

Unionization & Collective Bargaining in the Unorganized Sector

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One of the effects of globalization has been the increase in unorganized or non-standard work, especially in a developing country like India, where 93% of the workforce is estimated to belong to this category. There is a huge variety of such workers, not only in the informal sector/unregistered sector, or the self-employed, but also those working in the formal sector but remaining outside the purview of labour laws, social security, minimum wages and working conditions. Trade unions have been successful in organizing at least some of them, and even in bargaining collectively on their behalf. Two large industries [in terms of employment], viz. Beedi workers and Brick Kiln workers are examined in this paper, based on actual documents and interviews with trade union leaders.

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Introduction

Globalisation and the breaking down of trade barriers have been almost invariably associated in every country with:

- Higher levels and faster rates of economic growth.
- Critical levels of competition which compel organizations and countries to pare down costs through outsourcing, casualization and innovations.
- Employment growth, primarily in the unorganized or informal sector. The evidence from many countries indicates that formal or organized employment has either stagnated or actually shrunk and non-regular or non-standard work has grown.

While the first two consequences have helped economies and consumers, the growing army of the informal sector workforce has created a new consciousness about their working conditions and the growing inequalities between worker groups in many countries. For instance, working hours in this sector are about 12-14 hours a day (NCEUS 2009: para 6.64). This is part of the new consciousness

about inclusive growth and whether unionization among them and negotiated settlements can ameliorate their plight. The International Labour Organisation, which is observing the decade of Decent Work in Asia comments: “another frontier for collective bargaining lies in the complex challenges associated with improving the working conditions of non-regular and/or migrant workers. ... A number of examples from India illustrate how the social partners are using collective bargaining to address the needs of these workers” (ILO 2009: 15).

The National Commission on Enterprises in the Unorganised Sector (NCEUS 2009: Table 2.7) estimates that in 2008-09, informal sector in India employed, in agriculture 219 million, in industry 66 million, and in services 101 million, totalling 386 million out of a workforce of 450 million. Between 1993-94 and 2004-05 the net growth of employment had been largely of an informal kind, implying that these workers were vulnerable in significant ways. This is true of both formal and informal sectors and significantly greater in manufacturing. The NCEUS Report (Table 2.4) uses both NSSO and DGET data to indicate that informal employment in the formal sector (private and public) constituted more than 20 million in 1993-94, growing to 25 million by 1999-00. Hence this manpower would add to the 386 million estimated. Before this can be analysed it is necessary to identify the unorganised sector, to quantify it and to spell out the large variety of work and employment relationships within this broad category.

Defining the Unorganised /Informal Sector

The informal economy consists of the informal sector and its workers plus the informal workers in the formal sector

According to the NCEUS the *Informal Sector* “ consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than ten total workers”. Unorganized workers are, ‘a home based worker, self employed worker, or a wage worker in the unorganised sector.....or those working in the unorganized sector or households, excluding regular workers with social security benefits provided by the employers, and the workers in the formal sector without any employment and social security benefits provided by the employers’ (NCEUS 2009: Sec 2.m). The informal economy consists of the informal sector and its workers plus the informal workers in the formal sector. This definition enlarges the scope of the unorganized sector considerably and hence proves more comprehensive than the NSSO definition of the ‘Unorganised’ as all those not being in public sector or government units, and not covered by the Annual Survey of Industries. However, by restricting the coverage to enterprises employing less than 10, the NCEUS excludes many industries which are in the unorganized sector, such as brick kilns not using power in the manufacturing process. The number of persons employed in these, even if it be for only a portion of the year, will be well above 9 (South Asia Citizens’ Web).

Size of the Problem

In India, formal employment, never large to begin with, has actually declined as a percentage of total employment and informal employment is now said to include 93% of the total workforce. Between 1993-94 (two years after the NEP in India) and 2004-05, NCEUS (Table 2.1] estimates the growth of the labour

force at 2.02 % , from 345 million to 430 million, during which period the unemployed increased from about 18 million to nearly 29 million, the workforce therefore being 401 million in 2004-05, and has increased further thereafter. This pattern is true of all the major states in India.

In the manufacturing industries the corresponding percentage declines are

Table 1 : Employment in Organised & Unorganised Sectors for Select States in India (000)

States	1993-94			2004-05		
	Total employment	Organized sector	Share of organized sector in total (%)	Total employment	Organized sector	Share of organized sector in total(%)
Andhra Pradesh	36 036.3	1 877.7	5.21	40 109.62	2 042.8	5.09
Bihar	31 213.49	1 701.3	5.45	39 063.77	1 569.2	4.02
Gujarat	19 179.24	1 701.7	8.87	24 907.14	1 693.5	6.80
Karnataka	22 121.96	1 503.5	6.92	26 977.67	1 862.1	6.90
Maharashtra	37 854.55	3 766.2	9.95	47 605.74	3 540.9	7.44
Tamil Nadu	28 139.21	2 381.5	8.46	30 715.13	2 278.7	7.42
Uttar Pradesh	54 058.08	2 656.8	4.91	69 559.9	2 349.2	3.38
West Bengal	26 540.35	2 332.1	8.79	32 164.56	2 038.8	6.33
All India	348 697.8	24 306.4	6.97	425 712.8	23 276.6	6.33

Source: Shyam Sundar (2010: 8)

even more pronounced, about 11% in Andhra, 6% in Gujarat, 8% in Maharashtra, and smaller declines of 2 - 3 % in the other larger states. ASI data at the same time indicates that the proportion of contract workers in the factory sector has grown by 45% in AP, 57 % in Gujarat, 110% in Haryana, 180 % in Maharashtra, 161 % in Punjab, 205 % in Rajasthan, 222% in HP, 81% in Karnataka, 124% in TN, 163% in UP, 488% in Kerala and 155% in West Bengal, between 1993-04 and 2005-06 (Shyam Sundar 2011: Table 2.6).

Nature of Unorganized Employment

The plight of unorganised workers is of concern not only because of low wage levels but for several other reasons as well. This is typified in the situation described below, and is worse for women workers, some of whom may be actually working in the organized sector, where wages are a little better. According to Sukumar Damle, the Maharashtra state secretary of the All India Trade Union Congress (AITUC) any kind of unionisation is severely

dealt with. In the solitary instance of unionisation in the area, in Peerless Fabrikkerne (India) Limited, manufacturing speakers and other electronic equipment, “The women get a salary of around Rs 4,000 per month and around three years ago, a few of them came to us because they were worried they were not getting their Provident Fund dues. While they have been working for several years and are ‘permanent’, there is no record of their service - no appointment letter or other documents. They do get an identity card so that they can enter the SEEPZ security-protected area but it only has their company’s name on it.” The women were too frightened to approach the Provident Fund Commissioner, so the AITUC, through its Engineering and Metal Workers’ Union, sent a letter. Another letter was sent to the Employees’ State Insurance Corporation (ESIC) to avail of any medical benefits. The letters created a furore and the company’s management immediately began seeking out the union leaders amongst the women (southasia.one world.net). This problem is amply brought out in many agreements discussed below, where issue of appointment letters feature as clauses. This also highlights the essentiality of unionization among the unorganized and the need for written agreements to bring some semblance of justice for this deprived sector, since the protection available under the law is extremely meagre.

Social Security Legislation for Unorganised Workers

In 2002, the Second National Commission on Labour submitted its final re-

port with relatively detailed proposals for an “umbrella legislation” to cover workers not already protected by the labour laws of the organized sector. However, the UPA government ignored this and appointed in September 2004, the National Commission for Enterprises in the Unorganised Sector [NCEUS]. Again, in 2005, the National Advisory Council [NAC] also submitted a draft bill based on the recommendations of the Second National Labour Commission and the interim reports of the NCEUS.

The various draft legislative proposals were consolidated by the NCEUS, which prepared two bills, one on social security and the other on working conditions. The latter was dumped in July 2007, and a final draft bill titled “The Unorganized Sector Workers’ Social Security Bill” was tabled in the Rajya Sabha in September, 2007. This draft bill received the assent of the President of India on 23rd December, 2008 and has now become an Act. However, the Act does not have any binding on the government, except Clause 9 of the bill which creates the only legal entitlement in the entire Bill – that of all unorganized sector workers above 14 years to register themselves and receive a ‘smart’ identity card. The name itself is a misnomer because the Act does not provide any social security (except mere registration) to any section of workers (South Asia Citizens’ Web). There appears to be no plan for the government to fund the entire social security schemes (Pritam Ghosh 2009). The cooperative sector in India with 1.38 crore workers has been totally excluded. The state governments have been given

a free hand to design their own schemes related to provident fund, employment injury benefit, housing, education, skill upgradation, funeral assistance and old age homes. It can be noted that none of them are mandatory on any government.

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Further the emphasis seems to be only on schemes of welfare. Social security is not even defined, and the bulk of these schemes have been designed as poverty alleviation efforts directed at Below Poverty Line [BPL] workers. The National Campaign Committee for Unorganised Sector Workers (NCCUSW) criticized the law for not dealing with the issue of employment, its regulation, wages, conditions of work, and so on. The implementation is sought to be done through district administration or elected local bodies. There is total non involvement of trade unions in the whole operation (South Asia Citizens' Web). The draft law prepared by NCCUSW had attempted to group the employment into thirteen or fourteen categories and recommended Tripartite Boards for each group at various levels.

Various state governments have taken some measures from time to time. For instance, the West Bengal Unorganised Sector Workers' Welfare Board was set up under the West Bengal Unorganised Sector Workers' Welfare Act, 2007 for the purpose of admin-

istering the fund created under the Act and also for implementing the various welfare schemes directly funded by the state government (Labour in West Bengal 2010, Govt of WB 2011). Kerala, Tamil Nadu, Andhra Pradesh are some of the other states which have social welfare schemes for unorganized or non-standard workers.

Variety

In reality, the various terms such as informal, unorganized labour have been used in Indian literature on labour to denote a wide variety of working people not only conforming to the NCEUS definition but even beyond that. Some clarification is thus required. Organised industry is a term used to refer to all units registered under the Factories Act, 1948 and to which major labour laws apply (generally employing 20 or more). However, many small units employing even up to 100 may not be included in the purview of all labour laws, due to poor implementation of statute or for being unregistered. Household industry, small industrial units would therefore be included in the informal sector. The small and medium sector [SME] can be taken to denote units which are registered organisations under any of the Establishment statutes, but are not small enough to be bracketed with the informal sector. The SME may employ between 25 and over 100 employees and generally follow some of the welfare statutes, paying for example provident fund contributions, ESI, bonus, but not being scrupulous about leave, or hours of actual work. Even in the larger es-

established organizations (in both manufacturing and services), many employees are not on the permanent rolls and may be working either as part of a labour contract, or as deputees from a recruitment agency, or as a casual employee on daily wages. There are also a large number of workers employed on contract either within the large formal sector, or in large or medium construction activities (Sen 2009: Annexure 1). Even several government departments (agriculture, forest, health services) have significant numbers of casual employees who have been in employment for years, at times 20 or more. In addition, there are new service activities (retail, courier, health, transport) which are registered formally, but where the labour force is largely non-unionised and not adhering to employment norms of the formal sector. There are also the vast majority of the self-employed (about 50% of the Indian workforce). The terminology of the ILO would thus be more appropriate here – that of the ‘non-standard’ worker or employee. Given this large variety, different categories of non-standard workers can be grouped as in Table 2. Regular workers are taken as those who are employed for working on a regular basis throughout the year, even though their jobs are insecure and may be terminated. They may not be entitled to many of the benefits available to permanent workers. Non-regular are taken as those whose tenure of work may extend for only a few days at a time, or is intermittent in nature, and may amount annually to some months in a year.

Practices

For any benefits to actually reach the worker, unionization and collective agreements are essential

Given the size and complexity of non-standard work in India, improvement of the wages, working conditions and rights of economically weak non-standard workers has largely been piecemeal, and in a very limited way, through legislation. But for any benefits to actually reach the worker, unionization and collective agreements are essential. It is necessary, therefore, to look at attempts at unionization of this vast category. Without unionization, these workers have little chance of overcoming their handicap in a globalised economy. And without unions, there is little that they can do by way of collective bargaining either. It will be pertinent to draw on the experiences of some major unions to find out the extent of organizing and bargaining among the non-standard workforce. The five major central unions (BMS, INTUC, HMS, CITU & AITUC) are all involved in organizing non-standard workers, and in lobbying for legislation to improve their working conditions, wages and social security. Of these again the left unions and INTUC have been active in most states and in most of the major sectors of non-standard work. For instance, apart from Kerala and West Bengal, ‘the left leaning (AITUC, CITU and UTUC/LS) and socialist HMS trade unions have a major presence in TN, accounting for nearly two thirds of the total verified membership’ (Shyam Sundar 2010: 44).

Table 2: Variety among the Unorganised Workforce

Sector	Nature of Employment	Categories	Coverage under Collective Bargaining
Formal/Organised Government departments, PSUs, private companies	Regular but non-standard, in large establishments like retail malls, private hospitals and educational institutes	Regular employees including operational, technical, maintenance, security services and clerical employees	Only some cinema employees and security personnel are covered
Large, medium and Small	Multiplexes & Cinemas, Non-regular/non-permanent /intermittent	Trainees, probationers (prior to confirmation), <i>badlis</i> (substituteworkers for absenting permanent workers) , temporary fixed-term employees (FTE), casual , apprentices (under the Apprentices Act, 1961), contract workers, agency employees	Only some contract workers are covered, generally in large establishments
Informal organizations/employers	Regular but non-standard in small manufacturing, shops/establishments, work shops,cold storages shops,companies, domestic employment	Handicrafts,skilled,semi-skilled and unskilled workers, helpers, domestic workers, motor transport workers	Motor transport workers,domestic workers in a few cities are covered.Small manufacturing like Sponge Iron units, Bakeries, cold storages
	Non-regular	Agricultural & Animal Husbandry Workers, Seasonal workers in agro-based units, brick kilns, etc , Non-Agricultural Wage labourers,Construction Workers,Head Loaders,Beedi [country cigarettes] workers	Brick Kilns workers, Construction workersat some sites,Head loaders are covered in some locations, Beedi workers
Self employed [nearly 50 % of workforce]	Regular	Professionals [intellectual/non intellectual], Own cultivators, Skilled artisans, Carpenters, Shop Owners, Hawkers	In some locations, hawkers have come under CB
	Non-regular	Repair, construction, manual transport, community services	No agreements

A recurring demand of most of the major Left unions from the 1970s was for absorption of casual employees, especially in the public sector.

Why do trade unions organize non-standard workers? The key factor has been the need to prevent erosion of membership in formal or standard employment and or at least control outsourcing. Unions realized that while the compulsions of globalization made organizations seek lower costs and better quality, union membership had to be enlarged if unions were going to retain some voice in the changes. Retention was possible only if the unions could organize non-standard workers, to whom jobs were going, and maintain their own relevance in the labour market. A milder motivation remained in the form of vote-bank politics. If the existing base shrank, newer groups had to be roped in to compensate. At the same time, one has to acknowledge that unions have fought for many years even before globalization, to reduce the inequalities between different groups of workers, such as contract or casual workers within the formal sector. A recurring demand of most of the major Left unions from the 1970s was for absorption of casual employees, especially in the public sector. Other factors include the rise in the number of non-standard workers, the comparatively more conducive conditions for their unionization and a change in union tactics away from litigation, following some adverse judgments (like SAIL and

Umadevi judgments) (Shyam Sundar 2011: para 3.3). INTUC started organizing non-standard workers because they were unprotected and unorganized, and the Central Government wanted social security to be extended to these workers, according to the Secretary General of INTUC, WB.

At the same time it is not easy to organize non-standard workers and practices vary. Many of them are scattered, dispersed under different employers and are affected by the fear of job loss if they become union members. Union activists are treated with suspicion and they themselves may be hounded by employers for even thinking about unionization. Contract or casual labour are generally not included in the unions of permanent employees, leading to separate unionization for many of them. Only in very large organizations are such unions party to collective agreements (CA).

Some recent agreements in Bengal feature non-standard workers in the informal sector. For instance, manufacturing as varied as the Sponge Iron industry, Hosiery Industry, Construction, Bakeries and service sector entities like Cinemas and Goods Transport Undertakings, and Cold Storages (Sen 2009), have been covered. There have also been agreements for security personnel working for various agencies (deputed to work in housing groups, or companies). But the most interesting examples of collective bargaining are in the informal non-regular sector, which are eye openers, such as Brick Kilns and Beedi. Unionisation in these two industries are detailed in Table 4.

Table 3 : Examples of Unionisation among Non-Standard Workers

Categories of non-standard workers	Unions and affiliations	Remarks
Formal, Regular	Union Network International (UNI) has organized workers in call centres, under the Union for Information Technology & Enabled Service Professionals (UNITES, INTUC, 10% of the employees in the IT-BPOs)(Shyam Sunder 2011: 45)	June 2006, Excell signed a CA with the union affiliated to UNITES.
Formal, Non-Regular	Shramik Ekta Maha Sangh**, Pune brings together 60 enterprise unions of non-standard workers to support struggles by its member unions. Trade Union Centre of India (TUCI, Mumbai), Trade Union Coordination Centre (TUCC) (Bengaluru), the All India Central Council of Trade Unions (AICCTU) (Shyam Sunder, 2011: 3.3.1) 1,000 of the approximately 40,000 contract workers employed in North Chennai establishments have been organized by the CITU (Shyam Sunder 2011: para 2.4)	Agreements signed with Tamil Nadu Electricity Board (April, 1999) and Neyveli Lignite Corporation (2004) to absorb contract workers. TN Paper Ltd, 6 contractors' unions signed agreement with Contractors' Association (Sept 2002, 2005)(Shyam Sunder, 2010: 52-53) Construction project agreements
Self-employed, regular		Self-Employed Women's Association (SEWA), Gujarat,

** The constituent unions of the Maha Sangh obtain information concerning the contract workers from the agencies coming under the Labour Department of the Government of Maharashtra using the procedures laid down under the Right to Information Act, 2005. Information is sought on categories of work given to contractors, the proceedings relating to abolition of contract labour in individual cases, details of inspection under the relevant labour laws, issue of licence for category of work and numbers of workers, etc. The unions then compare this information with the ground realities and if the two differ, take relevant action like raising a dispute, or seek negotiation or discussion with relevant parties. The union leaders, however, stress the difficulties involved in the process of extracting information from the government agencies (Shyam Sunder 2011: Box 3.1). In Chennai in the TN region in India, a growing number of collective agreements include provisions to make contract workers permanent when a vacancy arises. Similar developments are being observed in Mumbai (Maharashtra region) where a number of contract or casual workers are now permanent workers (ex. Agreement in Century Rayons and between Rastriya Chemicals & fertilizers and the CITU) (Shyam Sunder 2011: 43).

Beedi Industry

Beedi workers make country cigarettes with tobacco and tendu (Kendu) leaves. No paper is used. Agricultural wage labourers roll beedis during the lulls in crop activities. Their wives and children roll most of the

year round. A number of laws apply to them but it is left to the unions and worker movements to get partial benefits under these

- The Beedi & Cigar Workers (Regulation of Employment) Act, 1966

Table 4 : Trade Union Membership in Beedi & Brick Kilns

Union	Beedi	Brick Kilns
AITUC	2,44,675	2,22,941
BMS	5,72,376	87,961
INTUC	44,814	6,617
CITU	1,89,585	68,413
HMS	4,96,401	14,000
UTUC – LS	1,76,128	8,684
UTUC	28,900	15,593
Total	17,52,879	4,24,209

(source : Govt of India, Labour Department, Verification 2002)

- Beedi Workers' Welfare Fund Act, 1976 (Rules framed in 1976)
- The Cigarette & Other Tobacco Products (Prohibition of Smoking in Public Places) Act, 2003

Some of the better known brands are Pataka, Meghna, Naseeruddin, Mohini, Jeet etc. Both big and small capitalists are involved. The really small producers do not sell branded beedis and are therefore outside the purview of both excise duty and welfare cess. The number of Beedi workers in India is estimated to be 8 million. This is based on union estimates at different locations in the country. The major Beedi making states are West Bengal, Bihar, Orissa, Madhya Pradesh, Andhra Pradesh, Maharastra, Karnataka, Tamil Nadu, and Kerala. Since AITUC and CITU are unions with the largest membership among much of the unorganized sector, this study concentrates on feedback from them. INTUC has some 60,000 members in its Indian National Beedi Workers' Federation, West Bengal Branch, but could not provide much information about the working methods. It has little bargaining activity in the unorganised sector, except in the case of

Beedi in one or two districts.

CITU (claimed all-India membership 4,00,000 plus, WB membership 2,00,000 plus in 2011) together with the other major unions in this industry, have organized approximately 22% of the workers in

most of the states where beedi is made. Beedi unions are formed location-wise (districts/ blocks/ towns/ village clusters) and are then grouped into Federations affiliated respectively to the Central Unions. Beedi manufacturing, which in the distant past used to be a factory activity has now progressively become home-based. The present beedi making system needs to be understood in order to identify workers and the membership of unions. Beedi is made by rolling tobacco in tendu leaves (collected by villagers/ tribals), and tying them with string. Tobacco is almost exclusively grown in Gujarat and distributed all over the country. The leaves have to be cleaned and stemmed and the tobacco cured. Beedi manufacturers distribute leaves, tobacco and string to workers, who are generally home-based. Agents and sub-agents are used for distribution of the tobacco to various collection centres, from where actual workers collect the material and return the finished beedis. Large numbers of women and in many cases, children of the family, are involved in the work. After collection, the beedis are brought to central locations where they are packed and labelled. Unions organize

rollers, packers and labellers as workers of the industry. Agents, sub-agents are not included, even though they may be mere tools of the manufacturers. Unionisation started in the 1950s, but has been difficult because of the home-based nature of production. Union organizers move into villages or town localities where beedis are known to be rolled, families of workers are visited and made aware about statutory provisions, minimum rates and benefits of union membership. Once some large area is covered, a local committee is formed to maintain vigil over actual rates paid, violations of minimum requirements, unfair treatment by agents/ manufacturers etc. The unions aim to get the workers identification cards which entitle them to certain benefits. As a result, over 14,00,000 workers all over India have been issued cards in the last few years, according to union claims.

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CITU has federations in various states, including the Federation of West Bengal Beedi & Tobacco Workers' Unions. AITUC union is the West Bengal Beedi Shramik Federation (approx 30,000 members in WB) and has similar state-wise federations in major beedi producing states of India. This is repeated for the other major central unions as well. The unions are aware that multiplicity reduces their bargaining power, and have formed a Joint Action Committee (JAC)

in West Bengal for campaigns and agitations. The unions admit that this awareness may not always percolate down to lower levels of union organizations, where rivalries persist. The JAC meetings are also used to identify issues for demands on manufacturers or the government. For instance, there was some apprehension about the entry of foreign capital into beedi making. This was resisted by the JAC, the meetings of which are held every two months to share information, discuss common problems, issues for vigilance and plan awareness campaigns from time to time.

The 2003 Act was resisted by manufacturers since it would dent their production. Their association tried to rope in the beedi workers and their unions to agitate against the Act since it would cut into their livelihood. The unions refused to join the employers' cause, but did urge the government to think of alternative farming occupations which would provide beedi workers with alternative employment opportunities, before enforcing the Act vigorously.

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state. For instance, in West Bengal the rate varies between Rs 160 (Kolkata, Howrah, 24 parganas); Rs 147 (Murshidabad, Malda etc) and Rs 142 (poorer districts like Purulia). But there is no supervisory mechanism of the Government for enforcement of rates, due to scattered production. Hence the actual rates paid are much lower and depend on proximity to larger towns or cities, or the collective strength of a village cluster etc., or labour market factors. Nowhere does it exceed Rs 80, which is just half the statutory rate. Agreements started being signed between unions and manufacturers' associations in Kolkata first, and spread to other districts as and when unions gained in strength. Currently agreements are signed bilaterally between the Beedi merchants' associations and the union federations active on the scene jointly, sometimes every two years, occasionally annually.

Paradoxically the unions in West Bengal are forced by circumstances to sign bilateral agreements to pay just 50% of the statutory minimum wages. The 2011 agreement for Murshidabad, Malda etc has pegged the rate at Rs 75. Two years before that, the agreement specified Rs 55. In reality, actual payments may be lower still. The unions admit to this paradox, but say they are helpless in the absence of all-India rates. Since the rates are lower in adjoining states, insistence by them on the statutory rates would only lead to flight of manufacturers' operations to those states where minimum rates are considerably lower. For example the 2010 rate in Orissa was Rs 55/1000. Minimum

wages in Tamil Nadu was Rs 73.50 / 1000 in 2010. The variations are caused by other labour market factors such as trade union unity, other job opportunities, season, National Rural Employment Guarantee Scheme, etc. The better implementation of the latter has helped to put pressure on beedi manufacturers, unable to get enough labour for their growing trade.

Other than lower wages, methods of exploitation are subtle. For instance, at collection centres, agents or sub-agents reject slightly defective beedis, or deduct money for less numbers rolled with the given amount of material, 800 gms of tendu leaf is required to roll 1000 bidis. The leaf distributed may be actually less and torn or damaged, necessitating waste. Not only is the worker paid less for fewer beedis, but the notional cost of wasted leaf or tobacco is deducted. This is corroborated by the Labour Bureau, which states that, the problems of the bidi workers continue to be a cause of concern for the labour administrators and enforcement authorities as the workers often complain of the unfair treatment at the hands of manufacturers, contractors and agents in matters of rejection of finished products, issue of inadequate quantity and poor quality of raw material (labourbureau.nic.in).

In the wake of globalization, beedi manufacturers took recourse to a system of 'outsourcing' – by treating workers who rolled beedis, as traders. The tobacco and leaf was 'sold' to them and the rolled beedis 'bought' from

them with deductions for the materials. This was sought to be treated as a commercial transaction and workers were not registered as wage earners, which deprived them of the welfare benefits available to them from the Beedi Workers' Welfare Fund. There have also been attempts in some areas to make payments not on cash basis but with promissory notes which could only be redeemed at grocery outlets run by the manufacturers themselves. Both these modes have been resisted by the unions and almost eliminated in some states. But awareness campaigns are necessary from time to time to prevent further exploitation by manufacturers.

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Under the Beedi and Cigar Manufacturing Act, the Welfare Fund is established with a cess from manufacturers who are required to pay Rs 5 per 1000 beedis manufactured. Out of this Beedi cess, AITUC says, Rs 4 goes for calamity relief and education, and Rs 1 only for welfare. Within this Rs 1, 54% is accounted for by administrative expenses of welfare distribution. Hence only Rs 0.46 is used for welfare. Further, the manufacturing is not accounted for fully and excise is levied only on branded producers and wholesalers. Many small manufacturers are outside the purview of excise (Rs 11 per 1000). Hence one of the demands of unions is to extend excise to all manufacturers.

Implementation of welfare provisions depends on TU activists and officials. There is considerable corruption among both. Either TUs get a cut or keep their eyes closed.

Under the Act, beedi workers are to be issued identity cards, which entitle them to certain welfare benefits. Beedi Workers' Welfare Scheme (started from 23/8/2007) entitles all those beedi workers rolling beedis for at least a year, with family monthly income of less than Rs 6500, to these benefits. Welfare facilities include house building grants of Rs 40,000 (central) and in some states, additional amounts by state governments as well. West Bengal also provides Rs 2500 for electricity connection for the house and Rs 10,000 for infrastructure development to each household, in case houses are in a cluster or a cooperative group (Government of West Bengal, Jan 2012). Under the Central Scheme, there are life insurance schemes, scholarships for education of children of beedi workers, free medical treatment at state hospitals (12 hospitals and 206 dispensaries have been set up by the government in different locations in the country) to cater without charge to workers and their families in Beedi industry, mica mines and cinema industry. WB has one dedicated hospital and several dispensaries, including mobile units. In addition they are entitled to treatment at subsidized rates (75% subsidy) at government and ESI hospitals. In WB, total Beedi beneficiaries till 2011, number 22,578 who have got house build-

ing loans of Rs 16 crores and 40,680 who have got electricity loans of Rs 14 crores. Trade unions' task is to get as many workers registered as possible. But according to AITUC, implementation of welfare provisions depends on TU activists and officials. There is considerable corruption among both. Either TUs get a cut or keep their eyes closed.

Other benefits include funeral benefit of Rs 1500 lump sum, work sheds for beedi workers' cooperatives with 75 or more members each, entertainment (TV or audio visual equipment for beedi workers' cooperatives with at least 20 members).

The negotiation procedure followed by the unions is :

1. Charter of Demands (COD) is given to respective manufacturers' associations in a district (usual issues are wages, leave for those working in a factory or fixed place, bonus depending on annual production, implementation of welfare provisions).
2. Respective District Magistrate (DM)/Deputy Labour Commissioner (DLC) calls meetings in his office (generally 2/3 sittings are required) and uses persuasion to get parties to reach an agreement.
3. Agreement is signed bilaterally, since officials cannot be a party to an agreement which gives a wage lower than the minimum statutory wage.
4. Block level organizers meet and inform workers about the terms and

get feedback from them on the agreement as well as non-implementation of either statute or agreement.

5. In case of non-compliance, complaints are made to either DM or DLC.

The disparities in wage rates require unions to also put pressure on the Central Government, and the last 11-point COD to Central Government on Beedi workers drafted by JAC in late 2009 included:

1. Uniform rate of Rs 100/ per 1000 beedis throughout the country pegged to 1300 points in the 1960 DA index at 4 paise rise with every point thereafter, and strict enforcement of these rates.
2. Abolition of contract and sub-contract systems and attempts to introduce sales/purchase systems so that workers come directly under an employer-employee relationship.
3. Sufficient quantity of materials to be given to workers for rolling 1000 beedis per day for 26 working days in a month
4. Identity cards and log-books to be issued to each beedi worker including women (in their own name)
5. All beedis, branded or non-branded to be subject to excise and welfare cess
6. Administrative cost of running welfare fund be confined to 10% of total collection with matching grant from government

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7. Appropriate amendment of the main 1966 Act
 8. Scrapping of exemption of educational assistance for certain categories of beedi workers because they were covered by other central schemes
 9. Payment of housing subsidy etc through bank accounts of beneficiaries and facilitating opening of such bank accounts
 10. Suitable amendments in the 2003 Act
 11. Payment of minimum pension to beedi workers
- Society had one main clause for increasing the wage rates from Rs 45 to Rs 60 per 1000, effective from 19/8/2008, to be paid equally for men and women. Another clause specified that illegal deductions for less leaves to be banned, and there would be no discharge of existing workers.
- In some other states like Karnataka, the Agreement dated 23.4.2008 required workers to be paid Rs 74.33 /1000 including DA. In Tamil Nadu , after one settlement expired in 15.7.2005, the next agreement signed on 31.10.2006 specified that the minimum wage would be Rs 73.50 /1000.

Some Collective Agreements in Beedi are single-clause agreements where the rates vary from Rs 110 (North 24-parganas in 2009), Rs 75 (Murshidabad in 2011), Rs 73 (Malda, Purulia, Dinajpur in 2011) and Rs 60-70 (Midnapore in 2010 in agreement with AITUC), where the minimum statutory rate is between Rs 147 and Rs 163. For instance:

- I) 23/3/2008 – North 24-parganas (Barrackpore) signed between JAC and representatives of 6 Beedi brands had the only clause - Wage rate for 1000 beedis increased from Rs 74 to Rs. 84 payable from coming 14th April. Earlier agreement signed in 2005 increased the rate from Rs 64 to Rs 74.
- II) 18/8/2008 – South 24-parganas (Basirhat) signed between JAC and representatives of Basirhat Dt Beedi Manufacturers Help Society and Sundarbans Beedi Manufacturers’

Brick Kilns

2500 to 3000 brick kilns line the river banks of Bengal, employing at least 25-30 lakhs workers, according to the unions in Bengal. There are many more in the surrounding states of India, and estimated to be 100,000 in number all over the country, producing about 140 million bricks (www.teriin.org), operating in the unorganized sector in India, supplying bricks for building houses, roads etc. With growing demand for bricks, there is in fact a tendency for brick fields to move into arable land in the interior areas. The quality of bricks however declines as a result. Many of the workers in India are bonded or exploited (www.flickr.com) in terms of working hours, employment of children, living conditions, wages. The soft mud method is the most common manufacturing process known as moulding. It starts with the raw clay, preferably in a mix with 25-30% sand to re-

duce shrinkage. The clay is first ground and mixed with water to the desired consistency. The mix is then pressed into steel or wooden moulds manually or with a hydraulic press. The shaped clay is then dried and subsequently fired (burned) at 900-1000 °C to achieve strength (Wikipedia/Brick).

Brick making is essentially manual, with clay mixing machines being introduced recently. Other mechanical processes have not been introduced in most kilns in India, but there are some experiments. Brick field owners pay only a royalty to the government for the land on which they operate and the earth used. This labour intensive seasonal (November to May) industry is a profitable one, with unions claiming that manufacturing per 1000 bricks costs less than Rs 3000, while the selling price exceeds Rs 6000. There is no excise duty. There are attempts in India to replace the conventional process with vertical shaft brick kiln (VSBK) technology (originating in China) which is more energy efficient and less polluting. The first pilot VSBK was introduced in India in 1996, and since then, has been set up in 40 kilns in India (www.teriin.org).

In Bengal, each single-kiln unit usually employs 100-150 employees, producing about 10-12 lakhs bricks per season, but are not registered factories. They are almost all in the informal sector. Only one state government brick field existed earlier, which has subsequently been leased out to private operators. These brick kilns operated earlier entirely with migrant labour brought in by sardars (labour con-

tractors) from the tribal areas of adjoining states. Today about 30 % labour is local, for supplementing agricultural wages. Each kiln has about 12 unskilled job descriptions, 3 semi-skilled (moulders, brick arrangers in the kiln, sorters) and 2 skilled (fireman, supervisor). Teams of 16 make up a manufacturing group, with 8 involved in preparation of clay and 8 in creating bricks in the moulds. In addition there are earth cutters, loaders, unloaders, workers who carry the prepared bricks between the different processes, laying them out for drying, or stacking finished bricks, night guards, clerical staff and supervisors. Women and children are involved and are in the ratio of 25 and 15, compared to male labour of 60 per 100 employed.

AITUC has about 7 district-wise unions. The State Coordination Committee of Paschim Banga Tiles & Kiln Workers' Unions, CITU, was set up as a state unit in 1985 and later converted to a co-ordination committee in 2008 (claimed membership 50-60 thousand). It has unions in 16 districts except Darjeeling, Jalpaiguri and Nadia, and has launched a special drive before the next national verification in 2012. The unions set up committees either in each brickfield or in a local area for a cluster of brick fields.

Minimum wages were declared in 2001 by the state government. But owners got an injunction from the High Court. Subsequently, a Labour Department Notification dated August 2011 prescribed different rates for different job descriptions per 1000 bricks produced, in the districts of Bengal. These rates are com-

plicated because they are prescribed for a particular task, and depend on the number of people performing that task within a team. The prescribed rates for unskilled monthly-rated jobs are Rs 3300 – Rs 4100 wages, varying among different districts. For semi-skilled and skilled, the rates are approximately Rs 100 and Rs 300 higher. Wages are generally paid weekly. Trade union representatives said that the daily statutory earnings are expected to work out to Rs 150-160 and they try to ensure that this is received. But Table 5 indicates that the actuals are considerably lower even for unionised workers covered by an agreement.

Brick workers do not get provident fund, ESI, gratuity, etc.

Problems associated with this industry relate to lesser availability of clay, poor quality of coal, or a decline in building activities. The unions are trying to bring brick-making under the Factories Act, like sugar, rice and dal (lentils) mills, whereby workers could be brought under relevant legislation. Brick workers do not get provident fund, ESI, gratuity, etc. The unions' campaign to extend the provisions of the PF Act to brickfield workers was challenged in court by the owners' association, but the latter lost. However, it is difficult to extend the benefit to daily rated workers since the workers may vary from season to season. No permanency exists for the unskilled and semi-skilled groups. The unions have also suggested that dredged mud from rivers be piled up at specific points to create a 'mud bank' for this industry.

Specific demands have been:

1. Payment of statutory minimum wages as and when declared
2. Issue of appointment letters
3. Employment continuity by appointing same workers at same brickfield each year
4. 48 hours work per week
5. Overtime for work beyond 8 hours
6. One weekly paid leave
7. Bonus and PF
8. No retrenchment
9. Treatment facilities and subsistence wages for period of illness/injury
10. Ban on contractor system of labour
11. Paid national holidays
12. Equal pay for women workers in same work
13. Social security benefits
14. Bringing brick making under Factories Act
15. Insurance schemes

Collective Agreements (CAs) in Brick Kilns are often single-page agreements, such as the following:

13th April, 2009, South 24 Parganas (not covered by the Notification) (for 2009-10) Between Kulpi Brick Field Owners' Association & CITU Union relates only to wages set at between Rs 2501 and Rs 3205 for monthly rated workers. Daily rates and piece rates are also specified.

Table 5 : Comparative Wage Rates for Selected Jobs in Brick Kilns

District	Category- Unskilled' (piece rated) Job – mud mixer (pathera)	Category- semi-skilled(daily rated) Job–moulder (lathgung)	Category – semi -skilled (monthly rated) Belder (arranger of bricks in kiln)/ Earth Cutter (Per 1000 Cft)	Category – skilled (monthly rated) Fireman	Method of fixation
Kolkata	Rs 342[2010-11] [Team of 4]	Rs 384 per 1000 bricks	Rs 182 per day/ Rs 1440	Rs 4429 [monthly]	Govt Notification
Asansol	Rs 353 [..]	Rs 397	Rs 189 per day/Rs 1489	Rs 4413	Govt Notification
Birbhum	Rs 333 [2010-11]	Rs 374	Rs 178 /Rs 1402	Rs 4328	Govt Notification
Nadia	Rs 328 [2010-11]	Rs 368	Rs 175/ Rs 1380	Rs 4073	Govt Notification
Jalpaiguri	Rs 279 [2010-11]	Rs 313	Rs 149/ Rs 1174	Rs 3523	Govt Notification
Hooghly	Rs 182 [..]	Rs - -	Rs 2483 /month	Rs 2760	Agreement
South 24 Pgns	Rs 253 [2009-10]	Rs 253	Rs 3205/month/Rs 589	Rs 3205	Agreement
North 24 Pgns	Rs 178 [2009-10]	Rs 178	Rs 3000/month/ Rs 730	Rs 2702	Agreement
North Dinajpur	Rs 250 [2010-11]	Rs 250 [2010-11]	Rs -	Rs -	Agreement

16th May 2010, North 24 Parganas_(rates for 2009-2010), between Bengal Brick Owners' Asscn, Barasat, and Brick Field Owners of Deganga, Haroa Blocks & CITU Union specify wage rates (20% increase over 2008-09 rates), Rs 80 for non-piece rated work.

19th Feb 2010, North Dinajpur, (for 2010-11) between CITU Union and a group of Brickfield owners (5 signatories) specify wage rates of about Rs 250 (similar to that agreed on for South 24 Parganas).

Other terms include issues similar to the demands highlighted above, as well as employer arrangements for treatment for illness or injury during work, provision of latrines in each brickfield, living quarters for all workers, drinking water, kerosene and fuel to be arranged for by employer, moulders to be paid also for preparing the place for drying, half the due wages during spring festival (Holi) and full wages at the end of the work season, train/bus fares to be given to workers for going home, educational arrangements for children of workers and for illiterate workers, ban on child labourers, maternity benefits to all women workers during the work season.

Date Unspecified (for 2009-10), Hooghly Dt, Between Hooghly Dt Brick Manufacturers' Asscn & Citu

Union provide monthly rates for skilled and semi-skilled between Rs 2300 and Rs 3367 and for unskilled between Rs 1471 and Rs 1931.

The discrepancies between negotiated and notified rates are clearly indicated in Table 5. The rates as per government notifications are considerably higher than those negotiated.

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2. Sri Nizamuddin, General Secretary, Federation of West Bengal Beedi & Tobacco Workers' Unions in WB, CITU, (9th Dec, 2011)
3. Sri Nirmal Jana, CITU, Coordinator for State Coordination Committee of Paschim Banga Tiles & Kiln Workers' Unions (12th Jan 2012)
4. Sri Basudeb Gupta, AITUC, (in charge, un-organized sector) (23rd Dec 2011)
5. Sri M Q Quamar, Secretary General, INTUC, West Bengal (26th Dec 2011)