sector provides the major chunk of employment in the country and contributes about 60 per cent to our GDP.

In 1983, employment in the unorganised sector was 278.7 million which rose to 347.08 million in 1994 with annual rate of 2.01 per cent. Thereafter, there was a slowdown in employment growth in the unorganised sector with 1.02 per cent rate during 1994 to 2000. The decline in the rate of employment growth in unorganised sector since 1994 is usually attributed to demographic factors and the growing prosperity of the people. The rate of growth of labour force was higher during the 1990s as compared to 1980s. Hence, it would be wrong to interpret decline in unorganised sector employment growth rate in terms of demographic factors. Moreover, on account of liberalisation measures income inequalities have increased and the people employed particularly in the unorganised sector have suffered a setback, therefore, it is incorrect to argue that workers have voluntarily withheld themselves due to growing economic prosperity. The most probable reason for the decline in the unorganised sector employment growth is non-availability of
employment opportunities on account of jobless economic growth. Agriculture's potential to absorb increasing labour force seems to have exhausted. Small scale industries unable to withstand competition from imported goods have suffered closure and the workers employed in them have lost their jobs. Even in other segments of the unorganised sector employment elasticity is low (Misra. and Puri, 2006). All these factors taken together adequately explain the decline of employment growth rate in unorganised sector during the period 1994 to 2000.

1.1.6 Problems of Estimation:

A widespread area, a mixture of occupations and activities in the unorganised sector, has created lots of problems in the estimation. NSSO, NAS and CSO are estimating the size and structure of the unorganised sector. During this process they faced problems in estimation of the labour inputs using current activity status data. First the data in respect of daily activity status have to be collected at the five digit level of NIC also, as is done in the usual or current weekly statuses (CWS), but change in the status-cum-industry is to be restricted to status-cum-two-digit-level of NIC as is done now in Employment and Unemployment Survey (EUSs). Next problem of estimation is faced while estimating the multiple jobs performed by the regular wage/salaried persons in the reference week; we still prefer to retain the same procedure of recording full intensity for each day of the reference week for the regular wage/salaried persons.

Informal sector has grown during the last three decades, as shown by the employment statistics. From the nature of employment generation, it can be inferred that the new jobs created are labour-intensive, low productive and providing low wages, which will have serious implications on the poverty alleviation goal in the country, not only that, this trend will lead to erosion in the human capabilities of the population confined to such low productive, low wage sector. Unfortunately there are no macro level statistics available to monitor the trends in social well-being of the population subsisting on the informal sector. Policy and legislation on employment and labour will have to strike an appropriate balance between these two approaches. A faster growth of employment is necessary and also seems feasible with prospects of a high rate of economic growth and emerging changes in the structure of the economy, following the processes of globalisation. Policy and legislation on employment and labour will have to strike an appropriate balance between these two approaches. In the
In a globalising world, social protection in the context of poor informal workers needs to address both the economic and basic security issues.

The rise in employment in the unorganised sector characterised by poor condition of work, low earnings and lack of any social security. It would be an important concern of the government to see how the quality of employment can be improved and a minimum measure of social security in the sector can be ensured. Further, private sector and NGO initiatives need to be strengthened and many more innovative approaches have to be devised to bring social protection to the unorganised sector.

If the growth of the economy is to be inclusive, the majority of the workforce, who do not seem to be reaping the benefits of GDP acceleration, will have to be brought into the growth process. However, this can only happen if there is ample recognition of this fact. If one wishes to understand the nature of this growth, there is a need to refine our statistics on the workforce as well as the contribution of the unorganised sector to GDP. The workforce statistics fail to capture the diversity of the unorganised labour force, certain new and growing forms of work such as homework, the levels of incomes obtained by the workers in different segments and the social security benefits accruing to them.

1.2 Issues Pertaining to Beedi Industry: Review:

Various studies and the reviews conducted on beedi workers have been completed, drawn largely from primary written reports, books and articles with empirical, theoretical and methodological contents:

1.2.1 Study of Working Conditions:

The Report of the Royal Commission on Labour, set up by Government of India, in 1931 made the earliest attempt to highlight the working conditions of the beedi workers. Beedi factories were severely criticized by the two reports for the miserable and inhuman conditions under which the workers rolled beedies. In the words of Royal Commission: Many places (where beedies are manufactured) are small airless boxes, often without any windows, where the workers are crowded so thickly on the ground and there is barely room to squeeze between them. The places are dark semi basements with damp mud floor, unsuited for manufacturing processes, particularly in an industry, where workers squat on the floor throughout the working
day. Sanitary conveniences and adequate arrangements for removal of refuse are generally absent. (p. 96). Furthermore, the Royal Commission also pointed out that the beedi making was also carried in the homes although, in the bigger cities and towns mainly in workshop.

Beedi manufacturing industry is an agro-based and labour-intensive industry with the employment only next to agriculture and handloom industry (Balram, 1995). The industry employs the ‘factory workers’ as well as ‘home workers’ for the purpose of manufacturing beedi. About 90 per cent of workers in the industry are home workers and majority of them are women. Although Beedi manufacturing is undertaken throughout the length and breadth of the country, over the passage of time some prominent centre of production has emerged. Since very small amount of capital is required to set up a beedi manufacturing unit, the established employers find it very convenient to shift their units from one state/area to another.

Thus, whenever minimum wages fixed by the state government get increased or the enforcement of social security laws is made more effective, the employers find it convenient to leave for greener pastures in the adjoining states with the sole aim of reaping more profits and in the process leaving their workers high and dry. This has resulted in shifting of centre of concentration of beedi making over the years. This has also resulted in unemployment and under-employment, as the workers who had worked in beedi making job which involves very less physical labour for a long time, find it very difficult to get adjust in any other job involving more physical labour. Shifting of beedi units from one state to another also makes it difficult to assess employment in the industry.

Mohandas and Kumar have observed that the workers have to sit and work at the working centres provided by the firm under the factory-based system and the basic amenities available at these work centers are the indicators of working environment. 43 per cent of the workers reported availability of drinking water, supply of work tools except scissors, toilet facilities, proper ventilation, and sufficient place in the work sheds. However, none of the workers in the contract system enjoyed these facilities. Nevertheless, all the workers in the sample from the factory-based system encompassing the cooperative and the contract systems reported that they were provided with work tools except scissors such as a bamboo tray and a box or stool to
sit on and work. None of these tools were given to the workers under the home-based system.

Nonetheless, 80 per cent of them have reported the presence of basic facilities like drinking water, toilet facilities and proper ventilation in their homes. Even though the working condition of the beedi labour has not improved over the years, they are exploited these days too. Many of the benefits enjoyed by their counterparts in other industries are not available to them. The conditions of beedi workers show that there must be some criteria to raise the living standards. The workers have organized a protest to pressurise policy makers for their long-standing demands including increasing the wage. However, the fact remains that the labour cooperative had a favorable effect on the wage and non-wage benefits of the workers of the remaining sectors and sub-sectors in the industry. This has certainly enhanced the self-respect and bargaining power of the labour in the industry (Mohandas and Kumar, 1992).

The conditions of the workers in the beedi industry all over the country are deplorable and report has highlighted the miserable condition of beedi workers in specific areas of Maharastra, Karnataka and West Bengal as well. It covers various aspects like number of days and hours of work, wage differentials, wage/non-wage benefits, saving and indebtedness and the occupational hazards of beedi workers. The study done by Mohandas also touches upon the impact of existing labour legislation covering the category of workers, and the tendency of the industry in Kerala to move to states where legislation governing beedi labour is considered favourable. It also confirms the vulnerable state of the beedi labour brought out by the earlier descriptive studies. It is unfortunate that a vast majority of them are not getting most of the benefits conferred by the Beedi and Cigar Workers Acts of 1966 and 1976, (Mohandas, 1980).

The trend of growing disorganisation together with the industry’s tendency to shift to neighboring states have effectively reduced the bargaining power of beedi workers. Consequently, they continue to be a group of neglected workers whose conditions remain miserable. It may be noted that implementing a uniform regional wage policy in all the southern states can minimize the inclination of inter-state shifting.

Legislation directed to improve their pathetic conditions have not been effectively implemented. Though the 1966 Act confers all the benefits to home-based
labour also, it cannot be implemented due to inefficient institutions. Now contract system and factory system became the tool of exploitation in the beedi industry, so the remedy lies in organising the industry exclusively under factory system, which will make the entire work force factory labour. The self-employed labour and home-based labour may be organised under worker’s cooperatives. Even at present, apart from the giant Kerala Dinesh Coopertaive (KDC), a few workers’ cooperatives of very small size are operational in the state. More importantly, it is necessary for organisational set up i.e. ‘Beedi Workers Welfare Board’ (BBWB) to implement the provisions of the act and operate welfare measures.

Purushottam’s study (1983), presents a profile of 30 beedi workers households from a village of Chittor district of Andhra Pradesh. The conditions of workers are characterized by poor earnings, precarious dependence on the job, little alternative income avenues and preponderant psychology of poverty. This study has been mostly on male beedi workers.

The report prepared by Mookherjee (1984) highlights the finding of the survey which was undertaken at the instance of the Government of Gujarat. The objectives of the survey were to ascertain as far as possible the number of beedi and tobacco processing workers in manufacturing establishments in Gujarat to examine the socio-economic characteristic of these workers and recommend some measures for improving the quality of their life and living. Location-wise the largest concentration of beedi making establishments was found to be in Kheda district (59 out of 153). The average size of establishment varied between 5 and 10. The average age of the workers was found to be 35. The male-female proportion in beedi industry was 80:20 and for tobacco processing 60:40. The workers suffered from insecurity of employment. The average monthly income for beedi workers was found to be Rs. 221.77 and Rs. 250.24 in the case of tobacco processing workers. The average per capita income of the family was Rs. 97.5 for beedi and Rs.103.77 for tobacco processing workers.

In order to facilitate a better understanding of the statutory norms, it is desirable that a simplistic formula be devised by merging together the special allowance and the basic wage and prescribes a flat rate of wage. This would avoid confusion among both employers as well as workers. Raising the upper limit for exemption to central excise from the present 10 lakhs to 15 lakhs beedies allows the
beedi making of Gujarat to compete in fair market by enhancing local taxes in case of beedies coming from outside Gujarat. The increasing tax would raise the selling prices of these beedies and provide an opportunity to local producers to push their beedies in the market and earn a larger sum.

As regards making the worker self employed, it is suggested that, they may be given long term loans or subsidy for buying raw material and prepare beedies by themselves. The cooperatives should perform the role of a pressure group on behalf of the workers and establish close links with the government.

The report of the National Commission of Labour (1969) identified beedi/cigar industry as a segment of the unorganised, employing major portion of the workers. The report mentioned the organisation of beedi work through contractors and wage payment on a piece-rate basis. It further pointed out that wages were deducted on various counts such as preparation of sub-standard beedies and the misuse of tobacco.

The beedi and cigar industry (Augustine, 1998) employs thousands of people, the condition of the most of workers is miserable in this manufacturing units. Employees, majorities of whom are poor, spend hours blending or rolling tobacco in unhygienic, dingy and over-crowded places having little facilities for drinking water, toilets or even first-aid. The working hours are often interminable and at times even child workers are made to slog for long hours which violate the labour laws.

The state governments have indeed made effort to ensure social justice to the workers by enacting special laws for regulating the condition of work of these labourers, however in vain. To fill the void, the central government finds it necessary to formulate a central legislation that would “deal exclusively with the workers welfare and commensurate with the objective of uprooting exploitation, found to be existing in the society” (Gujarat Beedi Karkhana Association vs. Union of India). In pursuance of this objective, the Beedi and Cigar Workers (Condition of Employment) Act of year 1966 came into effect. The act was further amended in the year 1993 in order to ensure better conditions of beedi and cigar workers. This book has explored the aim of the act, relationship between employee and employer under this act, welfare provisions relating to work and wages, holidays, annual leave, special provisions, penalty for violating the provision, powers of inspectors’ cognizance of
offence etc. This book also focuses on implementation of Beedi and Cigar Workers Act, 1966.

The study made by Zaheeruddin (1985) is confined to an examination of legislative and administrative measures undertaken for ensuring a better standard of living for the beedi workers. The Government of Madras appointed a court of inquiry way back in 1947 to find out peculiar difficulties faced by the beedi and cigar workers. This study comprehensively covers the various facets of the problems faced by the beedi and cigar workers and legislative and administrative steps taken to ensure a better life to toiling workers in this area. Relevant statues, their interpretation by the court and the actual effect of them on the life of beedi workers constitute the main part of Zaheeruddin’s study. The various shortcomings and the suggestions to overcome them also form part of this work.

Another study (Giriappa, 1987) was undertaken to evaluate the labour conditions of beedi workers in the Dakshina Kannada district, with respect to their working conditions, production capacity, consumption patterns and standard of living. The analysis has been attempted in the case of full-time labour in rural and semi-urban climates in the Mangalore and Bantwal taluks of the district.

The study has delineated a general description about beedi industry in the country, production estimates, cost of production and other particulars. The study lists the objectives of the study and how the field survey was conducted. The study further highlights labour distribution, male, female and child in the sample areas according to full-time (where over 60 per cent of total household income is obtained through beedi-rolling) and part-time beedi households. It compares the food, fuel and other consumption patterns. Food was the major item of consumption, so in the rural sample, it shows not much difference between the different types of households. Moreover, certain problems faced by the beedi industry have also been highlighted in the study. The study underlines that the competition from cheap cigarettes and unbranded beedies, the differing wage structures in Karnataka and other states, deteriorating quality of beedi leaves over years and the malpractices adopted by some of the beedi contractors etc. call for judicious control on the industry.

An attempt has been made to impute the total labour time spent on various household chores like cooking, serving, washing, fuel gathering, water fetching, shopping, etc. In this, it is observed that the contribution of female labour is
substantial. Self and household income have been compared and also expenditure on food and other items. With per capita income of Rs. 2,319 and Rs. 2,424 and per capita expenditure of Rs. 2,159 and Rs. 2,278, the saving ratios reported by the female and male-headed households are 6.9 and 6.0 per cent respectively. Some socio-economic variables like housing, health problem, etc. are also considered where the situation demands substantial improvements.

A Report by Government of West Bengal (1973), on the Conditions of Employment and Earning of Workers Engaged in Beedi Industry in the District of Musrshidabad. The study has find out that for the first time outlined in details the contract system of beedi production and the systematic exploitation of out workers or home workers under this system. The evils of the ‘putting-out’ system are clearly explained in its following statement:

The contractor system offers some direct advantages to the beedi companies. These are as follows:

(i) as the large companies consist mainly of outsiders (i.e. non-Bengalies), this system offers an effective method of control in an industry where the workers are all in the rural area living in the traditional agrarian society. This form of putting-out system utilizes the existing agrarian structure for commercial.

(ii) the companies are free from direct responsibility for the welfare of the workers. On paper their workers would consist of only their office staff. Neither the Factories Act is applicable to those companies nor are they obliged to give the workers any bonus etc. it is, therefore, no wonder that this contractor system is universal feature of the beedi industry in India.

The Report suggested, as an immediate measure towards amelioration of the beedi workers conditions, the abolishment of the contractor system and hold the companies responsible for the welfare of the workers and strict enforcement of the Beedi and Cigar Workers (Conditions of Employment) Act, 1966.

1.2.2 Study on Wages in Beedi Industry:

The Evaluation Study (2001) on the implementation of the Minimum Wage Act, 1948 in beedi making establishments in the state of Madhya Pradesh was conducted in the districts of Sager, Gwalior, Vidisha, Bhopal, Satna, Balaghat,
Hoshangabad, Indore, Ujjain, Dewas and Datiya comprising of five strata. The main findings and observations are as below:

(i) Beedi making is a labour intensive agro-forest based cottage industry where the entire manufacturing process is manual requiring special skills. About 14.75 lakh beedi employees were estimated to be employed in Madhya Pradesh.

(ii) The beedi industry includes a large number of ‘establishments’ and ‘industrial premises’ licensed under the Beedi and Cigar Workers (Conditions of Employment) Act, 1966 together with an unknown number of those which function without the requisite licenses. The beedi factories and trademark or brand establishments formed the core of the industry. These establishments possessed the requisite licenses from the excise department for procuring tobacco and tendu leaves for manufacture and sale of beedis.

(iii) The beedi establishments operated through depots for direct transactions. The depots set up by the establishments issued the raw material to the contractors for rolling specific number of beedies. A beedi roller is provided with 575 to 700 grams of tendu leaves and 225 to 280 grams of tobacco for rolling 1000 beedies.

(iv) The beedi establishments undertake functions like supplying raw material, sorting checking, baking, labeling, wrapping, packing and marketing. Normally, about 100 beedi rollers have to be engaged for rolling one lakh beedies per day.

(v) Majority of the employees were working as beedi rollers operating from their own dwellings. They were known as the ‘home workers’. They were predominantly females. The other categories of employees working in the beedi factories like sorters, checkers, bakers, packers, raw material distributors, clerks, and managers etc. are known as the ‘beedi workers’.

(vi) The proportion of beedi workers receiving the prescribed minimum wage was 55.7 per cent, while none of the other beedi rollers were receiving the prescribed minimum wages.

The evaluation study (2001) on the implementation of the Minimum Wages Act, 1948 was conducted in the beedi making establishments of Raipur, Mahasmund,
Kanker, Rajanandgaon, Durg, Bilaspur and Raigarh districts of Chhattisgarh state. The main findings of the study are given below:

(i) Home workers have always been operating from private dwellings where the women and other members of the family helped the beedi rollers.

(ii) About 23.7 per cent of beedi rollers were illiterate while 45.1 per cent had studied up to primary level and 23.8 per cent up to middle level. A meager 7.4 per cent were educated up to matriculation and above. Only 23.5 per cent of the beedi workers who were working as taraivala, bhattiwala, raw material distributor, packers etc., educated up to high school level. In all 5.9 per cent of the workers who had received education unto matriculation and above were employed as clerks and managers. The proportion of illiterates among beedi workers was 8.8 per cent.

(iii) Among beedi workers and beedi rollers those belonging to the Scheduled Castes (SCs) were 8.8 and 36.9 per cent respectively. None of the employees, however, belonged to the Scheduled Tribes (STs).

(iv) As many as 76.5 per cent of the beedi workers and 65.6 per cent of the beedi rollers had an urban background and the remaining had a rural background.

(v) The average daily earnings of the beedi rollers worked out to be Rs. 27.88 while those of their helping dependents were slightly less i.e. Rs. 21.93.

Rajshekar (2002) says beedi manufacturing provides employment to a significant proportion of the workforce, especially women, in India. In the context of a perceived decline in beedi manufacturing in several parts, his emphasis on alternatives jobs and self help groups for women beedi rollers. These issues are addressed in this article with the help of data collected from women beedi workers and discussions with different stakeholders in Dakshina Kannada district in Karnataka, which accounts for half of beedi manufacturing in the State and 17 per cent in the country. Although the beedi industry does not seem to be declining at the micro-level, the availability of beedi work per worker has marginally declined. Such a decline has not adversely affected incomes of most of the beedi workers as they adopt coping mechanisms such as finding supplementary employment and strategies to maximise it by taking work from both registered and non-registered companies. The health concerns associated with beedi work and exploitative production relations underline the need to think of alternatives. Considering the resources available,
Potential economic activities in the district and the situation of beedi workers, the study identifies alternative employment activities and discusses three types (short, medium and long run) of strategies to promote them. The women beedi workers can access these opportunities only when they are organised into self-help groups and establish linkages with banks, line departments, panchayati raj and civil society institutions.

1.2.3 Study on Production Relations in Beedi Industry:

Abraham, (1980) examines how workers are exploited in beedi industry in Maharashtra. He also describes the relation between employee and employer and role of the Industry Minister, Minister of State for Labour, beedi owners, tendu leaf traders, union representatives, an assistant labour commissioner and factory inspector during the disputes, which emerges from time to time. 40,000 beedi workers have been on strike in Bombay for 43 days in 1980 on the issue regarding to the implementation of minimum wages and subsidization of row materials. Wages had increased from Rs. 15 to Rs. 20. There are three factors crucial to the beedi workers' struggle in Bombay. Firstly, unlike anywhere else in the country, they are requested to buy part of the raw materials, the tendu leaves and the thread, out of their own wages at retail market rate. Secondly, 'ghar/khep' beedi rolling is done at home. Thirdly, 90 per cent of the workers are women. Some women said they had been working for 25 years; however their names had never gone down on anyone's register.

Implementation of the minimum wage was not taken seriously because the official attitude was that beedi workers' wages are a 'supplementary' income. The union, which felt that the workers who have seen their wages eroded to almost nothing by market forces, wanted to know exactly how much they will get in hand and that means a negotiated wage rate and all raw material supplied by the beedi maliks. The Bombay Beedi Kamgar union had tried to work out the profitability structure of the beedi malik units. The curious part of the whole incident was the price of tendu leaves had risen up by 100 to 150 per cent.

A Workshop (Change India's Labour Laws, 2002) discusses issues relating to the reforms in labour laws by the stakeholders, the government, the industry and the workers. In the era of globalisation, the captains of global capitalism have advocated fundamental changes in laws in advanced capitalist, transition and developing countries. Labour laws provide workers the collective economic and political identity.
Labour laws in India have a history of struggles of workers and welfare orientation of the ‘Nehruvian State’. However, bitten by the ‘liberalisation’ ideas, the Task Force of Indian Trade and Industry constituted by the Prime Minister’s Office (PMO) and dominated by the industrialists, argues that labour markets should be made more flexible by rationalising the existing labour laws.

The Government of India desires to make labour laws production-oriented, cost effective and flexible in all spheres of production, employment, choosing the size of establishments. Trade unions, however, vehemently opposed the proposed changes in various labour laws. They view these changes as being against workers’ rights, collective bargaining power and employment potential. The objectives of the workshop was to provide platform for the trade unions, employers and the government to express their views on the issues, to reflect and capture the context and the rationale for changes in labour laws and to consolidate the various perspectives into a comprehensive document.

The workshop discussed and proposed the change in labour laws where it is necessary. There are proposals to bring about changes in Trade Union Act, 1926; Industrial Disputes Act, 1947; Factories Act (Night shift for women workers); Contract Labour (Regulation and Prohibition) Act, 1970; Minimum Wages Act, 1948; Payment of Wages Act, 1936; Beedi and Cigar Workers (Conditions of Employment) Act, 1966 and Expression of Opinions, Expectations and Suggestion on Second National Commission on Labour. Besides all Central trade unions, unions from the public sector undertakings, private sector, multinational enterprises and the informal sector participated in the workshop. Among the participants were many independent trade unions. Government officials, representatives of the industry, economists and labour lawyers contributed to the discussion.

1.2.4 Study on Women Workers in Beedi Industry:

The study (Jhabvala, 1985) reveals women’s real participation in beedi industry of Gujarat. It demonstrates that the beedi workers are mainly Muslims or from backward Hindu castes. Family size differs among castes. Most of the female workers are in the child-bearing age. Very few respondents are literate (10.5 per cent). Most of the families of beedi workers are below the per capita middle-income range (Rs.151-200/month). The largest percentage of poor families is in the district head quarters, where the Muslims predominate. Women beedi rollers contribute a
significant amount to the family income averaging about 30 per cent of the income for all castes. The average earning on per 1000 beedi is below the legal minimum wage rates. Earning was highest among Padmashalos and lowest among Muslims reflecting differing degrees of unionization and social consciousness. Though beedi rolling seems to improve social status within the family, it lowers the women’s status in the community. Women continue to roll beedi because it improves their economic status, though once a certain income level is obtained they prefer to stop rolling beedies.

Beedi rolling seems to be a simple skill and it is easy to learn. The workers learn from parents, relatives or neighbours and thus the skill seems to be passed down from generation to generation. Most of women have worked between 6-15 years of age and more than 50 per cent were working before marriage. The former beedi workers (male) stopped rolling beedies. Further, most of workers work under the contract system. Layoffs and penalty on rejected beedies are means by which the contractor exploits the workers. High degree of unionisation positively correlates with an awareness of existing labour laws especially the knowledge of minimum wage rates. Ahmedabad has the highest rate of unionisation and therefore, the highest rate of awareness of minimum wage rates.

The construction of home workers (Gopal, 1999) as housewives and homework as a practice that allows a woman to care children and perform household tasks while earning, much needed income completely detracts from the fact that not only do women put in long hours to fulfill production targets set by employers although have no idea to arrive at the wage level. Women’s subordinate status as workers is built into the production process. Women, on account of their gender have an extension of their status within the household, and men’s opinion of women’s labour reflects the beedi industries.

Men place the responsibility of any trouble that takes place in the shops on women. Their support to the shops, since the shop owners provide their women with work and a level to survive and improve their living without upsetting the cultural matrix that hardly gives women any power or voice, or a sense of being valued.

In the unorganised sector (Saravanan, 2001) beedi manufacturing provides employment opportunities particularly for the women in Tamil Nadu. The government has enacted several acts and implemented various kinds of social security schemes including minimum wages pensions, wages for holiday, medical facilities,
scholarship for their children, housing loan, dearness allowances, bonus for the beedi workers in general and women in particular. Women never get benefits from the various provisions. Most of the female workers do not have direct contact with the agent. They are even unable to assert their rights, not only due to the ignorance about the available social security schemes but also due to non-availability of other employment opportunities. Above mentioned study has come up with following suggestions:

(i) Existing contract system should be abolished because the contractors not only exploit the women beedi workers by providing low wages and low quantity of raw materials but also keep them away from availing the benefits from government social security initiatives.

(ii) All the workers who are associated with different stages of beedi works should be recognised by the government.

(iii) Beedi workers should be brought under the cooperative system in case of exploitation.

Beedi making (Waman, and Rahane, 2001) is an important industry in Maharashtra. Due to exploitation of women workers in beedi industry several problems have been created. The study done by Waman, and Rahane has highlighted economic problem, family problem, health problem, social problem and problems related to facilities and concessions. The study has come up with a number of suggestions. The main points of their study are mentioned below:

(i) Due to low income, beedi workers are unable to provide higher education to their children. Therefore, beedi factory owners should provide scholarships for higher education to their children.

(ii) Beedi workers generally get infected by contagious diseases like T.B., which often require costly medication. The government thus should provide free and proper medical help to beedi workers.

(iii) Because of minimum wages beedi workers cannot have any saving for their future; and hence factory owners should make provision of pension to them.

(iv) Wages in the beedi industry are less and not increasing with time. Hence Minimum Wage Act must be implemented strictly.

Characteristics and trends of women’s employment (Sudershan, and Kour, 1999) in the tobacco industry are of significant policy concerned today. It has been
estimated that as many as 2.6 crores people may be dependent for their livelihood on the tobacco industry. Tobacco is consumed in a variety of forms such as beedi and chewing tobacco. This study of Sudershan, and Kour contextualises the dilemma by presenting a profile of tobacco-related employment, based on National Sample Survey (NSS) and other official data and examining more closely the characteristics of one group of women beedi workers. As a whole, 62 per cent of the total employees are women.

The study focused on beedi workers' characterized of vulnerability, measurement and identity, intensity of women employees, organisation and labour process, wages earning and health impacts etc. Women in the beedi making industry form a part of the large unorganised workforce in India and other unorganized workers also face many similar problems. Women in this occupation have acquired skill but lack the resources to access any other work. Low levels of literacy, poor health status, absence of entitlements to credit, land or other resource all combine to make transition to new occupation virtually impossible.

The study by Saravanan (2002), attempts to deal with the linkages between empowerment of women and reduction of child labour in the beedi industry in rural areas of Tamil Nadu. It also analyses the socio-economic condition of women and the nature and extent of child worker's participation in beedi-making. The study underscores that the initiatives taken to empower women in the beedi industry have not helped to reduce child labour due to lacunae in the existing legal provisions and social security measures. The study further found that the empowerment of women beedi workers have not improved their socio-economic conditions. Rather they have continued to depend only on the beedi industry for their livelihood. The children of workers are unable to continue their studies further.

Although the government has implemented several welfare measures for beedi workers, they have hardly reached beneficiaries. The lengthy procedures and formalities also hindered them from availing the benefits. The linkages between the empowerment of women and reduction of child labour in the beedi industry remain locked due to the prevailing contract system and the ineffectiveness of social security measures in rural area of Tamil Nadu. Given the poor economic condition of the women beedi workers, ban imposed by the government of Tamil Nadu on smoking in public places would result in further deterioration of their condition by curtailing their
employment opportunities. There is no doubt that this would greatly threaten their livelihood.

Beedi work is major source of employment (Jeyasingh, 1985) to the rural and urban poor in North Arcot district of Tamil Nadu. The major objects of Jeyasingh’s study are to understand the socio-economic background of women beedi workers, their employment patterns and to find out the difficulties. In this district, there are about 50,000 female beedi workers, this account for 50.3 per cent of work force working in beedi-making profession. The beedi industry offers full family employment.

The study focuses on process of beedi making and wages conditions in this district. Finally, Jeyasingh discusses the problems of beedi workers like exploitation, indefinite hours of work, absence of strong union, and irregularity mechanism for jobs. Most of the women workers are employed by agents and hence they are unable to get maternal benefits.

Another study (ILO, 2001) attempts to describe, in brief, the development profile of Sagar district as a whole and the beedi sub-sector in particular and to make recommendations for alternative employment and business opportunities for women beedi workers. The methods included collation of existing information from multiple sources, wide ranging discussions with people having direct or indirect links with the beedi industry, including Non-Government Organisation (NGOs) personnel, and academics from within and outside of Sagar district. Interviews were conducted with self-help group members (not in beedi work) in Sagar, Operations Research Group Study team members for District Poverty Initiative Programme (DPIP), with satedars, and others with local and other beedi industrialists. Focus group discussions were held with all types of beedi-related workers; one focus group was conducted with contractors, two with tendu leaf collectors (one for Scheduled Caste/Scheduled Tribe (SC/ST) and another for Other Backward Class (OBCs) and seven groups with women beedi-rollers.

A household survey was conducted among home-based beedi workers to ascertain their resources and skills. Paradoxically, government interventions have worsened the state of the beedi rollers. After the promulgation of the Beedi and Cigar Act, 1966, factory-based beedi rollers (all men) were thrown out of the factories, and the work shifted to home-based women rollers. The Minimum Wages Act is not
strictly followed. Owing to the significant rise in cost of tendu leaves after the nationalization of their collection in Madhya Pradesh, improving the returns to the tendu leaf pickers, the beedi industrialists managed the increased costs by slashing the wages of the beedi rollers. Forty years ago, the condition of beedi workers was good enough, whereas of today's beedi rollers have a precarious and subsistence livelihood.

Major problems faced by the beedi workers were perpetual poverty, very low wages, no wage bargaining system, no access to entitlements, benefits and gratuity, delayed payments, illiteracy, hidden child labour, constant exposure to tobacco dust, postural pains, indurations of the hands. A large proportion of the beedi worker households are landless while others are small and marginal farmers. Alternative livelihood options were analyzed and the observation was that women workers would not go out of the villages to seek compatible jobs in the industrial estates. About 60 per cent of the self-help groups in the state were men's groups. Women need to learn new skills. Some of the skill areas included watershed management, lift irrigation, forest management, dairying, horticulture, fisheries, tailoring, and artisan work.

An exclusive livelihood promotion programme of government aimed at ameliorating the deprivation and misery of women beedi workers was recommended, starting with a pilot project. This total development programme would include four priority areas. They include: (i) promotion of savings and micro-enterprises, (ii) education, awareness and organisation building (iii) habitat improvement and (iv) health, nutrition and child-care. It was assumed that the women would continue to roll beedies for an initial period in order to accumulate some savings (with negotiated higher wages) and to make a smooth transition to another livelihood. A federation of Self Help Groups (SHGs) would emerge that would share business ideas and promote the new micro enterprises.

Tobacco processors have been moving into other industries like bamboo furniture making, leaf plate making, and crockery manufacture. Such areas along with wood working, animal husbandry and auxiliary work in education (e.g., providing tuitions, adult literacy and grading examination papers) would be possible for some of the younger beedi workers, after some training, as found by Self-Employed Women's Association (SEWA). The beedi rolling women have to adjust with the beedi commission agents and contractors. Otherwise, they may have to lose wage and other benefits. Thus, the problems of beedi workers are enormous and are still increasing.
The main objective of the study (Koli, 1990) was to find out socio-economic condition of female beedi workers. The study was conducted in Barsi town in Solapur District of Maharashtra. About 100 workers were employed in the beedi industry, the majority of them female. Beedi workers from 7 factories were studied. The total sample comprised 40 female beedi workers. It was observed that the beedi workers had a very low standard of living and their socio-economic condition was bad. As many as 75 per cent of the workers were illiterate and 25 per cent were educated up to eighth standard. The majority of the workers were Muslims and 50 per cent of the women were found to run their families on their own income. They were exploited at work place and home. The workers were in the habit of chewing tobacco, pan and snuffing. Their wages were so low that the workers were unable to cater to their basic needs.

1.2.5 Study on Child Labour in Beedi Industry:

The children engaged in the Beedi works (Karunanithi, 1997) run the risk of health hazards such as tuberculosis, chronic bronchitis, nutritional anemia and eye irritation. The long hours of working in a particular posture causes adverse effect on the physical development and general health condition of the children. They have the problem of malnutrition; and as a result they are highly susceptible to respiratory infections. Their constant exposure to the tobacco dust and tendu leaves raises health hazards and there exists high incidence of back pain and headache because of the day-long work. The children who have chronic dry cough seem to have symptoms of tuberculosis. Not only that, worm infestation affects the health of the children living in unhygienic surrounding.

Children in certain areas of North Arcot Ambedkar district of Tamil Nadu are introduced in beedi works at the age of 6 or 7 years. After learning this work, they have to work on an average of 10 hours per day. Tobacco is an irritant substance that causes irritation in nose and windpipe and, results in frequent cough. The small beedi sheds that accommodate large number of children are poorly ventilated and maintained unhygienic; for instance, a shed measuring 15'x12'x12' accommodates 20-25 children besides a few adult workers and their contractor. Since the children sit for hours together in a particular posture, they have back pain. The serious health problem affects children mostly living in unhygienic surrounding. Since the children
go to their contractors' work shed early in the morning and come late in evening, they don't have regular bath.

For the development of urban children engaged in beedi works, services pertaining to health, education and recreation should be made available. Proper arrangements have to be made to provide them with basic health care. In the rural areas, the voluntary service organisation has to organise medical camps to identify the specific health problems of the children. The primary health centers are to be strengthened by providing them with adequate infrastructure facilities in order to enable them to extend their services to the working children. Effective social education programmes can be organised to create health awareness in the minds of the growing children. The government can advise the beedi companies to open medical centers in their units to monitor health standards of the workers. Adequate provision should be made for educational and recreational services for the working children at their work place and residential areas.

Pande (1990) traces the causes and magnitude of child labour and enumerates the problems of child beedi workers. She found that beedi making as an operation was dominated by girls who, besides beedi making, also assist in household chores. The study records the incidence of the following occupational diseases affecting the beedi workers including children, asthma/bronchitis, cold/cough, headache/giddiness, backache/body ache, pain in the joints, burning and itching eyes, peeling of skin/decolourations/rashes, TB and cancer. She has suggested several measures to tackle these problems.

The beedi manufacturing (ILO, 2003) is a traditional agro-forest based industry in India. It is also highly labour intensive, predominantly unorganised. The ILO note focused on three major categories of workers like, forest-based tribal workers who collect tendu/kendu leaves, tobacco-growing farmers; and beedi-rolling home-based workers, most of them are women. The ILO note further focused on general labour laws applicable to the beedi sector workers- Beedi and Cigar Workers (Conditions of Employment) Act, 1966, to regulate the condition of service of the beedi workers, Beedi Workers Welfare Fund (BWWF) Act, 1976 to provide for welfare schemes for the beedi workers and their families, relating to health, education, maternity benefits group insurance, recreation, housing assistance etc. The BWWF is an important measure legislated by the government for the benefit of beedi workers.
ILO note also indicate the problems of child labour in Beedi Industry. The main beedi manufacturers do not formally employ children to roll beedies, the system of sub-contacting to home-based workers and the logic of piece rate system of payment (the more you produce the more you will earn) leads to the involvement of children. The 1995 survey by the Labour Bureau, Ministry of Labour estimated the incidence of child labour as 1 per cent of the total beedi workers.

The ILO note further discusses major issues relating to the beedi workers. The systematic identification of beedi workers, especially home-based workers is important for the benefits under the BWWF to be availed. The BWWF needs to be ensured. The note also addresses the issue of poor quality and inadequate quantities of raw material (such as tendu leaves, tobacco and thread), adverse effects on the majority of who are poor, from backward castes and illiterate, needed education and training programmes and low level of organisation of the beedi workers and high dependency on the intermediaries.

Srinivasulu (1997) in his study reviewed the beedi workers' movement with reference to liberalisation with the emphasis on Telengana district of Andhra Pradesh. The beedi industry in various states like Andhra, Pradesh, Bihar, Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal employs around 6 million workers in beedi manufacture. About 90 per cent of this work force is comprised of women and children. There was a rise in the beedi industry in Telangana District of Andhra Pradesh after the decline of the handloom industry since 1960s with the rise of the power loom sector. Many of the male weavers migrated to western India and engaged themselves in the power loom sector and initially the men brought their families along. The women entered beedi manufacture. After increasing unionisation of beedi workers in western India, the beedi barons of Maharashtra and Gujarat shifted their bases to Telangana district. After this, the male weavers tended to leave their families back home while they came to work on a seasonal basis in western India. Home-based beedi manufacture became an important activity in both areas. In the beedi industry there were two systems; (i) the factory and (ii) the out-work or home-based system. The enactment of Beedi and Cigar Workers Act in 1966 was intended to regularise the conditions of work and ensure the payment of minimum wages and benefits. The beedi barons challenged this rule; nevertheless the Supreme Court upheld it in 1974. The response of the beedi
barons was to shift beedi rolling to the home-based system, where the laws could
easily be avoided. Initially the women beedi rollers also felt this system was
convenient for them, as they could attend to their household duties more easily.

However, their position became extremely insecure since they were not given
any appointment letter or passbook; hence they were easily exploited and harassed in
many ways. When, as a part of its liberalization programme in 1994-95, the central
government halved the excise taxes on cigarettes of length less than 60 mm, several
large cigarette companies began producing what became known as ‘mini’ cigarettes.
These were sold for a price not much higher than beedies. The fact that cigarettes
have been associated with a superior social status made the ‘minis’ an attractive
product to people who formerly could afford only beedies.

The volume of production of ‘mini’ cigarettes increased phenomenally within
a year, which posed a threat to the beedi industry. Both the agents and the beedi
rollers have suggested that the ‘minis’ have led to a reduction in the volume of beedi
work, from six days a week to about three to four days (by the end of 1996). The
women workers have narrated that their wages have been reduced on the pretext that
the threat of the ‘mini’ cigarettes has reduced the volume of sales of beedies.

Thus, the employment insecurity of the workers increased. The labour unions,
in some cases, have responded that either the threat of the ‘minis’ is only a pretext for
not implementing the labour laws or have refocused their struggle in a fight against
the ‘minis’. Thus a setback in the articulation of the minimum demands of the
workers was predicted in this article.

In Sagar (Madhya Pradesh), beedi rolling is home-based and beedi rollers are
mainly women, working under severe pressure and extremely exploitative conditions,
under middlemen. Decreasing work has led to conflicts with contractors. The workers
have no contact or knowledge of the real employer as they knew only the contractors.

Whereas, in Nizamabad District of Andhra Pradesh, three types of
manufacturing exists: factory- based, home-based and mixed. Workers know the
employers. Trade unions are vigilant and most workers are registered in this district,
nevertheless there are unregistered workers also.

In Ahmedabad (Gujarat), beedi rolling is exclusively home-based and
exploitative through contractors. The Department of Labour accepts this system,
which allows employers to evade compliance with the Provident Fund and Beedi and Cigar Acts. Minimum wages are not paid and workers just subsist on their wages. Recent respites in the availability of work have been noted. In Kheda, tobacco processors have turned to migrant labour and mechanization to reduce costs in a market of decreased demand for beedi tobacco. Locals, largely unions, suffer from unemployment problems.

1.3 Statement of the Problem:

Generally speaking, beedi workers are socially, economically and physically very weak. They face numerous problems. Since the beginning of the industrialisation, the workers have been experiencing exploitation. The exploitation of the workers in beedi industry is mainly a socio-economic. They are not entitled to proper wages, bonus, maternity benefits, pension, housing facilities, health facilities, scholarship facilities, recreational facilities, etc. Their economic condition is below the poverty line. The average daily income for beedi workers was reported to Rs. 8.25 and 11.40, in case of beedi-tobacco processing in Gujarat (Mookherjee, 1984). Most of the families of beedi workers are below the per capita middle-income range (Rs.151-200/-per month) (Jhabvala, 1985). Due to less income, workers are forced to cut in food as well as other items of consumption. Beedi workers are found in urban areas as well as rural areas, although the condition of the rural area workers is more miserable.

The Beedi and Cigar Workers (Conditions of Employment) Act, 1966 makes it mandatory for the owners of establishment or factories or contractors who are engaged in the manufacture of beedi to provide educational and recreational facilities for the workers, in reality, this has not been followed.

The problem of child labour is a major social concern. The number of working children in the country declined from 2 per cent of the total population and 6 per cent of the total workforce in 1981 to 1.34 per cent of the population and 3.59 per cent of the total workforce in 1991. The estimated number of working children in the country as per the 55th round of the NSSO Survey (1999-2000) is 10.4 million. Children continue to be employed in the unorganised and home-based industries and domestic services. The state with the highest child labour population in India is Andhra Pradesh. Other states having a child labour population of more than a million (as per 1991 Census) are Madhya Pradesh, Maharashtra and Uttar Pradesh. According to the
figures of Census 2001, out of the total child population of 252 million, 12.5 million children in the age group of 5-14 years are working.

1. 4 Objectives of the Study:

It is clear from existing literature that no significant studies/research on beedi workers has been done in Madhya Pradesh and Chhattisgarh in general and on Beedi and Cigar (conditions of employment) Act, 1966 in particular. All studies have been done either at state level or district levels.

There is not a single comparative study on ‘beedi workers’ and also not much attention have been given on study of the impact of social security and welfare programmes. The present study thus is an attempt to fill the gap in the literature. Its focus is mainly on ‘beedi workers’ and their socio-economic conditions and evaluation of 1966 Act.

In the background of the above discussions, the present study focuses mainly on the following objectives:

(i) To examine the socio-economic profile of the workers engaged in beedi manufacturing industry in Madhya Pradesh and Chhattisgarh.
(ii) Whether the Beedi and Cigar Workers (Conditions of Employment) Act 1966 has been implemented successfully in Madhya Pradesh and Chhattisgarh?
(iii) To examine the Social Welfare Schemes and their impact on the living conditions of the beedi workers?
(iv) To address the policy alternatives for addressing the plight of women and children employed in beedi rolling industry.

1.5 Methodology:

The main objective of this proposed research is to bring out some facts about home-based beedi workers and their socio-economic conditions in Madhya Pradesh and Chhattisgarh. The main focus will be on labour in beedi industry, examination of the implementation of Beedi Cigar Worker (condition of employment) Act, 1966, and analysis of the impact of social welfare scheme and security programmes. Keeping the above objectives in view, following research method has been adopted:
1.5.1 Sample Design:

(i) **Universe of the Study:** Madhya Pradesh and Chhattisgarh have been selected for analysis.

(ii) **Selection of States, Districts and Blocks:**

The states, Madhya Pradesh and Chhattisgarh are selected due to the highest concentrations of beedi workers in these Indian states. Madhya Pradesh has the largest concentration of beedi workers in India than any other state. In fact, beedi industry constitutes one of the major industries of this state. Madhya Pradesh is also the major producer of tendu leaf. One district from each state is preferred, based on the highest number of beedi workers. The study was carried out at Sagar district in Madhya Pradesh and Rajnandgaon district of Chhattisgarh. A primary field survey has been done in urban and semi-urban areas of the selected districts of these states.

For knowing the variations in working conditions, wage rates and effect of social security schemes and programmes within the selected districts, three blocks have been selected on the basis of developed (urban) and under-developed (semi-urban) regions with high concentration of beedi workers. Further, two wards of district headquarters have also been chosen. One highly concentrated area and each has been chosen from every block in selected districts of the states of Madhya Pradesh and Chhattisgarh. Since official information on the concentration of beedi units and workers was not available and also as contractors or employers were not willing to disclose the list of workers, the selection of regions was made after discussions with trade union leaders and NGOs.

1.5.2 Method of Data Collection:

(i) **Primary Data:**

The study was to be based on primary research with data collected from the field. It was to cover two states where beedi work was prevalent. Primary data collection has been done keeping in view the need for conducting case study on beedi rollers in Madhya Pradesh and Chhattisgarh. A pre-structured and pre-tested interview schedule was used for data collection. A substantial number of open questions were included in the interview schedule to get as much information as possible. In addition to this, various printed materials produced by the unions were also collected and analyzed. During filling up the questionnaires, a brief discussion was made with beedi
rollers regarding their problems and working conditions. The leaders of different trade unions were also interviewed in connection with trade unions' problems in order to know their views on various aspects covered in the study. In-depth interviews and case studies of selected beedi rollers; trade unions or other organisation and extensive discussions with relevant experts were done during the primary data collection.

(ii) Secondary Data:

Secondary sources used in this study helped in obtaining data mainly about the profile of study area, history of beedi workers, emergence of beedi industry, profile of beedi workers' federations and impact of legislations, major demand of trade unions in the past and the present and social welfare schemes and programmes for beedi workers etc. These sources include inquiry reports, various Acts, annual reports of unions, Census publications, books, Parliamentary proceedings, journals, internet, different issues of NSSO Reports, International Labour Organisation (ILO) reports on beedi workers and district handbook of India, local newspaper/magazines/electronic media accounts. The secondary data was collected mainly in the form of official and unofficial statistics and documents. Beedi Cigar Workers (condition of employment) Act 1966, Minimum Wages Act 1948, Beedi Cigar Welfare Fund Act 1976 and Child Labour (prohibition and regulation) Act 1986 have also been referred. Apart from these, other written documents, brochures, articles, papers etc. regarding the subject under investigation have also been studied and recorded to the final analysis.

(ii) Questionnaire Schedule:

Community questionnaire could be used for better response with factual result, because questionnaire may be answered by many people, (sometimes, every household in the community) they can provide good information about the perceptions of community members towards health problems and health priorities. However, questionnaires have limitations. Frequently, it may be difficult for community members to devise their own questionnaires and the information collected may require sophisticated analysis. As a result, it is likely that non-governmental organizations (NGOs) or local government staff will administer the questionnaires, rather than community members. Nevertheless, the community should always ask for feedback on the findings. Because the questions must be defined before the information is collected, the information will be limited to these issues.
Questionnaires may not, therefore, be flexible enough to include other issues of importance to the community.

A partly closed and open-ended questionnaire was prepared for collecting primary information and 200 beedi workers were interviewed in Madhya Pradesh and Chhattisgarh. The questionnaire had been divided into eight sections and each section covering different areas are as follows:

(i) General information,
(ii) Working conditions,
(iii) Women and child labour,
(iv) Welfare and social security schemes,
(v) Availability of health care and medical facilities,
(vi) Labour laws,
(vii) Trade unions’ role in the welfare of beedi workers,
(viii) Miscellaneous information regarding the beedi workers.

1.5.3 Field Survey:

Field survey has been done in the Sagar district of Madhya Pradesh and Rajnandgaon district of Chhattisgarh. Meetings in the residential areas of beedi workers, trade union leaders and activists were finalized in the field survey. The major input received through field visits relates to aspects such as impact of labour law on working and living conditions of workers, role of trade union in workers’ life, work and participation of women and child workers in making beedies.

1.5.4 Analysis:

Appropriate statistical/econometric tools have been used for analyzing the data.

1.6 Scope and Importance of the Study:

Scope of the study is ambitious: it targets working and living conditions of beedi workers; impact of social welfare schemes and security programmes, role of unions and other organizations in the life and working conditions of workers engaged in the beedi manufacturing industry. This study has mainly covered home-based workers and information has been collected from home-based beedi workers, especially beedi rollers. Persons who are involved in checking, roasting, packing,
allied activities of manufacturing, ward staff and office staff have been excluded from the scope of the study.

This research work is significant in understanding and examining the unorganised sector. It focuses on Indian beedi workers' socio-economic conditions and problems with special reference to beedi rolling industry in Madhya Pradesh and Chhattisgarh. Madhya Pradesh is quite relevant for the study as it has highest number of beedi workers in India. It has 9,87,088 beedi workers, i.e. 17 per cent of total beedi workers of India. (Government of India, 2007)

Till now, no major study has been carried out on the implementation of Beedi and Cigar Worker (Condition of Employment) Act, 1966. The present study would focus on the implications of the Act in Madhya Pradesh and Chhattisgarh. The study would also analyze the effects of social welfare schemes and programmes on beedi workers and the role of trade unions and other institutions in the life and work of beedi rollers.

This study modestly attempts to make a major contribution to the understanding of the beedi workers' problems for academicians, researchers, administrators, planners, policy makers and trade unions. Further, the study has also been carried out with the intention to influence policies to create better environment for beedi workers.

1.7 Chapterisation:

The research work has been divided into five Chapters.

Chapter II begins with a brief overview of historical background of beedi industry in India, Madhya Pradesh (M.P.) and Chhattisgarh (C.G.), and then examines the concentration of beedi industry in the country. By looking at the degree of beedi industry in unorganised sector, it focuses on the growth of beedi industry in Madhya Pradesh and Chhattisgarh in comparison with the country as a whole. Moreover, the Chapter also describes the functioning of beedi industry, the production process and techniques of beedi making and a number of problems faced by beedi rollers.

Chapter III begins with the profile of the study area. This section mainly focuses on demographic profile of study area viz, population, climate, area, rivers, minerals, agriculture, industry, banking, education, health services, and then goes on to discuss socio-economic conditions, living standard, working conditions and work
environment of beedi rollers in field area with the help of primary data. It further examines the condition of women beedi rollers in their families and society, their participation in important decision making process which are important to their family. It also studies the educational problems of child labour in beedi rolling industry which on major reasons of child labour in beedi rolling industry, educational standard of beedi rollers Children and availability of education facility through Labour Welfare Department.

Chapter IV studies the concept of social welfare and social security with regard to beedi rollers. The Chapter also examines the various provisions given in different social welfare schemes and programmes and Beedi Workers Welfare fund for beedi workers, especially housing, health, educational, recreational, sports, cultural activities and schemes for beedi workers. It further deals with the various legislations passed by the Government, which have a bearing on the beedi workers. It includes Minimum Wages Act, 1948, Beedi and Cigar Worker (conditions of employment) Act, 1966 and Beedi Cigar Welfare Fund Act, 1976. Moreover, the role of trade unions, Non-Government Organisations (NGOs) and other microfinance institutions with regards to the beedi workers etc have also been discussed. The Chapter underlines the fact that there are problems with the implementation of labour laws and welfare schemes.

Chapter V aside from summarising the study also provides some suggestions and policy guidelines for the beedi industry and its workers.