

Ground Realities of Beedi Workers in Tamil Nadu



Centre for Health & Social Justice



Content: Jojo John

Year of Publication: 2017

©CHSJ 2017

Layout: CHSJ Creative Communication

Table of Contents

Executive Summary.....	5
I. Introduction	9
II. Objectives.....	11
III. Methodology.....	11
IV. The Beedi Industry in Tamil Nadu.....	11
i. Beedi workers & the Areas – a Profile	12
ii. Process of Beedi Production	14
iii. Legal and Policy Framework for Welfare of Beedi workers.....	16
V. Perceived concerns of Beedi workers.....	19
i. Arbitrary rejection and losses to workers.....	19
ii. Irregular, non-uniform and paltry wages.....	20
iii. Pension and other social benefits.....	21
iv. Alternate Livelihoods	22
v. Health impact.....	23
vi. Access to water, sanitation and food.....	23
vii. Health System and its Accessibility	24
viii. Education of children	25
ix. Living conditions	25
VI. Role of Unions & Other Organisations.....	26
VII. Key Issues in the State	29
i. Wages & livelihoods related	29
ii. Work related	29
iii. Labour rights related.....	29
iv. Health related	29
v. Others	29
VIII. Conclusion.....	30
IX. References	31

Executive Summary

Tamil Nadu is one of the largest states in India in terms of beedi production, number of workers engaged in this occupation and in sale of beedis. There are around 75 large-scale beedi manufacturers producing 50,00,000 or more beedis a day, and about 500 small manufacturers are engaged in producing between 5,00,000 - 50,00,000 beedis a day. (Babu, G (2011, Oct 11). *Businessstandard.com. Tamil Nadu beedi makers move to West Bengal; retrieved on 14th Jan, 2016*) Organisations and trade unions estimate the daily production of beedis in the state to be close to 50 crore and the total production value of over Rs 4000 crores annually. Close to five lakh workers in the state of Tamil Nadu are engaged in the beedi sector, with Tirunelveli district being the biggest hub of beedi industry with close to 400,000 workers. Vellore with 50,000 and Thoothukudi with around 20,000 workers are the other important centres.¹

In Tirunelveli, Khaja, Sayed and Ganesh are considered to be the big companies while Chandrika, Jyothimaan, King and No.10 Mark are the medium ones. Many of the companies have operations in the adjoining Thoothukudi district too. Jairam Beedi (Andhra Brand), Sun Beedi, Daulat Beedi, S Beedi, Ganesh Beedi, Salam Beedi, Nehru Beedi, Taj Beedi, Makaan Beedi, Special Matha Beedi, No 10 Beedi, Hundred Beedi are the companies which operate in Vellore district apart from the smaller branded/unbranded ones. In addition, there are several smaller and unregistered companies with or without their own brand of beedis.

This study was conducted in Tamil Nadu, with the primary aim being to identify key concerns of beedi workers with a focus on (but not limited to) labour, livelihood, health, social security and related exploitation. The study also explored the beedi industry and its geographical distribution, the status with respect to legal entitlements of the workers and key issues of advocacy which have been taken up by various stakeholders.

Methodology

In-depth interviews with key informants drawn from important stakeholder groups, and focus group discussions with beedi workers were the main data collection methods used. Key informant interviews were held with trade union office bearers, government officials from the labour department and health department and Nava Jeevan Trust, an NGO working for the rights of beedi workers in the state. The study was carried out in Tirunelveli, Thoothukudi and Vellore districts, where majority of the workers of this industry in the state reside. Fieldwork was supported by Nava Jeevan Trust in Tirunelveli and Thoothukudi and by the D Arul Selvi Community Rehabilitation Project in Vellore.

Findings

The following key issues of concern around the welfare and rights of beedi workers emerged during the study:

- **Registration and Access to Identity Cards and entitlements**

Identity cards have not been issued to majority of the workers, and as a result they are disenfranchised from accessing the benefits for beedi workers either from welfare fund, social security or other schemes of the government. Comparatively, lesser number

¹ Interpersonal communication with representative of Nava Jeevan Trust and CITU trade union leader

of workers had passbooks issued by the beedi company they were working for. Lack of any documentation from the beedi company was said to be a great obstacle to create employer-employee relationship resulting in deprivation of workers from social security such as provident fund, gratuity, pension and bonus. If workers insisted on registration and identity cards, they were apparently warned of losing even the work that they have. Further, there are smaller branded/unbranded companies which pay higher wages than registered companies but do not

give any ID card to the workers, thus depriving them of their legal entitlements. Majority of the workers are illiterate/semi-literate and remain unaware of legal enactments and schemes meant for their welfare.

- ***Non-adherence to minimum wages***

Minimum wage is notified by the state government and is linked to rolling 1000 beedis a day. In the state of Tamil Nadu the wages for rolling 1000 beedis a day is Rs. 192/-, which are paid on a weekly basis by the contractors. Most of the workers, except a few who are actively associated with trade unions, are not even aware of the government notified wages. Because of the poor wages which are not sufficient to meet their basic needs, most of the workers have taken loans (at high interest rates) from multiple sources and are therefore in a debt trap.

- ***Demonetization - Impact on Beedi Workers***

Up to November 2016, the weekly wages were disbursed in cash every Saturday evening. After demonetization, the wage is being electronically transferred to their bank account as per government stipulation. Women, who form the work force of beedi rolling, reported that such a move had directly affected them.

- ***Malpractices***

Material supplied by the beedi companies/contractors is not only of poor quality but also in inadequate quantity to roll the required 1000 beedis per day. Workers have to spend out of their own pockets to purchase additional raw materials to complete rolling the required number of beedis. The rejection of beedis is done arbitrarily by the contractors and this again results in loss of wages. Such a loss of wages, sometimes, could be even be as much as a day's wage. Some respondents admitted that they lost about 40% of their total salary as their beedis were rejected. They were afraid that if they questioned the company /agent they would have to face harassment in different ways. The methods of harassment were recollected as follows: supplying inadequate or low quality tobacco and leaves which will eventually lead to the rejection of beedis; subjecting the woman to abusive language in public; threats concerning recovery of loans; pressure to complete 1000 beedis on an everyday basis or face rejection for failing to produce required number of beedis; rejection on flimsy grounds such as not 'rolled' properly, not 'folded' properly, not in the prescribed height and width, moist and wet, too dry and the like. Hence, an atmosphere of fear is generated thus stopping women from claiming their entitlements and from showing any resistance when their rights are violated.

- ***Health Impact***

The nature of work which involves prolonged bending forward while sitting, excessive use of fingertips, and the constant high tension levels to meet targets are causing a number of

health problems. Callosities in hands, fatigue in the arms, numbness in fingers, throat aches, respiratory disorders, and piles or pain in urinary tracts were common problems faced by a vast majority of the beedi workers. Backache, neck ache and joint problems were reported by most of the beedi rollers. These arise essentially due to the poor posture in which the workers sit and work for long hours without any break. Many of them said that this kind of work left them with reduced appetite, due to the smell of the raw materials and the monotonous work. With unrealistic targets to meet, women reported that they do not get enough time to cook and eat a proper meal which not only affects their health but also of their family.

- ***Inadequate Health care Facilities and Access***

The 28-bedded Beedi Workers' Hospital at Mukuddaltown in Tirunelveli District is the only one in Tamil Nadu for beedi workers. It caters to a population coming under a 15 km radius of the hospital. However, the workers have reported that though they face serious occupational health problems, the facilities and care offered by this hospital is inadequate. Shortage of funds is affecting the services which can be provided to those who come here with an ailment, stated the CMO of the hospital. Only Out Patient (OP) services are being provided currently and the number of patients accessing the centre has decreased from 400-500 per day a couple of years ago to about 150 now. No surgeries are performed unlike earlier times. Apart from the beedi workers' hospital, there are dispensaries in all the districts but their state of functioning is not satisfactory. There is shortage of staff and supplies of medicines. Besides, only those workers having identity cards are eligible to access services. Quite often, there are no medicines available even for basic ailments like fever and the workers are provided with prescription to purchase them from medical shops. Due to the uncertainties, they prefer to access the state government health services which provide reasonably good services.

- ***Contractors – the invisible power***

There is no direct and face to face interaction between beedi companies and workers. The companies operate through the contractors / middle men who supply raw material, collect beedis and pay the workers. All negotiations about quality and quantity of work happen through contractors or subcontractors. Sometimes contractors further subcontract the work thus making the chain of relationships even longer. Beedi workers only know the person who supplies them raw material and collects the rolled beedis. There is no information made available to the workers by the company about the registered contractors. The contractors, who play such an important role in the chain of production, themselves are not registered and are not covered under any law. Their legal status is not known to the workers.

During the research, the aspect of many companies showing themselves as smaller producers (i.e. producing less than 20 lakh beedis a day) came to light. They are not bound by the regulations for worker welfare that are imposed on registered companies, and hence pose a potential for violating beedi workers' rights by indulging in acts such as non-issuance of ID cards to workers and the like.

- ***Deficiencies in enforcing labour rights***

Enforcement of labour regulation is very poor because of many factors. The prime reasons include the shift from factory to home-based production which adversely affects the organising of workers by unions; huge vacancies in the labour welfare department; and lack of a coordinated action by different trade unions amongst many other factors. Besides, 'home' being the work place for rolling beedis, there is no mechanism by the State to monitor/ supervise working conditions or any violations of regulation. It was reported that at the district and state levels there is no grievance redressal mechanism.

Conclusion and Recommendations

Beedi workers in the state continue to live and work in conditions of poverty and exploitation even after enactment of many enabling legislations and provisions. Given the health problems, exploitative conditions, non-registration for majority of beedi workers and the nature of the industry being homebased, serious consideration needs to be paid to the conditions of the workers. The responsibility for the same lies with all the stakeholders particularly the

beedi company owners, the state labour department, trade unions and the civil society organisation, among others. In view of strengthening of rights of beedi workers and for providing them humane and just conditions of work, the following recommendations are provided based on the research:

- The workers need to be provided with adequate and updated information about their legal entitlements. Both the trade unions and government labour department apart from other organisations could play a key role in this regard.
- The huge vacancies in the government labour department need to be filled up at the earliest so that enforcement of labour regulations is not affected.
- The health facilities for the workers need to be improved and for this there needs to be improved coordination between the centre and state government so that resources can be utilised in a more efficient manner.
- Census of all beedi-manufacturing units whether small or big, registered or unregistered should be undertaken to build a comprehensive database that would provide all information related to units, workers, contractors etc.
- Actual number of beedi workers based on their involvement in rolling beedis needs to be established through an independent mechanism.
- There is a need to focus on skill development programmes, for alternative livelihoods so that as the workers become more skilled they could move away from this occupation. This is going to be a challenge considering the rising age of workers in the industry. Agriculture and MGNREGA could play a key role in becoming source of an alternative livelihood, at least in the short-term, provided the constraining factors are addressed.

I. Introduction

Tobacco was introduced into India by Portuguese traders during AD 1600. Its use and production proliferated to such a great extent that today India is the second largest producer of tobacco in the world. The tobacco industry claims that it has a major contribution to economy with its employment generation in agriculture and manufacturing and revenues in the form of exports and taxes but at the same time tobacco inflicts high direct and indirect costs on the society due to the morbidity and mortality associated with the consumption of tobacco products (Mishra, 2012).

India's tobacco problem is very complex, with a large use of a variety of smoking forms and an array of smokeless tobacco products. Many of these products are manufactured as cottage and small-scale industries using varying mixtures and widely differing processes of manufacturing. Beedis are mostly manufactured in the unorganized sector while cigarettes are mainly manufactured in large-scale industries. (ibid)

In India Beedi making is an age old industry and one of the largest job providers for women in the unorganized sector. Beedi manufacturing is one of the major informal sector activities in India in which a huge numbers of home based women workers are engaged in beedi rolling activities who live below the poverty line. (Ansari, 2015)

The Indian market for smoking is dominated by the beedi which are hand rolled and consists of about 0.2 gram of processed sun dried tobacco flakes, rolled in a leaf (usually tendu) and tied with cotton thread. The tobacco rolled in beedi is different from that used in cigarettes. There is no definite information as to when and how manufacture of beedis started in India. The first formal production of beedi started in Jabalpur in 1902, although the rural people were known to have made beedis for their own consumption much before this date. (ibid)

Legislative and policy processes have achieved great milestones in the regulation of cigarette industry in terms of regulating advertisements, pictorial warnings, etc. But it's a complex picture with respect to the beedi industry in terms of its location, stakeholders in production and consumption, and the challenges it has for regulation. Beedisector, a factory based industry in the early 1900s, has eventually shifted to being a home-based industry with majority of the workers being women and children. The industry is circumscribed in certain locations in states such as Andhra Pradesh, Tamil Nadu, Maharashtra, Madhya Pradesh, Uttar Pradesh, Karnataka, West Bengal, Gujarat, Rajasthan, Odisha, Kerala and Bihar. The chain of beedi industry ranges from the tendu leaves collection, transportation and home based production of beedis and centralized packaging and labelling (Grant Proposal, CHSJ, 2016).

The sheer number of people involved itself is a catchment for politicians who have a strong stake in the industry. Similarly, in the context of agricultural sector in distress, migration and farmer suicides, the sector also provides employment especially to women. Employment in the industry, however, comes with its own share of problems with large variations in minimum wages offered to workers in different states. Occupational health hazards due to the work have been very well documented among beedi workers. The Beedi and Cigar workers (conditions of employment) act of 1966 provides the regulatory framework for ensuring the welfare of workers, including providing them an identity card through which

they can avail of benefits; but more often than not, beedi workers are unable to avail any of these benefits. While the movement that preceded the 1966 Act was spearheaded by the unions, today, there is little organizing of the workers, owing to the nature of production which is fragmented and home-based. Another challenge is establishing employee-employer relationships which underpin labour law. In reality therefore, beedi workers tend to be disempowered, unorganized and an exploited lot. (ibid.)

As the Goods and Services Tax deliberations negotiate the complex warren of laws, good intentions, like the tax war on tobacco, face the danger of falling prey to populist and political compulsions. A case in point is the unregulated Beedi sector, where manufacturers walk away with huge profits by paying low taxes and is one of India's biggest generators of black money (Shankar, 2016).

750 billion to 1.2 trillion sticks of beedis are manufactured every year by over 300 big and thousands of small manufacturers. The Beedi is the poor man's cigarette with each machine made stick inviting 3 paise as tax and 1.2 paise for manually rolled ones. Manufacturers of the latter, whose annual production volume is less than 2 million sticks, pay no tax at all. The scary part is that 98 per cent of beedis are hand rolled. In the last two decades, taxes on cigarettes have gone up over 1000 per cent in India. But beedis overall invite only 7 per cent tax on the retail price per packet; WHO suggests 75 per cent. In contrast, a pack of twenty cigarettes is taxed around 60 per cent of retail price. The All India Beedi Industry Federation pointed out that over 90 percent of all Beedi makers aren't registered with the government and hence escape taxation. (ibid)

The enactment of BCWA, 1966 and its adoption and implementation in different states was an influencing factor in the beedi industry becoming a home based cottage industry. The periodic changes in the industry due to alterations in demand for the product, shifting of units to avoid punitive measures provided in various legislations and altering the existing system of production processes have resulted in discontinuous work for the workers, especially the home based workers, who constitute a substantial proportion of the workforce. (NCW, 2005)

There is an utter lack of awareness of the laws among the workers. However, even if some awareness is there, being a home based industry, the workers are spread out and collective action is difficult. The worst part however is that helplessness and poverty- with no alternative work prospects- impelling them to suffer in silence. (ibid)

Tamil Nadu is among one of the biggest states in the country with in terms of beedi production, number of workers engaged in this occupation, sales of beedi and gross value added (GVA)² (Nandi et al, 2014). It is in such a context that this study has been organised in this state with an aim to understand the profile of people engaged in Beedi work and the nature of the industry among others aspects.

²The National Sample Survey estimates GVA by deducting 'total operating expenses' from 'total receipts'

II. Objectives

1. To understand the profile of people engaged in Beedi work and the nature of the industry
2. To explore and identify key concerns related to the welfare of Beedi workers (with a focus on health, social security, labour rights, child rights and gender based exploitation), from the perspective of various stakeholders.
3. To understand the administrative structure of government programs to address Beedi worker welfare and industry regulation.
4. To map efforts (especially advocacy efforts) to address Beedi worker concerns by organizations, activists, unions or others, and understand challenges faced therein.

III. Methodology

In-depth interviews with key informants drawn from important stakeholder groups, and focus group discussions with Beedi Workers were the main data collection methods used. The study was carried out in Tirunelveli, Thoothukudi and Vellore districts, from where majority of the workers working in this sector come, in Tamil Nadu. These three districts were chosen because they have highest number of workers working in this industry in whole of Tamil Nadu.

The field work was undertaken in two phases, once in the last week of December 2016 and again in the first two weeks of January 2017. Focus group discussions were held in 3 villages each of Tirunelveli, Thoothukudi and Vellore districts. Key informant interviews were held with trade union office bearers, labour department official, Beedi workers hospital Chief Medical Officer and Nava Jeevan Trust

Nava Jeevan Trust, which has been working with beedi workers for close to two decades, provided the support for field work with respect to Tirunelveli and Thoothukudi districts. The D Arul Selvi Community Rehabilitation Project provided the support for field work in blocks of Vellore districts.

IV. The Beedi Industry in Tamil Nadu

Tamil Nadu has around 75 large-scale *beedi* manufacturers producing 50,00,000 or more beedis a day, and some 500 small manufacturers producing 500,000-50,00,000 a day. In the beedi industry, a large number of unregistered and home-based enterprises coexist with factory-based manufacturing enterprises. A complete census or a comprehensive nationwide database capturing important statistics of registered and unregistered enterprises is not available. The only available database is partial and fragmented, which makes it difficult to construct a time series on production and employment in this industry encompassing all types of enterprises (ILO, 2003). However reports suggest that the state produces about 50 crore beedis a day and the value of 1,000 beedis is around Rs 250. Close to five lakh labourers in the state earn their livelihood from this industry. The valuation of the Tamil Nadu *beedi* industry is estimated at Rs 4,000 crore³.

In Tirunelveli, Ganesh, Sayed and Khaja are considered to be the big companies while Chandrika, Jyothimaan, King and No 10 mark are the medium ones; and then there are the

³CITU Trade Union Leader, Tirunelveli

smaller companies who may or may not have a brand. Many of them have operations in the adjoining Thoothukudi district too which was originally part of Tirunelveli district. Jairam Beedi (Andhra Brand), Sun Beedi, Daulat Beedi, S Beedi, Ganesh Beedi, Salam Beedi, Nehru Beedi, Taj Beedi, Makaan Beedi, Special Matha Beedi, No 10 Beedi, Hundred Beedi are the companies which operate in Vellore district apart from the smaller branded/unbranded ones.

Beedi manufacturers in Tamil Nadu are moving their manufacturing activities to West Bengal due to rising wage costs, labour shortages and central and state government policies. The recent state government decision to enforce value added tax (VAT) on tobacco-related products is also affecting the industry. (Babu, 2011) Industry representatives report that so far around 50 units have moved out of the state. Business worth of Rs 15-20 crore has shifted from Tamil Nadu to West Bengal, even though the industry resorts to a 7-10 per cent price increase every year to protect profit margins in the face of rising costs. Manufacturers now get beedis packed in Tamil Nadu or even ship them directly from West Bengal to markets in the northern states. The wages in West Bengal, for rolling 1000 beedis, are lower by almost 50 % & thus manufacturers gain by at least 20 per cent per 1000 beedis. (ibid)

Another major issue that Tamil Nadu's *beedi* industry has been facing in the past three to four years is the shortage of labour which has affected production by 20 % in the past three years. The emergence of newer job opportunities with better wages and increased urbanisation⁴, with education levels increasing, fewer children are following their fathers or mothers into beedi-making. (ibid) The company representatives⁵ claim that there is a dip in the demand for beedis over the years, although it cannot be verified since there are no reliable estimates of the number of beedis which are produced in the state, given that there are many production units which do not come under the ambit of the Central Excise Act. The reasons being cited for the reduced demand include younger generation moving towards cigarettes, greater awareness about the ill effects on health and the penal provisions against smoking in public places among others.

i. Beedi workers & the Areas – a Profile

In Tamil Nadu the biggest centre for Beedi industry is Tirunelveli district with close to 400,000 workers. Vellore with 50,000 and Thoothukudi with around 20,000 workers are the other important centres. There are roughly 6000 workers in Kanyakumari. The other districts in Tamil Nadu where Beedi workers are working, though in much lower numbers, include Erode, Thiravallur, Chengalpattu, Tiruvanamalai, Salem and Chennai. Exact figures of the total number of workers working in this industry are hard to come by with different stakeholders giving a different figure. According to the trade unions the number of workers in the beedi industry would be between 500000-550000 while organisations like Nava Jeevan Trust put a figure close to 700,000.

The National Sample Survey estimates the total number of workers, in the state, at 321,700 with roughly 10 % of them doing the work on a part basis. On that count the state is the sixth largest in terms of the total number of people employed in the industry in the country. There is widespread variance in the techniques used by the Labour Ministry and the NSS

⁴one of the most urbanised state in the country

⁵King Beedi in Tirunelveli and unbranded beedi company in Thoothukudi and Tirupattur (Vellore)

across states which may also be contributing to the difference in estimates. Only a large-scale data collection exercises can generate reliable statistics for the industry which is primarily unorganised and for which there are very few available sources of data on employment. (Nandi et al, 2014)

Tirunelveli District

It is the second biggest district, in terms of area, in the state. The literacy rate in the district was 82.5 % with males having 89.24 % and females 75.98 %. The sex ratio is 1024 females for every 1000 males in the District as per 2011 census. Roughly 50 % of the population lives in urban areas. While SCs accounted for 18.51 % of the population, STs constituted .33% of the population (Census of India, 2011). Agriculture plays a vital role in the district's economy. Paddy is the major crop cultivated in the district with millets being cultivated as dry land crops in the district. Cotton, sugar cane, banana and vegetables are grown too in areas where there is irrigation facility.

Majority of the beedi workers in this district, particularly in the rural areas, come from the Nadar community. Historically, most Nadars were cultivators of Palmyra trees and jaggery and a few were also involved in the toddy trade. Nadar climbers had faced discrimination from major upper castes in some regions of the state. Today the community is politically influential in the Southern districts of Tamil Nadu. Muslims are another community to be found engaged in this occupation in significant numbers close to Tirunelveli town and other smaller towns in the district. Beedi Industry plays a major role in Tirunelveli economy with mostly women being engaged in Beedi Rolling works. Almost all the trade mark holding companies have their headquarters in Tirunelveli, Melepalayam or Mukkudal. The beedi rolling occupation is mostly concentrated in Alangulam, Pappakudy, Keelpavoor, Kadayam, Shencottai, Tenkasi, Ambasamudram, Cheranmahadevi blocks apart the Melepalayam municipal area.

Thoothukudi District

This district was formed out of Tirunelveli district in 1990 and has 12 Community Development Blocks consisting of 403 Village Panchayats. There are 8 Talukas and 439 revenue villages. The district sex ratio is 1023, higher than the State sex ratio of 996. Roughly 50 % of the population lives in urban areas (ibid).

Majority of the workers in this district are also to be found from the Nadar community and almost all of them are women. In some of the villages SC community is also engaged in this occupation but their role is limited to cutting the tendu leaves into the required shape and supplying them to the contractors.

Vellore District

Vellore District ranked 3rd place in terms of population size in the State. The district has recorded literacy rate of 79.2%. This district has recorded 3rd highest percentage of household industry workers to total workers of 8.1% among the districts. The district sex ratio is 1007, higher than the State sex ratio of 996. SC and ST accounted for 21.85 % and 1.85 % of the population respectively (ibid). Majority of the beedi workers in this district, particularly in the rural areas, come from the Vanniar community. The Vanniar community is a politically influential MBC (most backward caste) community dominant in the northern

districts of the state. They have been at the forefront of caste related violence, in the last decade, against the dalit communities in the state.

SC community are also engaged in this occupation in some of the villages as also Muslims who are found in significant numbers in Vellore and other towns in the district. Almost all the talukas in this district have concentration of beedi workers, with both men and women engaged in this occupation unlike the other two districts. Both are involved in almost all the stages of beedi manufacturing and there is not much variation in the kind of responsibilities they share. In many places it is mostly the men who get the raw materials and supply the finished beedis to the shop. These communities have been rolling beedis for generations.

ii. Process of Beedi Production

Although the beedi manufacturers are large enterprises, most of the actual production is carried out by smaller unincorporated units. Since most beedi production is undertaken either in homes or small work sheds, production is widely dispersed and often shifts from place to place, and it is difficult to identify an employer-employee relationship as beedi production is undertaken through a chain of contractors and subcontractors. (ILO, 2033)

There are two ways by which the production system is defined with the *first* being where the trade mark holding company provides raw material to contractors, who in turn issue the tobacco and tendu leaves to the workers and collect the finished product and deliver it to the company. The shops managed by the contractor are known as “company shops.” In the *second* system the main contractor gets the raw material from the trade mark holding company, which in turn is supplied to the sub-contractors who maintain links with the workers issuing them the raw material and collecting the finished materials. (Gopal, 1999) The relationship between employers and employees is not very well defined. The rolled beedis are handed over in bundles to the contractor/middleman. After checking them carefully and deducting for poor quality of beedis and other reasons, the payment is made based on a piece rate wages fixed per 1000 Beedis.

The different stages in beedi making starts with the tendu leaves (i.e. the leaves used as beedi wrappers) being cleaned, cut to appropriate sizes and softened by soaking them in water for a few hours by the workers. In the next stage, tobacco is rolled and wrapped in tendu leaves. Both ends of the rolled beedis are then folded in and tied with yarn. Rolled beedis are then tied in bundles, each bundle consisting of 20 or 24 beedi as required by the company. They are dried in the sun for the beedis to acquire a colour which is required.

The workers come to the shop and bundles are then checked for quality in respect of sizes, quantity of tobacco filled, etc., and any defective beedi are removed by the person who is supposed to check them at the company store. Unlike Madhya Pradesh and West Bengal, in Tamil Nadu popular beedi brands have their office/branches in some villages where the clerk, supervisor and a person to weigh the raw material usually sit. The approved bundles are then stacked in trays after which they are picked up the vehicle coming from the company/marketing centre where they will be again checked on a sample basis before they are dried again, labelled and packed in bundles for market.

Visits to village branch of Chandrikabeedi and Kajahbeedi, in Tirunelveli district, gave a glimpse into the process when the workers come in the shop. Behind a long table a supervisor was sitting receiving, checking and calculating the rolled beedis brought by the women workers; next to him sat a clerk making entries in register and in her passbook; and then another person was sitting in the corner weighing the raw material (tobacco, rolls of tendu leaves) and giving it away to the women. Women workers from the same village and from the nearby villages come on the scheduled time to deposit the rolled beedis and to collect raw material for the next lot. Women from the same village or closer by villages are given raw material enough to roll beedis and deposit back by next day but to women who are from far off villages raw material is given in comparatively larger quantity so that they can come back in 3-4 days to deposit their rolled beedi bundles.



Village branch of Kajahbeedi

STATE SALARY FROM - JULY 2015		
	BASIC	D.A.
CLERK	3600	3765
SUPERVISOR	3400	3765
WEIGHTER	3300	3765

Wage rate displayed in village branch office

In Thoothukudi district in a few villages, cutting of beedis was done exclusively by some women, to be collected by the leaf supplier later on. In these villages people do not know how to roll the beedis. These villages were inhabited predominantly by people from the SC community. In Vellore district the practice of supply of raw material and collection of the finished product is done by the agents.



Packaging and labeling process Beedi packet with warning

iii. Legal and Policy Framework for Welfare of Beedi workers

Governments, both Central and State, over the years have enacted legislation and policies aimed at monitoring working conditions and providing social security benefits for the welfare of beedi labourers. Besides the existing labour laws such as Minimum Wage Act and the Provident Fund Act, the Government of India has also enacted laws specifically for the beedi sector workers.

Acts & Provisions

The Beedi and Cigar Workers (Conditions of Employment) Act, 1966

An act to provide for the welfare of the workers in Beedi and cigar establishments and to regulate the conditions of their work and for matters connected therewith. It provides for coverage regarding daily hours of work, weekly rest, leave with wages, maternity leave, benefits and welfare amenities such as drinking water, toilet facilities, canteen, etc. At the state level the Deputy Commissioner of Labour (Inspections) is also the Chief Inspector of Beedi Establishments under the Beedi and Cigar Workers (Conditions of Employment) Act, 1966 and S/he reports to the Commissioner of Labour in the State Secretariat. S/He is assisted by 28 Inspectors of Labour, 68 Deputy Inspectors of Labour, 218 Assistant Inspectors of Labour in the state

The Act prohibits an employer or contractor from arbitrarily rejecting more than 2.5% of the beedis as sub-standard beedis. Rejection of 5% would necessitate making entries in writing, recording the reasons for rejection so that the workers have a record in writing. In practice however, the rate of rejection is higher.

The Act does not apply to the occupier or owner of a private dwelling house involved in the manufacturing process with the help of his family or anybody who is dependent on him, provided the owner or occupier is not an employee of an employer to whom the Act is applicable. Also prescribed in the statute are measures to promote healthy working conditions of workers at workplace in terms of cleanliness, ventilation, first aid, etc.

The Beedis Workers Welfare Fund Act, 1976

One of the ways in which informal workers have been reached, including some groups of home based workers, is through sectoral and tripartite welfare funds of which the Beedi Workers Welfare Fund is the oldest example for which The Beedis Workers Welfare Fund Act, 1976 was enacted. The Beedi Workers Welfare Fund rules stipulate that the owner of an establishment or a factory or contractor should maintain a register of works and furnish statistics and other information as required by the government from time to time. Employers are to provide photo identity cards to every worker. The main emphasis of the welfare measures is on the health sector since beedi workers, as a category of workers, are involved in health hazardous occupations. The BWWF is financed through a levy of cess (revised recently from Re.1 per 1000 beedis to Rs. 2/-) by way of excise duty on manufactured beedi, which is revised periodically by the central government. This cess applies only to registered companies manufacturing more than 2 million beedis per year. This loophole is exploited by company owners who break up the production units to circumvent the limit. As per one of our key informants, this is the reason why the Beedi Workers Welfare Fund, which is formed out of the cess collected, is also seeing a dip. According to him, this has led to cutbacks in scheme and delayed release of funds for provision of welfare measures such as

scholarships for the school going children of the beedi workers, and assistance for some medical benefits⁶.

The **other legal provisions** applicable to beedi workers are:

- The Minimum Wages Act, 1948
- The Employees Provident fund and Miscellaneous Provisions Act, 1952;
- The Employees State Insurance Act, 1948
- Payment of Wages Act, 1936;
- Maternity Benefits Act, 1961;
- Workmen's Compensation Act, 1923;
- Payment of Gratuity Act, 1972;
- Chapter IV and Section 85 of the Factories Act, 1948; and
- Children (Pledging of Labour) Act, 1933.

Most of these Acts are applicable vide the 1966 Act.

Schemes for Beedi Workers

Apart from the above, there have been schemes which are being implemented both by the central and state governments for the welfare of the beedi workers.

The **Revised Integrated Housing scheme for beedi workers**, 2005 of the Government of India is being implemented in Tamil Nadu. According to this scheme, the cost of construction per house is fixed at Rs. 45,000/=, out of which the Government of India is giving Rs. 40,000/= as subsidy from Beedi Workers' Welfare Fund. The balance of Rs.5000/- has to borne by the beneficiary. Since in TamilNadu the State Government is giving Rs. 5000/- per house as its subsidy,therefore the beneficiary need not shell out his/her part of the contribution. The construction work is entrusted with the District Collectors.To avail this benefit, the worker should -

- i. have worked as Beedi worker for at least one year,
- ii. possessown land / free patta issued to him by the government in his name or his spouse.
- iii. hold a Provident Fund Account.

There are programmes for the children of beedi workers which aim to provide financial assistance to school going children for purchase of dress, slates, note books and text books. There are **scholarships for children** from class V onwards up to college ranging from Rs 500 to Rs 8000 per child. There are also scholarships for beedi workers' girl children for attendance in schools and colleges as also special incentives for good academic performance where scholarships are provided.

But number of beneficiaries accessing/availing this scheme is very low. In KanyaKumari CITU leader comrade Sathyaneshan was feeling embarrassed while sharing, *"this year only 17 children got scholarship but next year I will try for more."*

The Central Government also has extendedthe **medical facilities to beedi workers** and bought them under the RastriyaSwasthyaBimaYojana for which workers need to contribute Rs 30 towards a smart card. Under this, a worker and his family (unit of five) will get an

⁶ Beedi Workers Hospital CMO personal communication

insurance cover of Rs 30,000. Claims beyond this would be reimbursed directly by the welfare commissioner to the concerned hospital (Hindustan Times, 2016).

The **maternity benefit** will be available to the beneficiary in the form of lump sum grant of Rs. 1000/- per delivery for the first two deliveries. A female beedi worker will be entitled to the maternity benefit, under the scheme, twice in her life time provided she has been a beedi worker, for at least six months before the delivery for which the benefit is claimed. In the case of the Maternity benefits Act, the liability for payment of maternity benefit rests on employers who tend to avoid it.

Access to schemes and challenges faced therein

A majority of the workers remain unaware of these legal enactments and schemes. There are no efforts seen by the state or centre to popularize these schemes and generate awareness about the schemes among beedi workers. To receive welfare benefits and funds workers must have an ID card issued to them by the employee or a local authority of the Labour Welfare Organisation of the Ministry of Labour. The identity card should have a photo of the worker on it. If the employer does not issue such a card they can be fined up to Rs. 2000. In spite of this many of the employers do not issue identity cards as this legitimizes the status of the worker as an employee.

None of the women, when asked, were aware about the Beedi Workers Welfare Fund and the benefits they could access from it. Majority of the beedi workers do not have the identity cards, to be issued by the employer, which are necessary for them to access the welfare fund and other schemes of government⁷. Most of them, in Vellore and Thoothukudi when asked for, showed the health card, issued by the Beedi Workers Dispensary, and not by their employers. The employers try and avoid issuing them an identity card because then they would have to be provided with all the statutory benefits including PF and gratuity.

“Workers take loan from the contractors so they are always under obligation to work for them and their chances of exploitation increase. If they have an ID card then they are eligible to avail the welfare measures given by the state and central governments. But a large majority of them do not have an ID card issued to them. The department does not have any direct contact with the workers and it is with the factory owners to ensure that regulations are followed properly. There are lot of vacancies in the department so enforcement is poor” admitted the labour inspector in Tirupattur.

Further, many of the women reported that they really don’t know which companies they work for. Even if they knew, they don’t have any kind of documentation which establishes the fact that they had worked for a particular employer. The establishment of worker-company relationship is a challenge, as reported by a union leader. “This is because all the beedis, when manufactured, are unbranded. It is only after the beedis are aggregated that they are branded by the company. The trademark owner has an agent who then further has a contractor or through the contractor a sub contractor. Therefore a majority of the

⁷CITU Trade Union Leader personal communication

beediworkers do not know whom they are working for. They can only be identify by the colour of the thread they use for tying the rolled beedi⁸.

Even when workers are aware and want to contest it in court/labour tribunals, the beedi companies make the situation really difficult for them, by denying them work and wages and eventually the workers end up working on the terms of the owner. Even if they get a favourable judgement from the courts it is very difficult to get it implemented in the field, for the owners would find some loophole or the other to ensure that the worker is not benefitted.

Dharmakeni, activist working with NavaJeevan Trust gave the example of a woman, from a village close to Alamgulam town in Tirunelveli district who resisted the sexual harassment by the company shop employees and was denied work for many months. With the help of the trade union her case went up all the way to the Supreme Court which gave her a favourable judgement and ordered that she be reinstated. The company immediately transferred her to a shop which was couple of kilometres away from her place of residence. The pressure of work and the distance to be travelled everyday ensured that she did not continue with that company for couple of months. And she started working with a company which did not offer her any employment benefit other than wages.

In yet another example in Kanyakumari district, Trade Union (CITU) leader Sathiyanesan shared that some beedi workers who were working for famous beedi brands like Mohan & Rohini were not registered for provident fund by their respective company. They complained to the labour welfare department who in turn asked the workers to provide proof of their employment by the company.

V. Perceived concerns of Beedi workers

Despite labour laws which aim to protect the interests of beedi workers, the real benefit does not reach the workers; the law is flouted in various ways by those who employ them and the workers end up being exploited. The workers come from the marginalised section of the society and are helpless because of their poverty and lack of awareness, resulting in atrocities being perpetuated on them on a regular basis.

i. Arbitrary rejection and losses to workers

Women have to go to the respective beedi company (which is like a store) to obtain work and their wages. Generally, when the employers supply the material for 1000 *beedis*, the material is not enough and usually there is a deficit of 200-300 *beedis*. The workers have to fulfil the shortfall of raw materials on their own. It's usually the tendu leaves which have to be bought in order to replace the missing material so that they can roll and deliver the required number of *beedis*. Women in all the three districts said that the quality of the tendu leaves have been poor with either they not being of required colour, have torn edges or they have gaps which would be impossible to cover. "We have to listen to them, do what they say and they do not listen to us." This is how the women described their working situation. Beedi workers are required to "buy" the raw material from the contractor and

⁸Personal communication with AITUC union leader

“sell” the finished Beedis back to the same contractor. The workers absorb the losses if the raw material is damaged or it is not of a particular specification.

A very common practice in the industry is the large rate of beedi rejection, by the checker at the company store, on grounds of poor quality. The reasons for rejecting the beedis include not putting sufficient tobacco in the rolled beedis, holes in the leaves, ends not being properly sealed, insufficient drying, tying the beedi roll loosely and colour of the rolled beedi among others. Women reported that mere talking back to the company shop representatives in a manner which is deemed as aggressive by the latter may result in an entire day's effort getting destroyed in front of one's eyes. No wages are paid for the rejected beedis and the rejected beedis are either taken by middlemen or sold in the market at a lower rate. Sometimes it is also broken and the tobacco given back to the rollers. Such exploitation sometimes leads to shortfalls to the extent of 300 to 400 beedis and additional work for the beedi rollers.

ii. Irregular, non-uniform and paltry wages

Union leaders, management representatives of the beedi companies and officials from the state government labour department sit together, every 3 years, to decide the quantum of increase in wages. But the meetings don't take place in the stipulated time mostly due to lack of participation from the beedi companies and therefore now the wages are being revised every 3.5 years.

Once there is an agreement regarding the new minimum wages then a Government Order notifying it is brought out, for which there is again a delay of around one year sometimes. In the meantime the companies again shy out from giving the new wages citing its non-notification by the state government. The delay in notification, of the last agreement, happened due to an ongoing case in High Court where Ganesh Beedi wanted the new minimum wages to be cancelled citing its inability to pay the same⁹. From 01st April, 2016 the wages have been fixed at Rs 191.30 which some of the companies have been paying in Tirunelveli. Out of this the workers have to spend around Rs 20-25 for the materials required to roll beedi if they have to finish the target 1000 beedis. Gratuity is being paid to very few workers though most get provident fund and pension benefits in this industry. DA increases every year and ranges between Rs 8-10 but not all the workers benefit equally.

The fixed minimum wages are also not being received by majority of the women workers in all the three districts. Most of them, except few who are associated with trade unions, are not aware of what wages the government has notified for the work they are doing as a beedi worker. The workers have to spend around Rs 20-25, out of their wages, for the material (shortfall) required to roll beedi if they have to finish the targeted 1000 beedis.

Unlike the other two districts, in Vellore everyone in the family (including men) contributes their labour towards achieving the daily target. But on an average the workers said that they make anywhere between Rs 100-170/- per day after deduction of shortfall of material (Rs 35-70) for the beedis they roll. And usually 25-50 extra beedis have to be given for every 1000 beedis they roll.

⁹ Personal communication with CITU leader

In Vellore & Thoothukudi they don't give the rolled beedis everyday to the company and instead when they are done with the contracted number, go and give it at the shop or the agent comes and collects it from their homes. So they can take one or two days extra to make the required number of beedis which is convenient for them but then their earnings also come down.

The beedi workers work as daily wage earners and are unable to meet their daily needs with the paltry wage they get and end up taking debt from multiple sources. Once they get into this cycle of taking loans then it is very difficult or almost impossible for them to get out of the trap. They pay usurious interest for the money they borrow from money lenders. "*Varavatti*" (interest which is paid weekly on loans taken) is a serious problem among the Beedi workers.

Ever since the demonetisation process began (9th November 2016), wages have been delayed and they have been forced to take more loans from the moneylenders and microfinance companies. They are being forced to open bank accounts and since most women don't know how to use the ATM cards, their husbands access the accounts. They said that now their husbands know exactly how much they make and so their freedom to spend has reduced. This whole new system of wage payments has put more pressure on them in other ways too. Since they are unable to withdraw money from the bank/ATM in one go, they have to make repeated visits, for which people make fun of them. Also many a times the time spent in these places wastes a lot of their time which could have been otherwise used for rolling beedis. Since they are not able to make the target 1000 beedis they are forced to take beedis, on loan, from other women to finish the target. Banks/ATMs are not places which were accessed by the beedi workers in the past and so they find it a very alien place where they are not welcome.

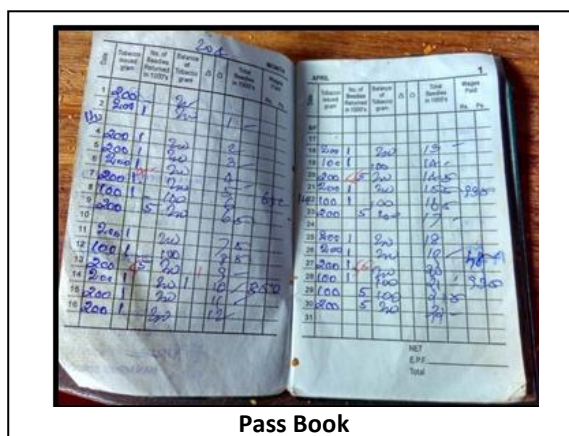
iii. Pension and other social benefits

Many of the workers said that despite been working in the industry for 20-25 years, they still don't get a pension. In Tirunelveli many of the workers were aware about the pension and other benefits but in the other two districts the awareness level, in comparison, was much lower. Only a very small minority, in Tirunelveli, had awareness of gratuity benefits being paid to workers while in the other districts had not heard about gratuity and it being paid to those workers who had continuously worked, for five years, with a beedi company. A large number of workers in all the three districts reported that provident fund benefits are being given. Some of them had received benefits under the Maternity Benefits scheme as also they knew others who had received it.

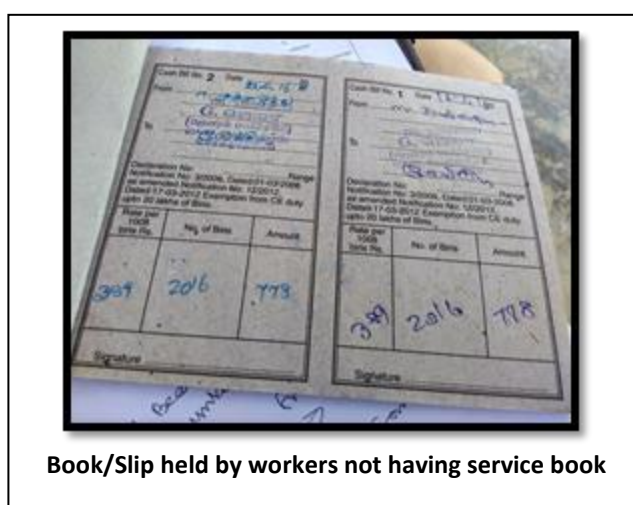
In Vellore and Thootikudi, most of the workers had not been issued with a pass book and just had a "*chittai*" (small notebook) in which entries had been made. But these "*chittais*" would never make them eligible to receive any of the benefits given to passbook holders such as provident fund, bonus and wages for leave days. Those without passbooks, generally, are paid lesser than the passbook holders.



Service Book



Pass Book



Book/Slip held by workers not having service book

iv. Alternate Livelihoods

Agriculture has been severely affected by repeated droughts over the last couple of years which has resulted in large areas of farmlands remaining uncultivated with a consequent decrease in demand for farm hands in all the three districts. The wages in agriculture are much lower than what they would make in beedi rolling. In any case agricultural work is not regularly available.

The MGNREGA (or *kolamvelai*, as it known locally) has not been functioning in a manner where women get employment and wages on a regular basis. Many of them reported that the wages are delayed by as much as 3-4 months under that programme. The work is not convenient the workers felt, for one may be allocated work in a site which is couple of kms away from the village and then they can come back only after the stipulated time which is usually not flexible. Though the wages in MGNREGA are less compared to what they earn by making beedis, but then they can get away by working for a couple of hours, they all agreed.

Women, in all the three districts, felt that they don't have any alternative other than beedi rolling to earn a livelihood. In Vellore, agarbatti making is also another occupation but few of them work under that these days because wages are even lower than beedis. People go to

other places and work in the construction sector in nearby towns and Bangalore. But then it's mostly men who migrate to other cities/towns and women mostly stay back with the children. Women said that having to manage both beedi rolling and household work, without support from the male members of the family, is very stressful at times.

v. Health impact

The nature of work which involves prolonged sitting with forward trunk bent, the excessive use of fingers and the constant high tension levels to meet targets cause a number of health problems. Callosities in hands, fatigue in the arms, numbness in fingers, throat aches, respiratory disorders, and piles or pain in urinary tracts were common problems faced by a vast majority of the Beedi workers. As they are constantly exposed to tobacco dust and used to sitting for long hours, the workers typically experience health problems like respiratory irritation, back and neck pain, arthritis and gynaecological problems. Beedi rollers also spoke about headaches, nausea, giddiness and burning of the eyes and how they just keep ignoring it and get used to the condition.

Back ache, neck ache and joint problems were reported by most of the beedi rollers, and these arise essentially due to the poor posture in which the women sit and work for long hours without any kind of break.

The CMO at the Beedi Workers Hospital stated that "All poverty related diseases are there considering that workers come from the poorest section of society apart from tobacco related diseases because of the occupation they are engaged in. A lot of postural problems, lack of vitamin D because they work indoors, and deficiencies related to poor food habits are common. Consumption of milk and other nutritional food is less or almost negligible, partly because of their misconceptions, and partly because they don't have the means to buy these products.

Tuberculosis and asthma were repeatedly mentioned during the discussions with Beedi workers. Beedi rollers handle tobacco flakes while inhaling tobacco dust and volatile components in their work environment. The chances of diseases such as tuberculosis getting transmitted becomes high when ventilation is poor and they work inside small households with very little space, exposed to tobacco dust as well as other indoor air pollutants including kitchen smoke. Many of them said that this kind of work left them with reduced appetite, due to the monotonous work as also the smell of the raw materials. And with unrealistic targets to meet, they don't get enough time to cook and eat a proper meal which not only affects their health but also of their family.

vi. Access to water, sanitation and food

Though sanitation facilities are improving in the state due to various initiatives taken by the government, non-government actors and own initiatives of people, open defecation is still a reality in most villages where discussions with beedi workers were held. Even in villages where people have toilets in their homes, many of the older people still go out in the open unwilling to break their old habit. Also lack of sufficient water is a big limiting factor preventing the usage of toilets wherever they have been constructed with the help of either government/non-governmental organisations.

Even today in villages where there is no toilet, women can go for nature calls only in the early morning or in late evening because of which they face lot of health problems. The village common lands and irrigation tanks, overgrown with the invasive *Prosopis juliflora*, provide a good hiding place for people to relieve themselves or throw garbage. The workers residing in urban/semi urban areas even don't have this luxury of space and are just forced to minimise food and water intake so that they don't feel the urge to use the toilet.

A range of diseases like diarrhoea, chikungunia and malaria, linked to poor water and sanitation, is recorded year after year taking a toll on the health of family and their finances. The worst affected people due to lack of clean water and sanitation are those who are inherently weak -- physically-challenged people, women and children. Skin problems, TB, asthma are common because of their occupation. They mostly go to the government hospitals and sometimes access services of private doctors.

The PDS system in the state is still functioning well, in comparison to other states, and therefore people said that they get most of the items like rice and other items¹⁰, regularly from the PDS shops.¹¹ So even if they are without money; food intake has not been affected much. The important question is whether they have the resources to buy and eat other food items (which are more nutritious like meat & egg products, vegetables, etc.) on a regular basis. And workers reported, across all the three districts - that save for what they get from the PDS shops they don't buy much from outside for they cannot afford it.

vii. Health System and its Accessibility

The Beedi Workers Hospital at Mukuddal town in Tirunelveli District is the only one in Tamil Nadu for beedi workers. It started as a dispensary in 1983 and, in 1987, was upgraded to a hospital, with 28 beds. It functions under the Ministry of Labour, Commissioner of Welfare. There are 6 staff nurses and 2 doctors apart from the CMO. It serves the population coming under a 15 km radius of the hospital.



Central Hospital Mukkudal

Shortage of funds is seriously affecting the services which can be provided to those who come here with an ailment, stated the CMO of the hospital. Only Out Patient services are being provided currently and the number of patients coming in have come down from 400-500 /day to 150 odd now. Occasionally IP services are being provided but no surgeries are performed unlike earlier times. The CMO has a sanctioning power of Rs 12000/- yearly compared to ESI which has a Rs 50 lakhs limit and that affects the procurement of medicines

¹⁰ pulses (some), sugar, palm oil and kerosene

¹¹ But during discussions trade union members reported that for the past 5-6 months there has been some disruption in the availability of the other items. And they felt that it was the central government which was to be blamed for the situation because they were cutting the outlay of the state government which resulted in reduced supply into the system.

and other supplies. It's under the consideration of the central government to bring this under the Central ESI and that may result in improvement of the services which is being offered from here.

Referrals are done to the state government hospitals located in Tirunelveli including the medical college. People also access the state government health services which provide reasonably good services. Only those holding ID cards can access the services which are provided from these health institutions. More women access the services considering most beedi workers are women.

Apart from the beedi workers hospital, there are dispensaries in all the districts but their state of functioning is not satisfactory with not enough staff and supplies to serve the population which comes to access the services. It was reported by the beedi workers that only nurses are there regularly while the doctors make 2-3 visits in a month. Many a times they don't even get medicines for basic ailments like fever, stomach pain and they have to buy it from medical shops. And so they avoid going to these dispensaries because even after spending time there one does not get much relief.

viii. Education of children

The beedi workers said that compared to earlier times the children are not engaged in this occupation on a regular basis and help whenever they have time and it's mostly girls who help them with the task. Children are going to school/colleges but they said they are not getting much support from the government for getting their children educated. Scholarships have not been paid for the last 2-3 years now, some of the women reported.

An AIADMK MP from Tamil Nadu recently said "the scholarships for beedi workers' wards' have not been released for the academic years 2013-14 and 2014-15. There is a backlog of Rs. nine crores to be given away as scholarships to the poor beedi workers' children and the full amount of Rs. 14 crores have not yet been released for the year 2014-15"¹².

The workers said that their own status as illiterates/semi-literates does not help with respect to this issue for they are not aware about the schemes. They don't have the time to go and do follow up in this regard and even when they manage to go, the response from the officials is not very helpful.

ix. Living conditions

The households, being poor, generally inhabit one room houses or small huts, which are ill equipped with respect to air, light and water. For women who work at home in small huts with very little ventilation the tobacco dust remains in the home where women and their families eat, sleep and spend their entire time.

¹²<http://knnindia.com/news/newsdetails/sectors/there-shouldnt-be-any-exemption-of-excise-duty-for-beedi-mfgs-producing-less-than-2-lakh-beedis-tn-mp>

The scarcity of space where both living and working goes on, poses problems at times. This is particularly acute in the urban areas where space is a big constraint. The raw materials together with discarded leaves, cut pieces of the leaf, tobacco dust and so on lie scattered around in the homes of the workers. In addition, the fumes and dust of tobacco pose tremendous health hazards to women workers and other members of their family, especially children.

Most dwellings of the beedi workers are poorly maintained with unclean surroundings. Many of them don't have their own houses and instead stay in rented dwellings which add to their burden. This is the situation particularly in the urban areas. Within the villages the situation of those coming from the SC community is the worst because most of them don't own any land. Apart from that they also face discrimination at multiple levels.



Cramped Working Conditions of the workers

VI. Role of Unions & Other Organisations

The beedi industry came under the influence of the trade unions as early as 1920-30s. The five major Central Trade Unions¹³ have been organising beedi workers for many years and there are also other independent organisations in a number of states of India. These efforts have led to the revision of minimum wages and coverage of many beedi workers for social security under the BWWF in several states. There have been also instances where cooperatives¹⁴ of beedi workers have been formed to protect the interests of the beedi workers. (ILO, 2003)

Despite these efforts, the coverage of welfare policies and the degree of organisation are still weak. The shift from factory based production to home based beedi rolling (which started in a large way after the beedi workers laws came into being, especially after 1976) adversely affected the organising process. The implementation of minimum wages, dearness allowance and other regulatory provisions of the beedi workers law have also been a major problem, especially in the home based work. (ibid)

In practice, one of the most powerful barriers to organizing has been seen to be fear – women have been brought up to fear their men, their employers, and their communities. Traditional attitudes towards women result in a lack of mobility, a lack of value for women's worth, and a position of deference to male opinions; traditional attitudes also lead to a

¹³BMS, INTUC, CITU, HMS and AITUC

¹⁴such as Kerala Dinesh Beedi Workers' Cooperative Society Ltd, which at one time was providing employment to over 32,000 workers

sense of helplessness among women, which must be overcome before they can begin to take their lives into their own hands.

Yet another factor that impedes organizing is the manner in which the isolation of home-based work can lead to competitiveness with each other. MeenaGopal (1999) writes: “as the workplace enters the homes, where each woman is literally on her own...women are isolated in their struggle for survival... Being unaware of the workings of the industry and the real reasons why certain terms and conditions are imposed on them, they try to compete with each other also. Thus, their own labour process exercises divisiveness”.

The number of workers involved in the Beedi industry is on a descent from earlier times because of better work opportunities in other sectors, particularly construction and retail sector, and lack of interest of the younger generation to take up this occupation. The average age of the worker in this industry is now more than 40 and is increasing every year¹⁵.

Unions are active in a maximum of 100-150 villages in entire Tirunelveli district. At the most around 1000 odd workers come together whenever there is a struggle on an issue. There are others too who would be members of the Union, having paid a membership fee, but would find it difficult to come forward for a struggle because of fear of losing one's work and means of livelihood. Overall it's difficult because the trade unions have not been able to organise even 10 % of the workers who are working in this industry¹⁶. The trade unions have not been getting any powerful judgements in recent times; the courts have not been very compassionate towards the interests of the workers. As per one union leader “The government machinery, particularly the enforcement agencies, has not played the role they should have. They don't take any action even when we repeatedly approach them with complaints. The political parties are also just bothered about the conditions of these workers when elections are announced”¹⁷.

The union leaders said that the unions are not against the anti-tobacco policies of the government but at the same time were concerned about the effect the same would have on the livelihoods of those who are employed in this industry. The owners of the company have already diversified their interests and have opened different businesses which could be an alternative for them, but for these workers other livelihood options are limited. Agriculture is in deep crisis in most areas what with the second consecutive year of drought having hit families in rural areas very hard. And the demonetisation effect has only added to it. People have not been paid wages for more than a month now which has forced them to borrow money from lenders at very high interest rates.

Nava Jeevan Trust, Tirunelveli

The trust has played a very key role, by partnering with the CITU, in bringing about awareness among the beedi workers about the exploitative situation in which they are working particularly in the Kilapavoor block of Tirunelveli district. Pavoorchatram village in Kilapavoor block was where it started work, in the 90s, which was a socially conservative area with loyalty to the Congress party. Today, the union is very active in that area/block

¹⁵ Personal communication with CITU union leader, Tirunelveli

¹⁶ Personal communication with CITU union leader, Tirunelveli

¹⁷ Personal communication with AITUC union leader, Tirunelveli

because of the efforts put in by the organisation, spanning more than two decades, raising issues of beedi workers, women, and children. It was not easy to gain the trust of the workers, also the men were not at all supportive of what we were doing and without their support it was difficult for the women to come out of their home for a struggle. Also the rights based approach was not at all looked favourably by the owners of the beedi companies and they tried to disrupt its activities.

Today the organisation is working in 17 villages with an active membership¹⁸ close to 600 beedi workers. Lot of trainings were organised at the cluster level (group of villages) for the beedi workers. This not only helped built up the confidence of women but also made them aware of the possibilities when they are together. Many of the women workers were even taken to meetings held in others towns and states too to give them an exposure. Initially the trainings were conducted by NavaJeevan trust before they were taken over by CITU and AIDWA.

Due to organization's efforts some of its members are office bearer of trade unions –at local or district level. Ariyamullai, who was associated with Navjeevan Trust since 1991, now district treasurer of CITU shared, “We organize beedi workers and have regular meetings with them. Earlier there were only 30 members and now there are 250 members. Women feel comfortable in sharing their problems and to resolve their problems we have to raise voice against management.”

The organisation feels that government has to seriously consider rehabilitating beedi workers who may get affected by the changes coming in the sector due to its policy. There is a need to focus on skill development programmes, for alternative livelihoods so that as the workers become more skilled they would move away from this occupation. But even then fully rehabilitating all the workers from this industry would be nearly difficult considering the huge numbers, the organisation felt. The trust wants to promote a cooperative of beedi workers, on the model of Kerala Dinesh Beedi, but because of inadequate government and other stakeholders support, the initiative did not move forward.

The trust never guides workers to join any particular union. Unions don't have lot of resources and though the trust doesn't support them all the time, the office space is shared with them for organising meetings. It has been working with CITU and AICTU over the last two decades. But being a trust they feel they are limits to the extent they can work on a rights based approach unlike the trade unions. The trust believes that a lot more can be achieved if all the unions, at least the left based, come together and decide upon a joint action plan.

¹⁸ Out of more than 3500 who pay the annual membership fees of Rs 35.

VII. Key Issues in the State

i. Wages& livelihoods related

- There is delay in notification of minimum wages by the state government, which is the statutory authority and also the wage revision is now happening at a gap of more than 3- ½ years compared to the earlier 3 years.
- The production of beedis is slowly shifting to other states, with lower wages. In the absence of alternative livelihoods women, people from the SC community are getting affected by this.
- Majority of the workers are in debt, taken from multiple sources at high interest rates and it is a vicious cycle from which they are unable to come out.

ii. Work related

- The rules regarding rejection of beedis, based on certain parameters (25 per 1000 beedis) made by the government are followed in paper only.
- Materials supplied by the beedi companies/contractors are not only of poor quality but also short in quantity because of which workers have to spend out of their own earnings to meet the shortfall so that the required number of beedis could be made.

iii. Labourrights related

- The system of subcontracting of production and labour to intermediaries/ contractors and the non-implementation of the labour laws by the contractors continues unchecked.
- Enforcement of labour laws is lax in all the areas and one of the important reasons attributed to this is the huge number of vacancies in the labour department.
- Except in parts of Tirunelveli beedi workers are not at all organised in other districts.
- There is very little awareness about their entitlements among the workers, majority of whom are illiterates/semi literates. There is a need for building up their awareness.

iv. Health related

- Occupational health problems and inadequate health care services. The Beedi Workers Hospital in Tirunelveli is functioning at sub optimal level and it's a huge waste of resources which could be utilised for the welfare of the beedi workers. The dispensaries in different locations also don't have enough doctors, support staff and supplies of essential medicines.

v. Others

- Taking advantage of the loopholes in the Central Excise Act producers, avoid paying cess, which funds the Beedi Workers Welfare Fund, by showing production below a certain limit.

VIII. Conclusion

Beedi workers in India, the third largest component of the work force in India after agricultural workers and textile workers, live and work in conditions of poverty and exploitation. Given the health problems, the exploitative conditions, lack of regulations for the vast majority of beedi workers and the nature of the industry being home based, serious consideration needs to be paid to the conditions of the workers.

Governments, both at Centre and State have enacted various laws for the welfare of the beedi workers but the reality is that these measures have done little to improve the working conditions and livelihoods and they still remain among the most marginalized and exploited sections of the society.

With lakhs of workers in Tamil Nadu and millions across the country, any move towards the banning of tobacco products and discouraging tobacco use must begin with finding and promoting alternatives for workers involved in this industry. The failure to do so would not only create social problems but will also be an infringement on the right to livelihood of these workers. And the responsibility for the same lies with all the stakeholders particularly the beedi company owners, the state labour welfare department, trade unions and the civil society among others.

IX. References

- Ansari, MohdShamim, and Aparna Raj. 2015. Socio-Economic Status of Women Beedi Workers in Bundelkhand Region of Uttar Pradesh: An Empirical Analysis. *UTMS Journal of Economics* retrieved on 07th Jan, 2016 from http://utmsjoe.mk/files/Vol.%206%20No.%201/6-1-4-UTMS_Journal_of_Economics.pdf
- Babu, G (2011, Oct 11). Business-standard.com.Tamil Nadu beedi makers move to West Bengal; retrieved on 14th Jan, 2016 from http://www.business-standard.com/article/sme/tamil-nadu-Beedi-makers-move-to-west-bengal-111101100057_1.html
- Best Practices Foundation (2001).The Beedi Industry in India:An Overview; retrieved on 09th Jan, 2016 from <https://www.scribd.com/doc/95519427/The-Beedi-Industry-in-India-An-Overview>
- Census of India (2011). Tirunelveli census; retrieved on 07th Jan, 2016 from http://www.censusindia.gov.in/2011census/dchb/dchb_a/33/3327_part_a_dchb_tirunelveli.pdf
- Gopal, Meena. (1999). Disempowered despite Wage Work: Women Workers in Beedi Industry. *Economic and Political Weekly*,34(16/17), WS12-WS20. Retrieved on 14th Jan from <http://www.jstor.org/stable/4407875>
- ILO (2003). Making ends meet: Beedi workers in India today ,A study of four states; retrieved on 09th Jan, 2016 from http://staging.ilo.org/public/libdoc/ilo/2001/101B09_362_engl.pdf
- Knnindia.com. Excise exemption for Beedi manufacturers; retrieved on 13th Jan, 2016 from <http://knnindia.com/news/newsdetails/sectors/there-shouldnt-be-any-exemption-of-excise-duty-for-Beedi-mfgs-producing-less-than-2-lakh-Beedis-tn-mp>
- Mishra, G. A., Pimple, S. A., &Shastri, S. S. (2012). An overview of the tobacco problem in India. *Indian Journal of Medical and Paediatric Oncology* retrieved on 09th Jan, 2016 from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3523470/#ref8>
- Nandi,A, Ashok,A, Guindon.GE, Chaloupka.FJ &Jha.P (2014). Estimates of the economic contributions of the bidi manufacturing industry in India retrieved on 07th Jan, 2016 from <https://www.ncbi.nlm.nih.gov/pubmed/24789606>
- NCW(2005)Women Beedi Workers A Report; retrieved on 09th Jan, 2016 from <http://ncw.nic.in/pdfreports/Women%20Beedi%20Workers.pdf>
- Peoplesdemocracy.in. (2016).No concern for job and survival of Beedi workers; retrieved on 09th Jan, 2016 from http://peoplesdemocracy.in/2016/0501_pd/no-concern-job-and-survival-Beedi-workers
- Shankar, R (2016, Oct 21). Why are beedis outside the tax regime; retrieved on 13th Jan, 2016 from <http://www.newindianexpress.com/opinions/columns/ravi-shankar/2016/oct/21/why-are-beedis-outside-the-tax-regime-1530119.html>

X. Case Stories from field:

Case 1

Three brothers and their wives

In Periagaram three brothers were beedi workers from child hood. They continued the work of their parents. Their respective wives in their early forties are also beedi workers from early childhood. The three ladies are widowed and narrated their struggle.

Mrs S (name changed) was married more than 20 years ago. She has 3 children. The elder boy (18years) is studying in college. The next two are girls aged 15 and 14 studying in school. Her husband used to drink and smoke and played truant in work. He is said to have died of heart attack 15yrs ago said to be due to occupational hazard and drinking. The company paid PF and no other help offered.

Mrs S (name changed) married more than 20 ago. Her husband was not regular in work and was drinking and smoking. She has 2 sons. First son 19 yrs old is in college and the second is in school. Her husband died 13 yrs ago of heart attack. The company paid PF and no other help provided.

Mrs S (name changed) married more than 20 yrs ago. Her husband was a heavy smoker died three years ago due to stroke. She got PF and no other help. She has 4 children .The eldest boy has studied up to 11th and is working as shop assistant. The second boy is physically disabled aged 17 is a school dropout. The 3rd and 4th are girls are aged 7 and 3yrs aged.

These women who were victims of domestic violence are working for more than 20 yrs and they are not aware whether their husband's registration will continue for them or they need to be registered as individual workers. They don't know the main contractor who supplies the raw products and the name is kept as a secret. If they start questioning and start demanding they may be sent out of job. As beedi work assures some steady income they continue beedi rolling. They face all problems that other workers face like reduction in wages for reduced and bad quality production. They are not used to hard manual work and are not taking up farm or construction labour. They are aware of government freebies and entitlement. They have their own homes built by government, SC scholarship for children's education and maternity benefits. They mostly depend upon government medical services. They don't want their children to take up beedi work.

Case 2

Plight of deserted muslim women beedi worker

56yrs old Mrs D (name changed) is doing beedi rolling from early childhood. Her husband 58 years old also is involved in beedi work from childhood. They have 4 children. 20 yrs ago after the birth of 4th child her husband deserted her and married another woman. She is struggling to manage the house. The first son 40yrs old married and lives independently. The second a girl 30yrs old and 3rd a boy 24 yrs old are physically handicapped and no vocational training availed for them. The 4th a girl is disabled having mental problem. These children are entirely dependent on her. She is not a registered worker and does not get regular work from a contractor. She does only rolling and other beedi workers give her

material and she rolls the beedis. The worker pays her Rs40-50 per thousand beedis. So she is not entitled for any benefits. The disabled children get financial aid of Rs1000 each from government with all this meager income it is difficult to manage family. There is no starvation due to public distribution system. They live in a hut without toilet facilities her community is not helpful. She struggles eternally.

Case 3

Senior citizen-Contractor reverted to beedi rolling

Mr S (name changed) a senior citizen has two legal wives. He started beedi rolling at a very young age. His wives also started beedi rolling at a very young age and still continue the work. He has provided them with separate establishment. They are all involved in this work more than 4 decades. For nearly 20 years he was an agent supplying raw material to about 15-20 workers. Now he has given up agency due to conflict with his contemporaries and gone back to beedi rolling. His spouses and himself are not registered and their request for registration was turned down. They are not eligible for PF pension and other benefits. His wives live in good concrete houses with toilet facilities.

He has three sons through first wife. The first aged 39 yrs completed schooling is a politician, the second aged 35 years is a victim of polio and works as an agriculture laborer and third is a MBA graduate and has private financing business. His son through his second wife passed 10th standard and does real estate business. All of them live separately in two storied houses with good toilet facilities and independent water supply. Through beedi work he has acquired property and they live in two storied houses. Children live separately and he shares the houses with his wives.

He smokes and drinks of late his health and vision is failing. His wives are falling ill often. He and his spouses have to do beedi rolling to make a living as they have no other source of income. Children have their own problem and expense and are not helping them. They are unable to get proper health care and they are not able to meet their health expenses in private sector. The quantity of rolling is decreasing with reduction in income Government OAP could not be availed as they have big houses and earning sons. He says life is a struggle for them.

Case 4

Mother of nine children

Mrs S (name changed) 37 yrs old living in Georgepettai gave birth to nine children and the tenth pregnancy was dead born. Her husband and she, both are beedi workers from their 10th Year. Both of them are illiterate. Her husband died 5 yrs ago due to jaundice. She is maintaining the family by beedi rolling. The eldest girl is married does beedi work and stays with her. The next three are married working in Kerala and other districts. The other 5 children aged between 5 yrs and 20 years are with her.

Her mother in law lives with them. It is a joint family managed by her. Her husband was working for more than 20 years in many companies and not confirmed. So she is not eligible for PF, pension gratuity and others. They live in rented thatched house with lack of ventilation and overcrowded. She suffers from aches related to her work and other members suffer from many illnesses. Medical help is needed. Government hospital is

overcrowded and they cannot afford treatment in private sector. They have to carry on as there is no resolution.

Case 5

Occupational hazard

Mrs M (name changed) aged 35 yrs involved in beedi rolling from early childhood was married in teens has three girls. Husband was working in tea shop. Her husband died 10 years ago. She suspect's witch craft in his death. Now she is supporting her 3 daughter's aged 10 to 16 years perusing beedi work. Adding to woes she had tuberculosis and treatment and not having regular follow up. It is not known whether the disease is active. She was asked to discontinue beedi rolling to cure the disease. She is not able to give up the job as there is no other means of earning to maintain the family. The first two children have studied upto 10th standard and not pursuing beedi work. As she does not know for which company she is working for and she is not registered with any company, so no bonus PF and gratuity. She is not eligible for govt support for housing and other entitlements. Free rice supply through public distribution system helps in sustainability of family. They live in thatched houses with no toilet facilities. It is an ongoing struggle.

Case 6

Conflict in pension payment

Mrs S (name changed) in her late forties from Beerbal nagar, a beedi worker from early childhood is the second wife of late Mr K (name changed) who was a beedi worker working for a company, got PF and gratuity and monthly pension. The first wife who was also a beedi worker ran away leaving behind two children. Mrs S was married 30 yrs ago. The step children are independent doing beedi work. She has a daughter 27 yrs old and son they have taken up other profession and not doing beedi work. After her husband's death she was receiving pension regularly. The first wife who did not have legal separation according to religious law and state law is claiming that she has the right for pension and the pension is stopped. She is trying for restoration of pension. She is not able to make beedi in adequate amount and her wages are drastically cut. Her son offers her financial support.

When her husband was alive the company did not give any help for housing children's education health care and other benefits. They live in a rented hut with no toilet facilities. Unable to make adequate beedies and with drastic cut in wages she struggles to carry on.

Case 7

Senior citizen's hardship

Mrs B (name changed) in her late seventies, living in Kottai Theru is involved in beedi work from early childhood. Her late husband also was a beedi worker from early childhood. Her husband worked as beedi worker for 45 yrs and he was not registered and was not eligible for PF Pension and gratuity and other benefits. She has 5 children the 1st is 60 yrs old and the youngest is 25 yrs old. The children were doing beedi work earlier and now all of them have changed their jobs. Her husband was ill after his 60th year stroke and was bedridden for some time. She was not able to give him proper care as medical treatment from Private sector was not affordable and Public sector health services were not satisfactory.

Her second son looked after the father and he is helping her now. Children are not well off and not able to help her. Companies are not giving her dues and she is not eligible for government help for housing old age pension and others She gets free rice in ration. With advancing age life is becoming harder day by day.

Case 8

Alcoholic husband and domestic violence

Mrs V (name changed) in late forties has studied upto 6th standard is doing beedi work after marriage. Her late husband has studied upto 6th standard started beedi work at the age of 10. He was involved in political activities. He was a heavy smoker and alcoholic was a very angry man throwing temper tantrum. He used to torture his wife physically and orally. He used to beat her and throw articles within reach at her. Once he threw a heavy grinding stone at her and she ran and escaped the hit and the stone fell down and broken into two. For the sake of children she had been patient.

Her husband died of heart attack 13 yrs ago. Her husband had worked for more than 20yrs and eligible for pension PF and gratuity. So far the company has not given them. They have 4 children two boys and two girls. 1st son is a graduate working in a company the second son has minimal brain damage and doing petty work and the girls have studied upto 10th. The elder girl is married and the other working in export companies. Her widowed mother-in-law over 70 stays with her. They live in tiled house owned by them.

She knows only beedi work and is not able to do any hard work. She says that she is a registered worker and has not received any benefits from the company. She hopes that children will have better future than her.

Case 9

Family carrying on the tradition of beedi work

Mrs N (name changed) 37 yrs and her husband Mr R is 43 yrs living in Aruthathiyar colony china kasinayakanpatti Panchayat are beedi workers. She is illiterate and her husband has studied upto 3rd standard. Mr R is doing this work from his 7th year and Mrs N is doing beedi work for past 25 years. They have one son and 3 daughters. The eldest daughter studied upto 7th standard married is involved in beedi work. The son and other two daughters have learnt beedi work and help parents in their work. They are capable of taking independent work.

The husband due to beedi work has developed pain in the abdomen and falls ill very often Mrs N suffers from gynaecological problems and she underwent a major abdominal surgery. Medical care was expensive and they have borrowed heavily. So the children are helping in beedi rolling to pay debts. They get the raw material from one Mr. S and is their regular contractor. Still he is not helping to get them registered for PF, bonus and other benefits.

They live in unauthorized land in a hut with no water supply and toilet facility. They are not eligible for govt help for housing. They are not having ration card for want of certain certificates. Their children lose opportunity to go for better jobs.

Case 10

Shelterless family

Mrs S (name changed) in her late fifties is illiterate and does beedi work for the past 25 years. Her husband also illiterate was doing beedi work for the past 30 yrs. Her husband was smoking and suffered from severe diabetes and high blood pressure. 4 months ago he took ill suddenly with vomiting blood. He was rushed to Dharmapuri Govt Hospital and later referred to government general hospital where he succumbed to his illness. She did not get any financial help, from the company through the agent and has borrowed heavily.

They don't have a house and their relative is kind enough to permit her to stay in her veranda. They don't get any benefit from the company and they don't get ration also for want of certificates.

She has many other problems. Her elder daughter 35 years is paralysed due to polio. She has not availed rehabilitation and vocational training services. She does not walk and drags herself. Mother gets blisters in hand and she does beedi work very slow with drastic reduction in wages. She cannot also give up the job as there are any other means. It is a continuous struggle for her.

Centre for Health & Social Justice (CHSJ)

Basement of Young Women's Hostel No: 2 (Near Bank of India)

Avenue 21, G Block, Saket, New Delhi 110017

Phone: 011-26535203, 26511425 Telefax: 011-26536041

Email: chs@chs.org Website: www.chs.org